



Realizing Multiple Spatial Policy Objectives through Public-Private Partnerships

Propositions for Institutional Design

Joint research program RWS-RUG

“Infrastructure as a link between network and area: Added value as a driver for public-public and public-private partnerships”



Rijkswaterstaat
Ministry of Infrastructure and the
Environment

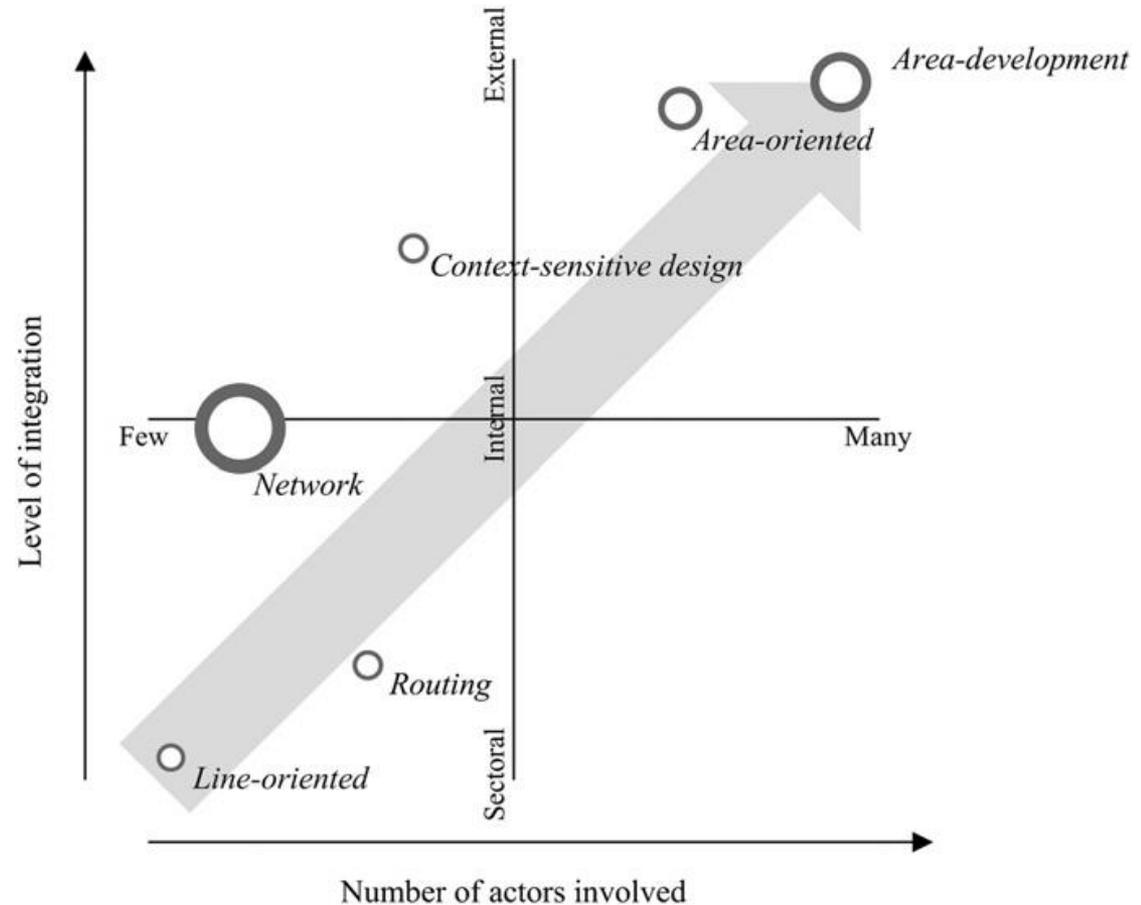
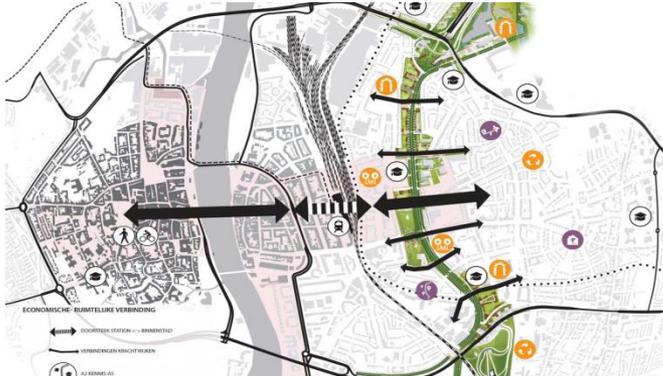


