



*St Edmundsbury*  
BOROUGH COUNCIL

# B124

## **DRAFT**

### **Performance and Audit Scrutiny Committee**

### **26 July 2010**

## **Capital Programme Audited Accounts**

### **SUMMARY**

In accordance with the Council's Financial Regulations, the purpose of this report is to notify the Committee of variations in cost between tenders and completed schemes.

### **PURPOSE OF THE REPORT**

The Committee is asked to note the contents of this report and advise the Cabinet of any issues requiring attention.

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# Performance and Audit Scrutiny Committee

## 26 July 2010

### Capital Programme Audited Accounts

This report contains the results of key projects (over £25k) undertaken by Property Services for which the accounts have been audited during the financial years 2009/2010.

The projects being reported this year were undertaken during 2007 and 2008. All the schemes complied with the Council's Financial Regulations.

Reports for previous financial years revealed the following:

Financial Year Reported	Number of Projects	Total Approved Budget	Total Expenditure	Variation %
2004/2005	4	470,400	436,362	(7.24)
2005/2006	5	369,080	366,782	(0.62)
2006/2007	4	627,200	597,041	(4.81)
2007/2008	1	105,000	98,591	(6.10)
2008/2009	3	545,000	540,345	(0.85)

Appendix A to this report contains financial statements concerning three schemes with a total approved budget of £1,220,000. The three schemes reported vary in size and complexity; re-roofing Hollands Road Business Centre, rebuilding the east plant room at Bury Leisure Centre and the construction of the New Museum Facility at West Stow Country Park.

Schemes are reconciled against a total budget approval and reported only when the final phase has been completed and audited. This therefore may spread the project over a number of years for example the Bury Leisure Centre refurbishment and capital improvement contracts where the works have been completed but agreement on the final account remains outstanding.

An analysis of the figures provided in Appendix A to this report shows that the total expenditure for 2009/2010 was a variation of 5.83% (£71,111 below budget).

Of the three schemes being reported two projects varied significantly from the budget allocation:

- (1) Expenditure on the rebuilding of the east plant room at Bury Leisure Centre shows a 13.47% saving on the approved budget of £470,000 (£63,314). The original estimate was based on actual costs of rebuilding the west plant room and initial advice from an independent mechanical and electrical consultant. However in preparing a detailed scheme and as a result of competitive tendering these savings were able to be made.

- (2) Expenditure on re-roofing Hollands Road Business Centre, Haverhill shows an 8.28% saving on the original approved budget of £100,000 (£8,276). This can be attributed to the unknown nature of the works prior to commencement with savings being made on both the quantity of works and the professional fees.

### **Resource Implications**

There is an overall saving on the three schemes of £71,111. For the two schemes that are funded through the capital budget approved programme savings of £62,835 amount to interest savings of £ 691, equivalent to £1.66 a year for a Band D taxpayer.

## APPENDIX A

## FINANCIAL RECONCILIATIONS 2009/2010

The Project	Total Approved Budget £	Total Expenditure £	Variation £
<b>COMMUNITY - Museums</b>			
New Museum Facility, West Stow Country Park	650,000	650,479	479
<b>COMMUNITY - Sports &amp; Recreation</b>			
Rebuilding the East Plantroom, Bury Sports & Leisure Centre	470,000	406,686	-63,314
<b>RESOURCES - Major Planned Building Maintenance</b>			
Re-roofing to Hollands Road Business Centre, Haverhill	100,000	91,724	-8,276
<b>TOTALS</b>	1,220,000	1,148,889	-71,111