Assessing Value for Money (VFM) in Transportation Public Private Partnerships (PPPs)

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Abstract: Public Private Partnerships (PPPs) are increasingly adopted as an alternative form of public infrastructure delivery model around the world. The *Value for Money (VFM)* attached with Public Private Partnerships (PPPs) model is very much subjective and specific to the project characteristics which vary from project to project. Thus, the private operation and ownership of public infrastructure and its value to the general public (i.e. commonly termed as tax payers) is always being debated among political, industrial and academic circles. These debates usually focus the economic and social benefits attached with PPP model. Focusing the same the objectives, massive research has been conducted to evaluate economic benefits of PPP model; but very less research is available to quantify social benefits of PPPs. Keeping in view the need, this paper works out *Value for Money (VFM)* assessment model to quantify the social value embedded in transportation PPPs in terms of economic values. In the first stage, numbers of *Socio – Environmental Value factors (SEVFs)* have been identified to whom the real social value is attached in a typical transportation PPP framework. The second stage is than utilizes the identified *Socio – Environmental Value (SEV) factors* with *Hedonic Pricing* approach to model the equation to assess social value attached with transportation PPPs. The identified model can assess the social value benefits for the propose transportation PPP projects, thus helping procuring agencies in decision making process to choose between different project delivery modes including Public Private Partnership (PPP).
Keywords: Public Private Partnerships (PPPs), Value for Money (VFM), Socio-Environmental Value factors (SEVFs), Hedonic Pricing