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From Lines to Areas

- › We are witnessing a trend from 'line-oriented' to 'area-oriented planning'



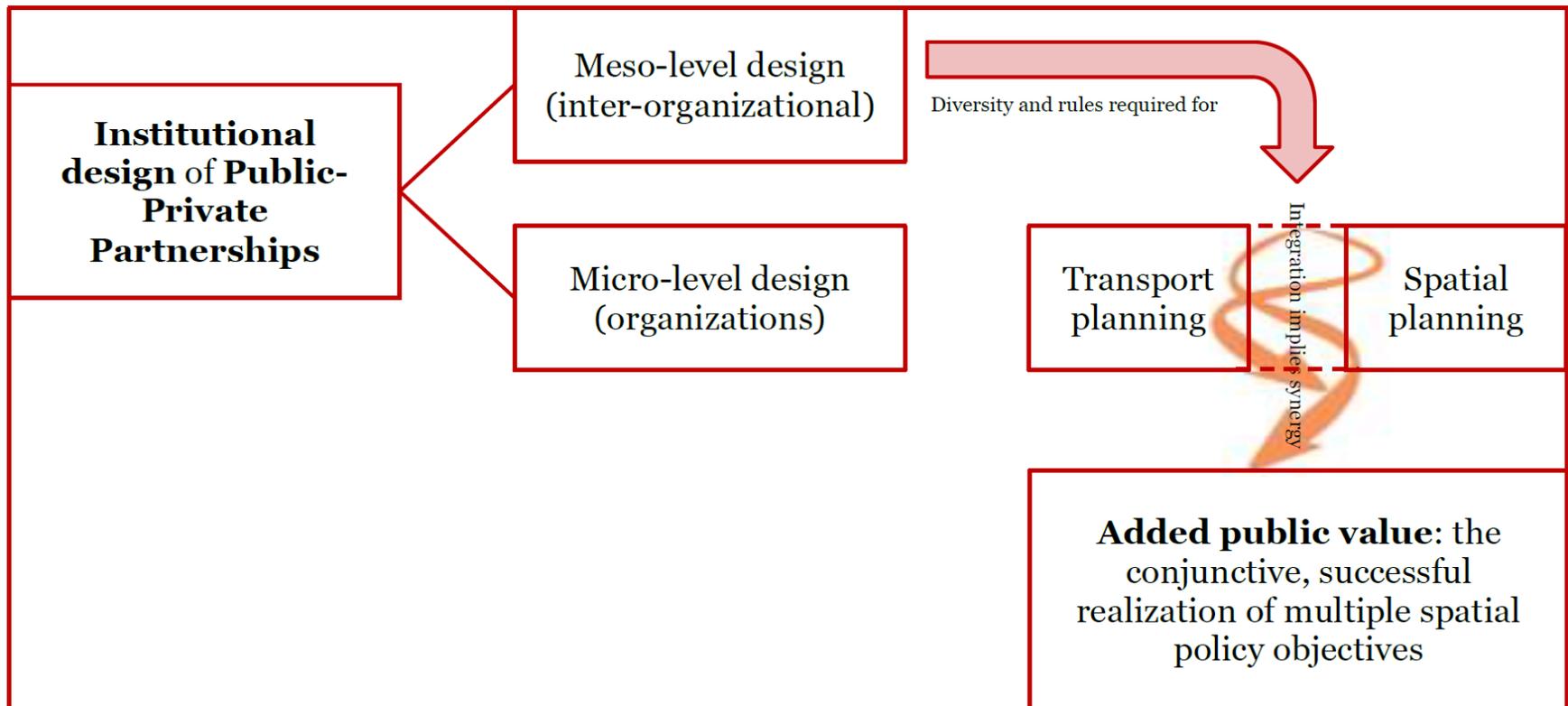
From Lines to Areas

- › Market Vision: “the best way to optimize costs and to add value is connecting different spatial challenges... We opt for an integrated area-oriented approach which enables (...) a smart combination of functions” (Rijkswaterstaat, 2015)
- › The new ‘Environmental Law’ (*Omgevingswet*)



Research Question

- › How can the Institutional Design of Public-Private Partnerships contribute to the realization of Added Public Value?

