Introduction

Public-private partnerships (PPPs) in education are widespread in both developing and developed countries. Governments often see PPPs as a way of improving quality, access or cost-effectiveness in their education system. But many question whether non-state providers can match the quality and accountability of government schools, and whether it is possible for public and private sectors to work together effectively.

Ark Education Partnerships Group commissioned this review to set out the size and strength of the evidence base on PPPs, and to understand where further research is needed. This review focuses on the impact of three of the more common types of PPP: contract schools, subsidies and vouchers. It considers 22 studies published since 2009 which have been judged to be high or medium quality (see Patrinos (2009) and La Rocque (2008) for reviews of studies published prior to 2009). High quality studies are run as experiments, and have controlled for key variables, e.g. family wealth.

Table: Number of studies for each type of PPP, by findings

<table>
<thead>
<tr>
<th>Types of intervention</th>
<th>Findings</th>
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<tbody>
<tr>
<td></td>
<td>Negative</td>
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<tr>
<td>Contract Schools</td>
<td>0</td>
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<tr>
<td>Subsidies</td>
<td>9</td>
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<tr>
<td>Vouchers</td>
<td>7</td>
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<tr>
<td>Subsidy + Voucher</td>
<td>2</td>
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<td>Grand Total</td>
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“For all the controversy and cacophony around public-private partnerships in education, we actually have very few high-quality studies that quantify their impacts”

Justin Sandefur, Center for Global Development
Key Findings

Existing evidence suggests cause for cautious optimism that PPPs can improve access, equity and learning outcomes, though the number of studies is small.

Subsidies — can help improve learning outcomes and equity

The evidence around subsidies is consistently positive, but has only been tested in a relatively small number of studies. Only nine studies are featured in this review. These studies demonstrate that subsidies can help to improve learning outcomes and, in some cases, lead to better equity through reaching the most disadvantaged.

Contract schools — still much to learn

It is very difficult to draw any conclusions on the effectiveness of contract schools, as there were only three high/medium studies published in the time period of this review. As the evidence base grows, we hope to learn more about which aspects of contract schools can have a positive impact on learning.

Vouchers — some positive results but more mixed overall

Studies on voucher schemes suggest that they could lead to higher levels of enrolment. Some evidence suggests that they could also have a positive impact on learning outcomes, but it is difficult to make conclusions across contexts.

Geographical location of the studies included for review
Subsidies

Subsidies involve the government giving money to non-state schools. This could be a ‘per-student’ subsidy (where the government gives a specific amount of money for each individual student) or a ‘block grant’ which isn’t related to the number of students in the school.

The evidence on subsidies is, in technical terms, considered ‘weakly positive’. Subsidies have consistently had positive results but this hasn’t yet been shown to hold true in all contexts. Research also suggests that subsidies are capable of improving outcomes for the more disadvantaged students.

Summary of findings

Subsidies can lead to improved learning outcomes

Studies of a number of different subsidy programmes have indicated that this intervention can lead to improved learning outcomes. Subsidy programmes in Sierra Leone (Wodon and Ying, 2009) and Uganda (Osorio et al, 2016) have been found to statistically significantly improve learning outcomes for students. In addition, the Fe y Alegria (FYA) programme in South America, where governments gave a subsidy to pay the salaries of teachers working at a network of religious schools, was found to increase learning outcomes in literacy and maths (Allcot and Ortega, 2009), although this evaluation did not randomise students and a subsequent study found that there was not an improvement in all subjects (Osorio and Wodon, 2014).

Subsidies can improve access for disadvantaged students

A study into FYA schools in South America found that these schools prioritise admission for disadvantaged students (Allcot and Ortega, 2009). The PEAS network of schools in Uganda, which benefits from government subsidies under their Universal Secondary Education policy, has also been found to improve access and learning outcomes for disadvantaged students (EPRC, unpublished).

Emerging evidence also suggests cost-effectiveness

World Bank research into the Education Service Contracting policy of the Philippines, found that the programme was generating significant cost savings for government as the subsidy scheme was 58% cheaper than paying for a child to attend a government school.

