

Mark Scheme (Results)

Summer 2012

Principal Learning Public Services
(PS303)

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Answer	Mark
1 (a)	<p>This question is based on LO1.2</p> <p>One mark for each correct answer to a maximum of three</p> <p>Answers might refer to:</p> <ul style="list-style-type: none">• controlling fluctuating costs• reduce employment costs and responsibilities• achievement of best value• improve efficiency• controlling maintenance costs• opportunity to increase community involvement• gain improved facilities at limited initial outlay <p>Accept any other reasonable response</p>	(3)

Question Number	Answer	Mark
1 (b)	<p>This question is based on LO1.2</p> <p>ONE mark for a limited explanation of a disadvantage of using alternative sources of funding TWO marks for a more detailed explanation of a disadvantage of using alternative sources of funding THREE marks for a comprehensive explanation of a disadvantage of using alternative sources of funding The answer might include some or all of the following.</p> <ul style="list-style-type: none"> • Displacement of workers • Hidden costs and lack of transparency • Loss of contact with customers • Failure of contracts • Public pricing and probity • Evaluation and comparison of services and costs • Long term commitment to contracts which are often entered into to create profits for the contracting firms • Contracts won on price not best value and often suffer from poor quality due to cost reduction exercises <p>Possible answer:</p> <p>Often contractors submit unrealistic prices which have to reduce overall costs such as wages, staffing levels, quality, supervision and management levels, all of which could cause failure of contracts won. The handing over of the management and subsequent maintenance can often lead to customer contact problems and a lack of transparency which would lead to the possible inability of public sector organisation being unable to provide details of where funds are being spent. There is often a lack of understanding regarding like for like proposals where a cheaper bid does not offer the same levels of support of a better prepared bid. Public sector organisations lose employer flexibility due to contracting services out where it would appear to save finances initially, but, when additional works need doing there is no in-house workforce to carry these out, and additional works on projects via subcontractors tends to be expensive,</p> <p>Any other relevant explanation and/or example will be rewarded.</p>	(3)

Question Number	Answer	Mark
2 (a)	<p>This question is based on LO3.3</p> <p>ONE mark for a limited explanation of one advantage of using PPP to contract services TWO marks for a more detailed explanation of one advantage of using PPP to contract services THREE marks for a comprehensive explanation of one advantage of using PPP to contract services</p> <ul style="list-style-type: none"> • Cost savings • Technical expertise • Enhanced product quality • Shared responsibility • Reduction in employees • Reduced project management costs <p>Possible answer:</p> <p>Public Private Partnerships are joint ventures between public sector organisations and private contracting organisation with a view to deliver cost effective solution that reduce initial outlay of project costs for public sector organisations while including maintenance provision as part of the package which is how the private contractor recoups the outlay of building principals. This now becomes a win-win situation where the public service organisation can regulate and moderate the outlay of available funds, and calculate the customer input to the annual requirement. The private contractors involved will reclaim their output and make a profit over the time of the contract.</p> <p>Any other relevant explanation and/or example will be rewarded.</p>	(3)

Question Number	Answer	Mark
2 (b)	<p>This question is based on LO3.3</p> <p>ONE mark for a limited explanation of one disadvantage of using PPP to contract services TWO marks for a more detailed explanation of one disadvantage of using PPP to contract services THREE marks for a comprehensive explanation of one disadvantage of using PPP to contract services</p> <ul style="list-style-type: none"> • Lack of overall control • Displacement of workers • Hidden additional costs and lack of transparency • Failure of contract • Loss of customer contact • Ongoing on-costs • Monitoring of standards and practices is lacking • Evaluation and comparison of services and cost • Long term commitment to contracts that are entered into often as a profit making concern <p>Possible answer:</p> <p>Public Private Partnerships have many immediate benefits that appear to deliver value for money for a public sector organisation but there are many possible disadvantages. Public sector organisations have traditionally relied on the ability to react to problems quickly due to having sufficient staff. The maintenance contracts awarded to private companies has reduced the need for additional public sector staff, and, due to public companies being profit motivated and require a means of being able to competitively price for projects and this means that the wages being offered to private employees would be less than that of public sector employees.</p> <p>Any other relevant explanation and/or example will be rewarded.</p>	(3)

