

## **EAST AYRSHIRE COUNCIL**

### **POLICY & RESOURCES COMMITTEE – 5 OCTOBER 2000**

#### **SUPPORT FOR THE COSTS OF DEVELOPING PUBLIC PRIVATE PARTNERSHIP PROJECTS FOR SCHOOL BUILDINGS**

##### **Report by Director of Educational & Social Services**

### **1. PURPOSE OF REPORT**

- 1.1** The purpose of the report is to advise Members of the content of a recent circular from the Scottish Executive Education Department inviting authorities to bid for financial support for the costs of a feasibility study in to developing Public Private Partnership (PPP) Projects for School Buildings and to seek agreement to the Director submitting a bid to the Scottish Executive in response to the circular.

### **2. BACKGROUND**

- 2.1** In Scotland a number of education authorities have embarked upon Public Private Partnership (PPP) Projects for School Buildings. The most recent was launched in Falkirk Council. The Education authorities involved in the projects have been able to make major improvements in education facilities. Refurbishment of a number of schools has been a key feature of these initiatives.
- 2.2** The Scottish Executive has recognised that where authorities are considering the development of a PPP Project for School Buildings, the lack of finance to initiate feasibility studies is hindering a consideration of the issues. They recently issued Circular (3/2000) to all Councils. The document indicates that a sum of £5m has been made available nationally in financial year 2000/01 to assist authorities conduct feasibility and early investigation studies into PPP Projects. The Scottish Executive is inviting bids from local authorities for an allocation of finance from this source to facilitate early investigations into the feasibility of Public Private Partnership for schools.
- 2.3** In considering bids, the Scottish Executive will give priority to proposals which could lead to projects which would take a wide strategic view of school property needs including possible rationalisation of accommodation. Proposals involving refurbishment of existing accommodation will be given the same priority as projects involving the provision of new build accommodation. Bids from Councils are required to be with the Scottish Executive by 20 October 2000.

### **3. PROPOSAL FOR ACTION**

- 3.1** While East Ayrshire Council is attempting to address priority maintenance, upgrading and development needs in schools, there is no doubt that much remains to be done. Many of our school buildings require a considerable injection of finance to address basic maintenance issues. Many schools require to have their environment updated to meet the demands of the modern curriculum.
- 3.2** The considerable sums of money required to improve schools in East Ayrshire by bringing them to a high standard to meet the educational needs of the millennium are not available through more traditional avenues. Consequently, the opportunity to develop a feasibility study into the preparation of a PPP Project for East Ayrshire schools is one which is recommended for support. The feasibility study does not commit the Council to full implementation of a Private Partnership Project but facilitates an informed consideration of public private projects in schools.
- 3.3** Consequently, Members are invited to agree that the Director of Educational and Social Services in response to the Scottish Executive circular should prepare an outline bid to be submitted to the Scottish Executive within the timescale involved.
- 3.4** The outline bid should include the costs associated with preparing the proposed feasibility study. The key focus in the bid should be on:
- the need to bring all secondary schools up to an acceptable standard of maintenance including the upgrading and development of teaching areas
  - new build, where strengthening of local provision takes place
  - priority areas for development and upgrading in primary education.

### **4. LEGAL/POLICY IMPLICATIONS**

- 4.1** The estimated cost of the feasibility study would be met by the Scottish Executive, if the bid is agreed.

### **5. RECOMMENDATIONS**

- 5.1** It is recommended that Members of the Policy & Resources Committee:
- (i) agree, in principle, to the development of a Public Private Partnership (PPP) Project for school buildings;
  - (ii) agree to the Director of Educational and Social Services submitting a bid for the costs of early investigation and feasibility studies into school PPP Projects;
  - (iii) invite the Director to report back on progress; and

- (iv) otherwise note the content of the report.

John Mulgrew  
Director of Educational and Social Services

M/SB  
27 September 2000

### **LIST OF BACKGROUND PAPERS**

Nil

Members wishing further information should contact John Mulgrew, Director of Educational and Social Services, Tel: (01563) 576017.

**IMPLEMENTATION OFFICER: JOHN MULGREW**

**AGENDA**