Case Study: Uganda Universal Secondary Education (USE) Programme

Uganda announced its USE programme in 2007, and enabled private secondary schools to receive public financing in areas in which there was no government school. Schools receive a per student capitation grant of similar size to the non-salary funds received by government schools. Three studies suggest that the programme has had positive effects on both access to school and the quality of teaching and learning on offer to students. Private schools have full autonomy over teacher recruitment and management. Students are taught the same curriculum and sit the same national exams as students in government schools.
Contract Schools

Contract Schools are usually managed by a non-state provider, but owned and funded by the government. The government contracts directly with the provider to run the school.

The evidence on contract schools limited. There is a lot more research to do in order to understand how they can best support student learning outcomes. However, even at this early stage, the research does show some advantages, e.g. increase in parental engagement and student enrolment.

Summary of findings

Evidence is mixed on whether contract schools lead to improved learning outcomes

One of the most studied examples of contract schools is the Colegios en Concession (CEC) programme in Colombia. Several studies have found that students attending these schools scored higher in the prestigious ICFES tests than government school students (Bonilla, 2011; Barrera-Osorio, 2006). CEC students are also more likely to attend university and vocational programmes (Bonilla, 2011). However, in contrast, Termes et al (2015) found that there was no statistically significant difference in learning outcomes between CEC and government school students, and that any contrary findings might be explained by the fact that some CEC schools ‘strategically select’ their students, despite government policies to the contrary.

Other benefits have been found in isolated cases, such as engagement...

In their evaluation of the CEC programme in Colombia, Termes et al (2015) found that CEC students and parents were more satisfied, engaged and loyal to their school than government school parents.

...and enrolment

Malik et al (2015) looked at the ‘Adopt a School’ programme in Pakistan, which encouraged non-state operators to manage schools in Punjab and Singh. Research found that these ‘adopted schools’ have higher levels of enrolment and higher learning outcomes than government schools. However, this study is only of ‘medium/low’ quality because of concerns around the underlying data that was used.

Case Study: Partnership Schools for Liberia (PSL)

Following the publication of our rigorous review, a fourth study on a contract school programme was published — PSL. This programme involved the delegation of management of 93 government schools to 8 different contractors. PSL schools remain free to students, and staffed by existing government teachers. A high quality randomised control trial found strong effects on learning after one year of operation, but that costs were high, and contracts allowed the largest contractor to push excess pupils and under-performing teachers onto other government schools. There was also variation in both quality and costs across the 8 providers. The programme doubled the amount of time that students were taught each week. The programme is being scaled up in its second year, and the evaluation will continue to track results.
Vouchers

Vouchers are state-funded coupons or grants that give parents the purchasing power to choose an eligible private or public school for their child.

The evidence on vouchers has produced a range of findings. Some studies highlight concerns that voucher systems could increase inequity as they could enable private schools to handpick the best students and thus remain eligible to participate in voucher programs. Strategies should be put in place to stop such practices and ensure that disadvantaged students have equal access to a quality education.

Summary of findings

<table>
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<tr>
<th>More research is needed to understand how to improve learning outcomes</th>
<th>Anand et al. (2009) found that a student from a low income family who moves from a public school to a private school as a result of a voucher scheme in Chile, would benefit from higher test scores. In their systematic review on voucher systems (which did not reference the Anand et al. 2009 study), Shakeel, Anderson and Wolf (2016) also found that vouchers can have a positive impact on learning outcomes, particularly when there is a large gap in quality between public and private schools. In contrast, Lara et al (2009) found only small differences in student achievement.</th>
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<tr>
<td>Some evidence to indicate increased enrolment amongst disadvantaged students</td>
<td>Malik (2010) looked at the Education Voucher Scheme (EVS) in Punjab, Pakistan which gave vouchers to every child. The private schools were accountable to the Punjab Education Foundation and were subjected to reviews of student learning outcomes. Malik (2010) found that one of the key benefits was a rise in enrolment of disadvantaged children.</td>
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<td>Some evidence to indicate cost-effectiveness</td>
<td>Muralidharan and Sundararaman (2015) evaluated a randomised voucher scheme in Andhra Pradesh, India. Participating private schools could not set admissions criteria. Researchers found that students who attended these private schools did as well as students who attended government schools, at two thirds of the price. Private schools also have additional instructional time to teach extra subjects.</td>
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Case Study: Chilean Voucher System