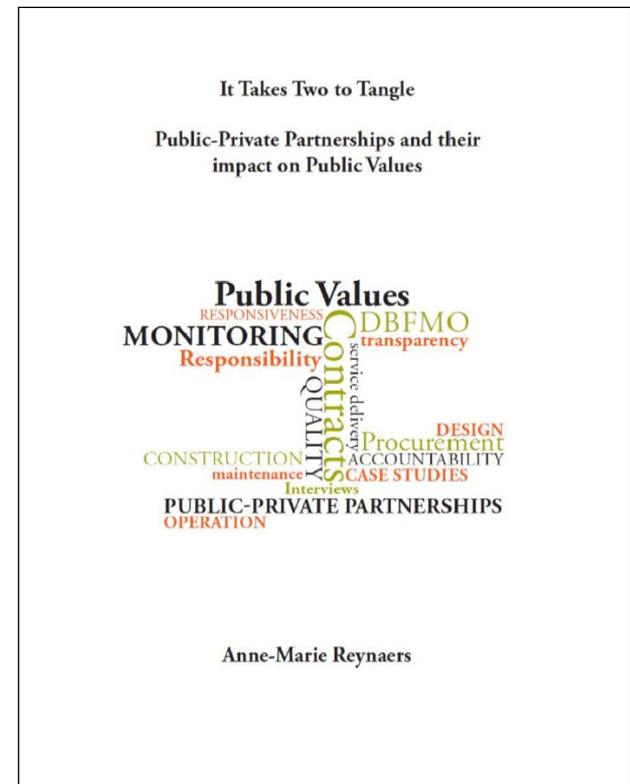


What is Public Value?

- > The concept of 'public value' is popular, but rather elusive (Williams & Shearer, 2011)
- > Public value is difficult to define and measure (Bozeman, 2008; Guthrie & Russo, 2014)

- > Are public values jeopardized and in need to be safeguarded...
- > Or are public values strengthened?

- > E.g., are efficiency, effectiveness... public sector values (Jørgensen & Bozeman, 2007) or private sector values (cf. NPM)?



What is Public Value?

- › Procedural public values vs. material public values (Weihe, 2008)
 - Procedural: 'traditional' Public Administration values
 - Material: 'tangible substance values'

- › From an infrastructure and spatial planning perspective, the focus is on material public values, e.g.:
 - Infrastructure: accessibility, affordability, reliability

 - Spatial planning: spatial quality (Hooijmeijer et al.)
 - usefulness (*utilitas*)
 - beauty, experience (*venustas*)
 - future-proof, strong (*firmitas*)



What is Public Value?

- › Values are not universal, objective, and immutable
- › Instead: in different cases, at different moments in time, different stakeholders may value different things
- › Values are also influenced by the organizational contexts of stakeholders
- › Koppenjan et al. (2008) refer to this as the *institutional approach* to public values
- › Public value is best captured by the measurement of *outcomes*, not *outputs*
- › Outcomes indicate the 'substance' of public values, whilst *performance* assesses the degree to which these substance values are realized

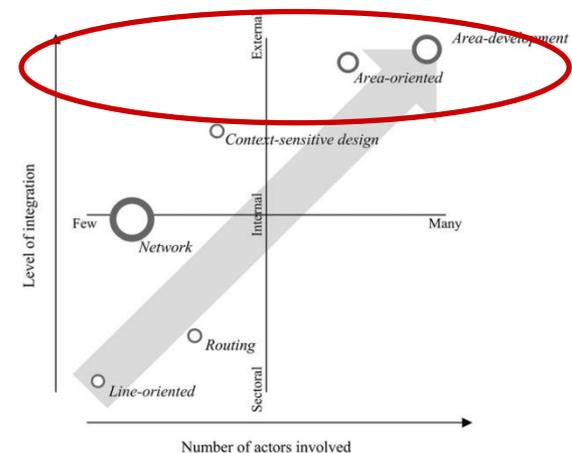
What is *Added* Public Value?

> PPPs are often praised for their ability to realize added value (*meerwaarde*) and are said to create *synergy*, but proponents often remain mysterious about what this value added exactly is (e.g., Rijkswaterstaat, 2014; Ministry of Infrastructure and the Environment, 2016)

> Our proposal: added public value is...

