

EAST AYRSHIRE COUNCIL

EMERGENCY POWERS COMMITTEE

**MINUTES OF MEETING HELD ON THURSDAY 16 JULY 1998 AT 1335 HOURS IN
THE MEETING ROOM, COUNCIL HEADQUARTERS, LONDON ROAD,
KILMARNOCK**

PRESENT: Councillors David Sneller, Drew McIntyre and Daniel Coffey.

ATTENDING: David Montgomery, Chief Executive; Robert Paton, Head of Economic Development; John Spooner, Business Development Manager; Ken Hathaway, Client Services Manager; James Lally, Senior Administrative Officer and Apryl Chalmers, Solicitor.

APOLOGIES: Councillor Douglas Reid; Provost Robert Stirling; Councillors Eric Ross and Jimmy Boyd.

CHAIR: Councillor Sneller, Chair.

**CONTRACT EXPENDITURE IN CONNECTION WITH THE PROPOSED
EXTENSION TO STEWARTON ACADEMY, STEWARTON**

1. There was submitted a report dated 16 July 1998 (circulated) by the Director of Support Services advising of the contractual overspend as a result of works being carried out in connection with the extension/alteration of Stewarton Academy.

It was agreed:-

- (i) to approve the additional cost of £82,000.00 in excess of the original contracted sum of £327,416.91 in respect of the above contract; and
- (ii) that the Chief Executive write to the Director of Support Services expressing concern at the late point at which the potential overspend on the above contract had been intimated to members and requesting the implementation of procedures to ensure that in future members would be alerted to potential overspends on contracts at a point early enough to allow the consideration of more than one course of action.

EXCLUSION OF PRESS AND PUBLIC

2. The Committee resolved that under Section 50A(4) of the Local Government (Scotland) Act 1973, as amended, the Press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 6 of Schedule 7A of the Act.

FUNDING REQUEST - CUMNOCK COMPANY

3. There was submitted a report dated 15 July 1998 (circulated) by the Director of Development Services requesting consideration of a funding request from a Cumnock Company.

It was agreed to approve the loan to the Cumnock Company subject to the undernoted conditions:-

- (i) that the other sources of finance as detailed in Section 5.1 of the report be secured;
- (ii) that the loan would rank after the bank and equally with Enterprise Ayrshire;
- (iii) that interest would be charged at 2% over bank base rate and be repayable over a 5 year period with a 6 month capital holiday, with repayments being made by monthly direct debit;
- (iv) that the Head of Legal Services be satisfied with the necessary legal structures of the Company and the required legal security; and
- (v) that a new non-executive Director be appointed to the satisfaction of Enterprise Ayrshire and the Council to complement the existing management team.

FUNDING REQUEST - DOON VALLEY COMPANY

4. There was submitted a report dated 15 July 1998 (circulated) by the Director of Development Services requesting consideration of a funding request, to assist in the re-skilling of their workforce, from a Doon Valley Company.

It was agreed, subject to the other sources of funding detailed in the report being secured, to fund the training package as outlined in the report.

ROWALLAN BUSINESS PARK, KILMARNOCK - DEVELOPMENT OF PHASE 2 ADVANCE UNIT

5. There was submitted a report dated 15 July 1998 (circulated) by the Director of Development Services seeking authority to participate with Enterprise Ayrshire in the provision of financial support for the development of the second advance factory unit at Rowallan Business Park, Kilmarnock.

It was agreed to approve the provision of rental guarantee support to the proposed phase 2 development project, up to a maximum of £180,000, over a maximum period of 18 months from the completion of the development.

The meeting terminated at 1410 hours.