The Chilean government began a universal voucher system in 1981, meaning that all children could choose which school to attend. There were initially very few restrictions placed on participating private schools, for example they were still allowed to operate for profit and, until 2008, had autonomy over student admissions. Evidence on the success of the Chilean voucher scheme is mixed and controversial.
Policy Lessons on PPP Design Features

As well as adding to the evidence base on how PPPs impact on access, equity and learning outcomes, evaluations of PPP programmes have also set out some more general lessons learned that can be used to inform and improve future implementation of PPP policies.

1. Equity
Many argue that PPP models contribute to inequality by giving able or advantaged children access to better quality education at the cost of those in need. Equity needs to be factored in during the design of the PPP arrangement, e.g. making voucher funding inversely proportional to family income so that the poorest children receive the highest amount. Lack of planning around equity can quickly impact on the most disadvantaged. For example, in the Philippines, families were given vouchers but still needed to pay the difference between the voucher value and school fees. This meant that the poorest families still could not afford a high quality education (World Bank, 2011).

2. Inputs and management
Some studies have shown that private schools in some contexts have better resources and facilities than government schools (Termes et al, 2015; Malik, 2015). However, other studies have demonstrated that it is the management, rather than the existence, of these resources which can make a difference to learning outcomes (Osorio and Wodon, 2014). Barrera-Osorio and Raju (2015) also note that the PPP programme itself can be structured so that the government can mandate a certain level of school resources and facilities.

3. Legal and regulatory framework
For a PPP programme to be effective, it needs to be supported and endorsed by a legal and regulatory framework. Governments can also hinder the development of the private sector by introducing overly complex criteria for schools to become part of a PPP or through inconsistent enforcement of regulations.

4. Capacity building within the government and private education sector
Organising and running a PPP in education is not straightforward. The government will need to have the capacity to design and run a fair, transparent and competitive bidding process; ensure that the educational environment is conducive to promoting PPPs, including the development of a legal and regulatory framework; and implement necessary accountability measures as set out in the PPP contracts. The private education sector will also need to build their capacity to deliver high quality education to a more varied student body.

5. Ensuring accountability and monitoring of education service providers
The government needs to ensure that private education providers operating under a PPP are held accountable for learning outcomes. They also need to ensure that key local stakeholders, e.g. parents and the community, are able to hold schools accountable by ensuring that these groups are given all the information necessary for them to understand the options available to them.
6. Design of PPP contracts
Responsibilities should be clearly laid out in PPP contracts and, ideally, the government should find ways to openly acknowledge the contribution of the private sector. The government, and private education providers, need to encourage mutual trust by fulfilling the obligations that they have signed up to.

7. Alleviating concerns of key stakeholders
Many stakeholders remain opposed to PPPs, particularly teacher unions who are concerned that PPPs will have a negative impact on their employment, working conditions or pedagogy. Studies have shown that PPP models do not pose a threat to these stakeholders (Patrinos, 2016) but it is critical that they are reassured and concerns taken into consideration. Further research should be conducted in this area.

This review has highlighted the need for further rigorous research in this area. While we have been able to present findings over a range of contexts and programmes, the evidence base is by no means sufficient to provide a strong weight of evidence for the research question. There is an urgent need for more research in this area. It will also be important, when undertaking further research, that a political economy review is completed to better understand the PPP arrangements, and the extent to which government policy recognises and facilities these arrangements.

Key Definitions:

**Public-private partnership:** A long-term contract between a private party and a government entity for providing a public asset or service.

**Non-state schools:** Schools which are run or owned by non-public organisations, including private schools, religious schools and community schools.

**Private schools:** Any market-orientated (for-profit) schools that are dependent on user fees for some or all of their running and development costs (McLoughlin, 2013).
References


Crawfurd, L. (2016) School Management in Uganda, Center for Global Development & University of Sussex


Wodon, Q. & Ying, Y. (2009) Literacy and Numeracy in Faith-Based and Government Schools in Sierra Leone