

HDC Financial Update

Date: 14th October
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 Subject Title: The Symington Building

Background

This briefing summarises information previously approved by Executive and Council, reported to the HQ Advisory Board or briefings to the Portfolio Holders. There is another HQ Advisory Panel on the 29th October where an update on costs and move dates will be reported.

When was the decision on the HQ made?

The key meeting was on the 22nd October 2012. This approved the financial business case, the letting of the contract to Willmott Dixon and a scheme of delegations to allow for effective programme management

What was the Budget for the Scheme?

The Council agreed a maximum funding envelope for the refurbishment of £6.001 million in October 2012. Since then additional funding for the Museum & Library and other LCC work has been added. This to include building work, ICT investment, fees, Decant and Recant from Millers House. Since then additional funding from the County and the Bowden's Charity has been received for the Museum and Library. In summary the financial position is

Funding		Estimated Spending	
HDC Reserves	2,200,000	Willmott Dixon Contract	5,493,397
HDC Borrowing	1,950,000	Additional Building work linked to lettings strategy	37,263
HDC Headroom Funding	251,000	Fees	260,710
LCC Contribution	1,600,000	Furniture	159,794
LCC Library/Museum Contribution	158,000	ICT Costs	235,495
HDC Transformation Budget – Telephony	140,000	Decant & Recant to/from The Symington Building	349,322
LCC Additional Requirements	37,205	Retained Sums	104,514
Bowdens Charity	380,000	Additional LCC works	37,205
Total	6,716,205		6,677,700
		Underspend	38,505

The Council recently negotiated a change in contract terms to a fixed price contract and a hand back of the building to the Council by 20th December 2013. These negotiations mitigated against any time or cost overruns the negotiations have secured over £100,000 of savings from Willmott Dixon.

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It is expected further savings will be achieved in the non build costs such as ICT and costs of decant/recant from Millers House with the potential for additional £60K of savings from minimising any dilapidations from Millers House. However, this is uncertain due to the accuracy of the condition survey originally prepared by the County Council.