The realization of actual spatial policy objectives in addition to the realization of the traditional transport infrastructure planner's objectives

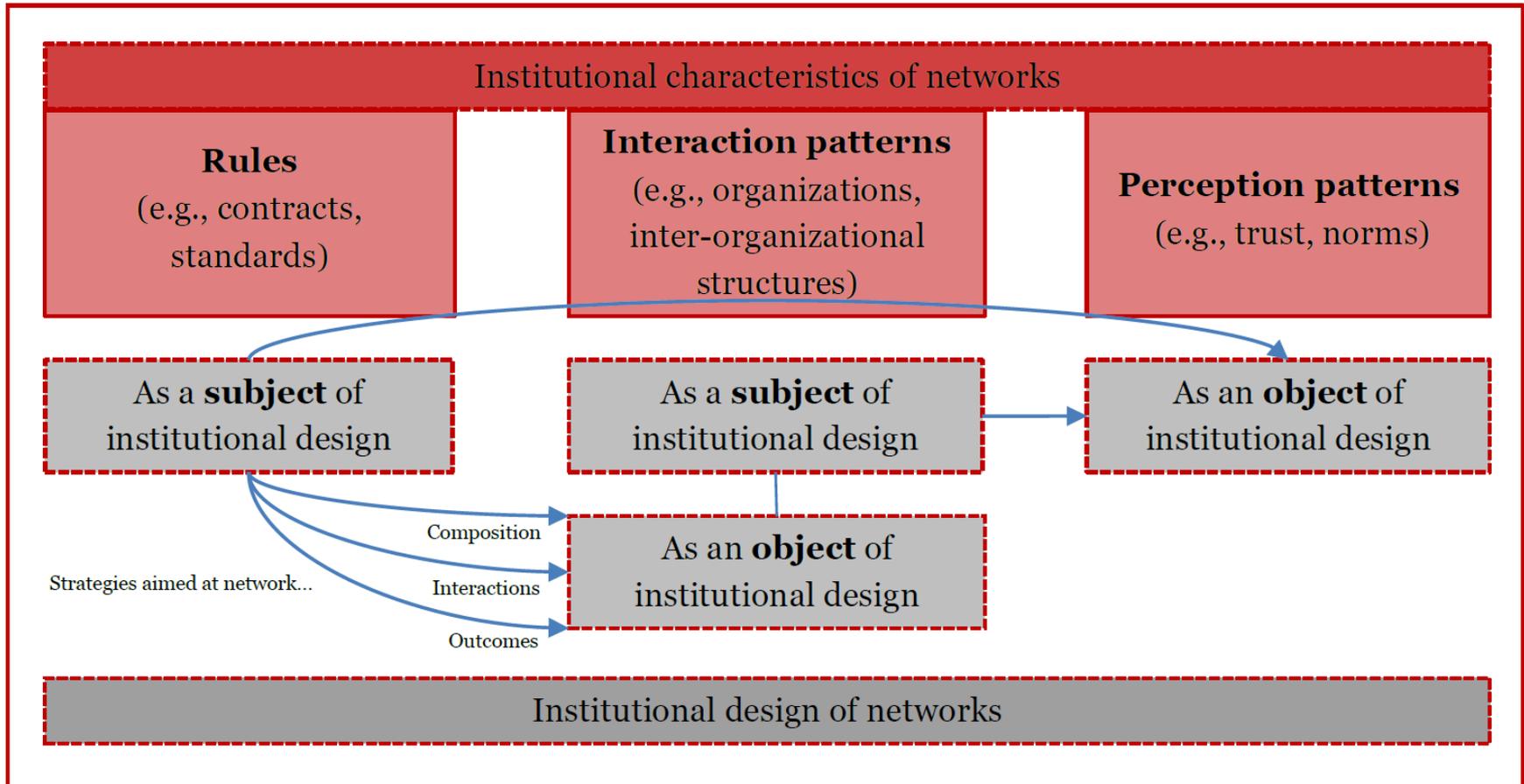
What about VfM? VfM is a measure that hardly reflects what the public really cares about (cf. Stoker, 2006)



Institutional Design of PPPs

- > Institutional design can occur at different levels: micro, meso, macro (see e.g., Alexander, 2006)
- > PPPs are typical examples of meso-level institutional design (Alexander, 2006)
- > An institutional design is not a blueprint; it has to be adapted to specific and/or changing circumstances (Klijn & Koppenjan, 2006)
- > We distinguish between 'subjects' and 'objects' of institutional design (Alexander, 2005)
 - Subjects: elements of institutional design
 - Objects: elements to be affected by institutional design