Question Number		Indicative content
3		<p>This question is based on LO2.1</p> <p>The answer should include some or all of the following.</p> <p>EU Legislation on working time directives especially when considering services that operate 24/7 such as NHS, the Prison Service, Police and Fire and Rescue.</p> <p>The application of EU statutes when dealing with crime and the effects of crime, and the rights of the accused as opposed to the rights of the victims of crime.</p> <p>EU legislative requirements for the treatment of prisoners which affect the prison service staff (and also the on-cost to private companies who have contracted to take on these roles)</p> <p>Positively affected the cross border liaison between member states public services such as Police and Armed Forces when working collaboratively (Interpol and NATO exercises and operations)</p> <p>The prevention of Public Service personnel being subjected to discrimination on the basis of age; religion; sex; gender dysphasia; colour or race.</p> <p>Implementation of EU legislation that brings working practices in line across Europe and prevents misunderstanding of interpretation of laws across member states.</p> <p>Any other relevant explanation and/or example will be rewarded.</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 - 2	Limited number of relevant criteria listed with limited justification. Limited understanding of the UK membership of the EU
2	3 - 4	More defined understanding of UK membership of the EU
3	5 - 6	Clear identification of relevant criteria with a comprehensive understanding and justification of UK membership of the EU

Question Number	Answer	Mark
4(a)	<p>This question is based on LO5</p> <p>There are various methods of managing finance in the public services. In the main the most common methods are by the use of:</p> <p>Revenue expenditure; A means managing regular and recurring spending such as Social Security or Old Age matters. The management quite often uses Cost Centres which can track and manage fluctuations and ensure Value for Money by giving cost centres personal responsibilities</p> <p>Capital Expenditure; Managed funds which are mostly used for consumption by Government and is geared to the annual revenue. This funding is quite inflexible and is difficult to transfer across budget heads</p> <p>Resource accounting is a means of planning, controlling and reporting on public service spending for the Government.</p> <p>Possible answer:</p> <p>The two most often used methods of managing accounting in the UK public Services are revenue expenditure and capital expenditure.</p> <p>Revenue expenditure manages recurring spending such as social services at national level and ongoing local outlays such as services which would include waste disposal etc. These are normally split into cost centres to ensure easier control and transparency. Capital expenditure is linked to annual revenue and tends to be more inflexible than revenue expenditure. It is mostly used for consumption by Government and is not normally transferrable across budget heads. Resource accounting is a means of planning, controlling and reporting on public service spending for the Government.</p> <p>Any other relevant explanation and/or example will be rewarded.</p>	(4)

Question Number		Indicative Content
4(b)		<p>This question is based on LO</p> <p>The answer might include some or all of the following.</p> <p>These are published by HM Treasury annually and give a comprehensive report on the treasury's use of resources in the reporting period.</p> <p>The resource accounts produced and published gives a confidence in public spending and the projects that have been undertaken and are a good benchmark to demonstrate value for money</p> <p>Public Service Finance Statistics are produced annually by a freely available website from HM Treasury which give financial statistics from all the local government which have to be reported by law. These statistics are monitored and accounted for by Audit Commission and again this gives accountability, a measure of value for money and a transparency in the dealings which is open to public scrutiny complete with an audit trail and analysis of the costing and spending to assist people with little training in accountancy.</p> <p>Another agency used in disseminating the audited account from public service agencies is the Office for Budgetary Responsibility (OBR) who also publish the accounts for scrutiny by the public. Local Government offices also prepare and publish accounts at a local level and these are on the local web sites, and sometimes, they are posted out to homes to ensure everyone gets the opportunity to view how the local council has used the funds available to them over the previous year</p> <p>Any other relevant explanation and/or example will be rewarded.</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 - 3	Limited number of relevant criteria listed with limited justification. Limited understanding of how Public Service Finances are reported to the public
2	4 - 5	More defined understanding of how Public Service Finances are reported to the public
3	6 – 8	Clear identification of relevant criteria with a comprehensive understanding and justification of how Public Service Finances are reported to the public

