

EAST AYRSHIRE COUNCIL

KILMARNOCK SOUTH LOCAL COMMITTEE - 1 NOVEMBER 2006

BUILDING LEARNING COMMUNITIES – SHORTLEES PPP PROJECT UPDATE

Report by the Executive Director of Educational and Social Services

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Committee in regard to the current status of the Shortlees Site PPP Project.

2. BACKGROUND INFORMATION

- 2.1 On 27 July 2006 contract negotiations were finalised with the PPP contractor, FCC (East Ayrshire) Ltd, and financial close was achieved. Works commenced on all PPP sites on Monday 31 July 2006.

3. PROGRESS

3.1 Construction

The subcontractor appointed for construction at the Shortlees site is McLaughlin and Harvey. The construction programme will allow the Shortlees site to become operational on 22 October 2007.

The initial works at Shortlees involved the grouting of the mine workings in the area of the new building to stabilise the ground prior to building works commencing. Thereafter the contractor has established the site compound and commenced the next stage of construction works. At present all work is currently reported as being on target for the deadline of 22 October 2007.

3.2 Employment

MITIE have been confirmed as the Facilities Management (FM) provider. A programme of consultation meetings have been arranged, between Mitie and the staff concerned, to ensure a smooth transition throughout the process and to ensure that all staff are kept fully informed and consulted.

3.3 Council Procured Elements

The Council have appointed specialist Contractors for the Design, Supply and Installation of School Kitchen Equipment. This element is being developed in liaison with the PPP Contractor's Design Team. The procurement of Loose Furniture is being managed by the

Council and Tender Documents were issued on 29 September 2006, with a tender acceptance early in 2007 to ensure a timeous delivery for each of the operational start dates.

4. FINANCIAL IMPLICATIONS

- 4.1 Financial Close was achieved on 27 July within the parameters previously approved by the Council.

5. POLICY / LEGAL

- 5.1 Note that the Council entered into the contracts comprising the Project Agreement, Direct Agreement and other project documents to which the Council is a party on 27 July 06. The Contract period is approximately 30 years from the date of the latest project facility becoming operational. The Contract is due to expire on 13 August 2038.

6. TRADE UNIONS

- 6.1 Consultation with the Trade Unions will continue throughout the project.

7. RECOMMENDATIONS

The Kilmarnock South Local Committee is asked to :-

- (i) Note the contents of this report

Graham Short
Executive Director of Educational and Social Services

EC/DL
9 October 2006

LIST OF BACKGROUND PAPERS

Copy Minutes of Full Council dated 27 April 2006.

Anyone wishing further information should contact Euan Couperwhite, Head of Resource Support, Tel :- (01563) 576090 or John Cochrane, PPP Project Manager, Tel :- (01536) 554985.