Institutional Design of PPPs



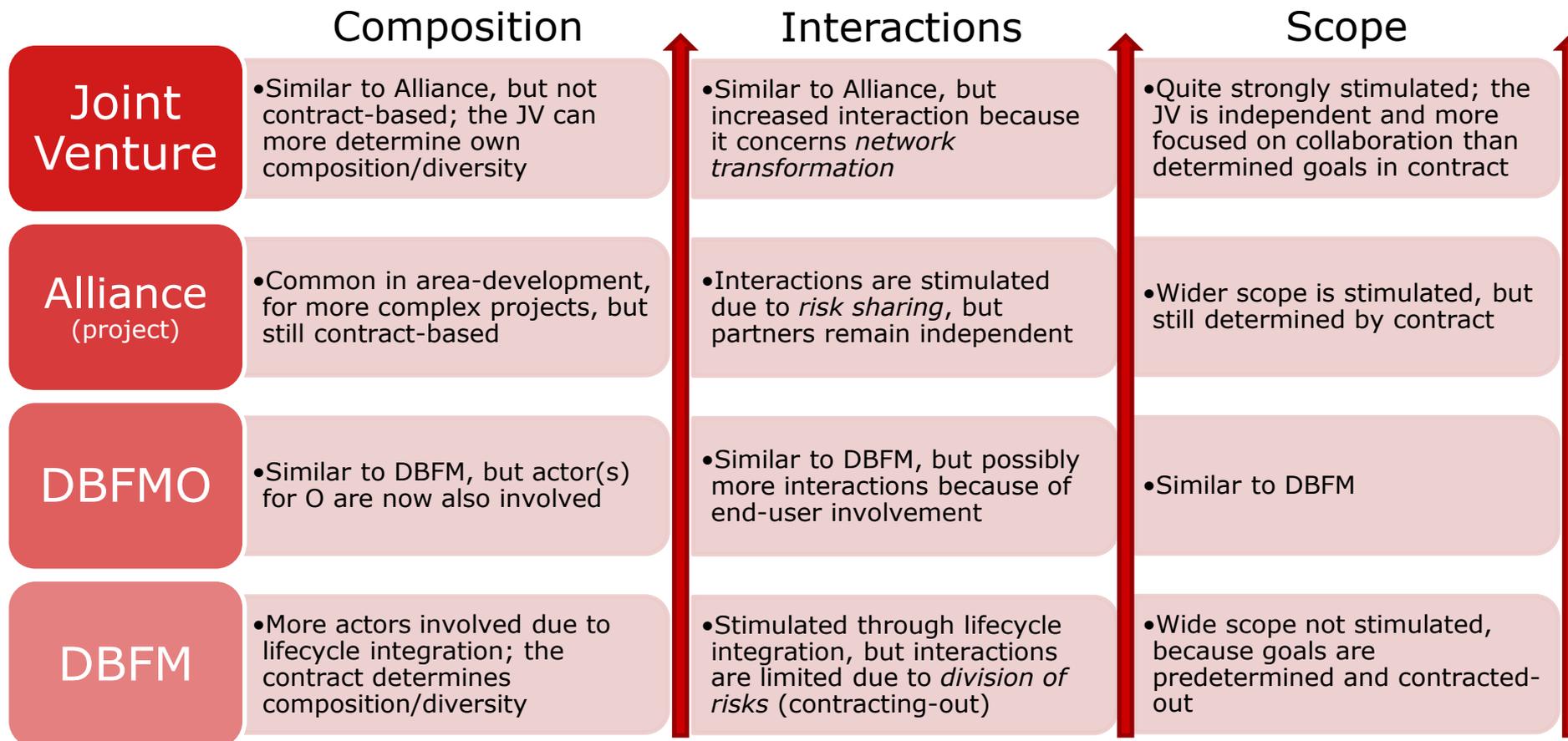
Institutional Design of PPPs

> Propositions:

1. The ID has to stimulate a *diverse network composition*
Heterogeneity of partners is a prerequisite for pooling *different* resources, skills, perspectives; it facilitates *cross-sectoral* and *cross-disciplinary* collaboration (integration of policy objectives)
2. The ID has to stimulate *intense and varied interactions*
Collaboration requires *intense* interactions (collaborative advantage), and *heterogeneity* of interactions is required to prevent early lock-in of planning solutions
3. The ID has to stimulate a *wide scope of policy objectives*
Pay-off structures and evaluation criteria have to reward a wide scope; this has to be done already early in the planning process

Institutional Design of PPPs

- > Preliminary observations on composition, interactions, and scope in Dutch PPP-landscape [open for debate!]



Conclusions

› We expect Institutional Design of PPPs to contribute when:

1. It stimulates a **diverse composition**
2. It stimulates **intense and diverse interactions**
3. It stimulates that actors address a **wide scope** of objectives, already early in the process
4. It provides rules to prevent conflict

› Our observations suggest that:

5. The **Joint Venture and Alliance** models are most likely to stimulate diversity in composition, interactions, and scope...

Therefore, they seem most promising for **realizing added public value**, defined as the realization of multiple spatial policy objectives

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