Question Number		Answer
5		<p>The answer should include some or all of the following.</p> <ul style="list-style-type: none"> • Procurement via the voluntary sector gives provides added value as these agencies are more closely related to the recipients • Voluntary providers are not for profit organisations and would deliver an effective and demonstrable value for money indicator. • Selection of service providers needs to take into account the experience within an organisation and professionalism to provide that required service • Ensuring any given delivery partner can actually perform to minimum given standards • Is the partner capable of delivering and not making matters worse. • Do they have the capacity to perform. • Take into consideration financial and legal implications. • The use of delivery partners from not for profit organisations can still be construed as a form of privatisation • Voluntary sector organisations delivering public services may lose their independence <p>Any other relevant explanation and/or example will be rewarded</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 – 2	Limited number of relevant criteria listed with limited justification. Limited understanding of the benefits of partnerships between public services and voluntary organisations
2	3 – 4	More defined understanding of the benefits of partnerships between public services and voluntary organisations
3	5 – 6	Clear identification of relevant criteria with a comprehensive understanding and justification of the benefits of partnerships between public services and voluntary organisations

Question Number		Answer
6		<p>Answers might refer to:</p> <ul style="list-style-type: none"> • Increased public confidence • Dissemination of good practice • Financial accountability • Cost reduction • Ethical responsibility in business (Probity) • Better management and decision making • More effective use of taxpayers resources • Effective use of funds • Auditable and accountable trails <p>Any other relevant explanation and/or example will be rewarded</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 – 2	The response shows a limited understanding of the roles and responsibilities of Audit Services and Public Sector Inspectorate
2	3 – 4	The response shows a moderate understanding of the roles and responsibilities of Audit Services and Public Sector Inspectorate
3	5 – 6	The response shows a comprehensive understanding of the roles and responsibilities of Audit Services and Public Sector Inspectorate

Question Number		Indicative content
7		<p>The answer should include some or all of the following.</p> <p>The MOD PFU has overall responsibility for the Department's private finance programme. It provides a central focus for Private Finance Initiative (PFI) policy and support within the Department and offers corporate assurance about individual PFI projects to the Investment Approvals Board (IAB) and HM Treasury. The scope of MOD PFU's mandate is to support all operational PFI projects and all acquisitions made under the PFI or using private finance. The MOD PFU is part of the Commercial Assurance & Governance unit (CAG), which reports through the Director General Defence Commercial (DGDC) to 2nd PUS. The MOD PFU is located in Abbey Wood, Bristol.</p> <ul style="list-style-type: none"> • They provide advice and assistance (known as project support) on PFI to the acquisition community to enhance UK military capability and operations to deliver best through life value for money for MOD and industry. Such advice and assistance includes best practice, lessons learned, policy and guidance implementation, procurement/acquisition strategies, commercial deal structure, and risk allocation. • They act as the MOD's centre of excellence on PFI policy, guidance and best practice. This includes being the single point of contact with HM Treasury, National Audit Office and Other Government Departments on all matters relating to PFI. • They support and sponsor PFI training and continuing professional development, through a mixture of skills transfer workshops, training courses and coaching/mentoring to enhance the acquisition skills base. • They act as functional lead PFI subject matter assurers for acquisition team leaders, DGDC, IAB and HM Treasury to ensure that projects are properly managed, governed and are viable, desirable and achievable and comply with current policy and legislation. • They provide clear, relevant, accurate, appropriate and timely communications and information/knowledge to internal and external stakeholders on defence PFI and MOD PFU activities <p>Any other relevant explanation and/or example will be rewarded</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 – 3	The response shows a limited understanding of a National Government departments spending issues and Value for Money indicators and the consideration for Private Financial Initiatives
2	4 – 6	The response shows a moderate understanding of National Government departments spending issues and Value for Money indicators and the consideration for Private Financial Initiatives
3	7 - 9	The response shows a comprehensive understanding of National Government departments spending issues and Value for Money indicators and the consideration for Private Financial Initiatives

Question Number		Indicative content
8		<p>All local Government agencies demonstrate their accountability in all activities such as projects in the following way:</p> <ul style="list-style-type: none"> • Assessing performance against European Excellence Standards • Assessing the efficiency of Private Financial Initiatives and Private Public Partnerships in the long term • Looking at cost reduction across the board • Openness and transparency in Government • Financial accountability • Accountability within all government departments • Promoting better management and decision taking in public services • Publishing reports for inspection on websites • Publicly reviewing the projects and the lessons learned <p>Any other relevant explanation and/or example will be rewarded.</p>
Level	Mark	Descriptor
0	0	No acceptable response
1	1 – 3	The response shows a limited understanding of public service methods of accountability
2	4 – 6	The response shows a moderate understanding of the public service methods of accountability
3	7 - 9	The response shows a comprehensive understanding of the public service methods of accountability

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Welsh Assembly Government

