



INTRODUCTION

- 1 SHA recognises that introducing private money into the public sector and extending the role of private firms are central elements of current public policy. We share the government's desire to provide the highest quality of public services and accept that for the foreseeable future this will involve public-private partnership (PPP).
- 2 SHA remains committed to a public service ethos and believes that all PPP activity in education should uphold the following principles:
 - The primary purpose of all PPP activity should be to benefit the learning and increase the opportunities of learners.
 - Democratic accountability must be maintained when services are delivered by private providers at public expense.
 - School and college leaders including governors, must receive full and appropriate support in and training for dealing with PPP activity.
- 3 This policy covers all kinds of public-private partnership involved in the delivery of services to local authorities and schools. It includes academies and PFI schemes. Full-scale privatisation is outside the scope of the policy and would generally be opposed by SHA.

LOCAL EDUCATION AUTHORITIES

- 4 There are two types of PPP that apply to LEA services.

The first is procurement under value for money (VFM) principles.

VFM criteria can be summarised as the four Cs:

 - Challenge
 - Compare
 - Consult
 - Compete
- 5 The second type applies when all or part of the LEA services are delivered by a private company.
- 6 Fair funding requires that schools should be consulted over the distribution of local budgets and in the updating of asset management plans. It follows, therefore, that LEAs should consult schools over any alternatives to direct delivery, whether by other public, voluntary or private sector providers.
- 7 SHA's primary concern lies with the impact on schools of the transfer of the main responsibilities of LEAs to private providers. Here the profitability of the venture can rest on the standards obtained by schools, even where they are not under the direct control of the private company. SHA will ensure that the statutory position of its members is protected and that support is available during any key negotiations. SHA will also work with LEAs and the local authority associations to develop a template for the future recognition of the respective roles and responsibilities of
 - LEAs
 - Private managers of LEA administration
 - Governors and school leaders.

- 8 SHA will vigorously oppose any arrangements that do not involve genuine partnership and clear lines of accountability to the local community.

PUBLIC-PRIVATE PARTNERSHIPS AND SCHOOLS

- 9 The principal forms involving direct provision of education in the maintained sector are exemplified by academies and failing schools turned over to private companies, where the responsibility for the delivery of education is devolved to the private providers. Here SHA is concerned with protecting the legitimate interests of its members, with the quality of education, with good governance and with best application of public funds.
- 10 The Private Finance Initiative (PFI) is essentially a funding mechanism for the procurement of new and re-furnished schools. Here the private providers build, and maintain and manage the facilities management for around 25 years. There is no private responsibility for the delivery of education.
- 11 SHA has concerns, as identified by the Audit Commission, about lack of quality both in initial building and in subsequent management and maintenance.
- 12 SHA notes that value for money for PFI schemes is a matter of public debate. SHA will work with government agencies and private providers to develop a standard approach to both the procurement and the facilities management aspects of PFI. SHA will promote high standards of design and build quality for new schools.

PUBLIC-PRIVATE PARTNERSHIPS AND SCHOOL LEADERS

- 13 SHA's responsibility to its members lies in providing support and guidance for those involved in partnership arrangements. SHA will negotiate with government agencies on defining and protecting the role of school leaders where there is significant private sector involvement in the life of schools.
- 14 SHA will also develop training for school leaders to enable them to meet the demands imposed by the evolving requirements of PPP, especially those of the project management that is required by PFI. SHA will also focus on the implications for the contractual position of school leaders when dealing with partnership arrangements.