

Scheme Name	Actual Costs to 22/23	Current 23/24 Budget	Current 24/25 Budget	Current 25/26 Budget	Revised 23/24 Budget	Revised 24/25 Budget	Revised 25/26 Budget	Overall Variation	Explanation of budget variation / Slippage
BLOCK A PALATINE CHAMBERS	27,273,683	21,048,787	0	0	17,946,067	3,398,209	0	295,489	The minor budget variation reflects agreement on some budget headings across construction, fees and operating budgets for the hotel however this is broadly cost neutral. The primary reasons for the slippage is to reflect the reported delays to completion of the construction works that have been previously reported and the knock on delays to lettings and the reduction letting spend in the year (capital contributions, associated legals & fees) and the operating costs for the hotel.
BLOCK B LAYCOCK HOUSE NEW	20,306,297	1,065,102	0	0	433,878	769,639	0	138,416	Fundamental increase is the uplift in capital contribution expenditure and forecasts to reflect the requirements and conditions of the current market. This has been offset to a degree by savings achieved the construction budget (liquidated Damages applied and only partially expended on fees). The primary reasons for the slippage is to reflect the reported delays to completion of the construction works that have been previously reported and the knock on delays to lettings and the reduction letting spend in the year (capital contributions, associated legals & fees), in addition to challenging market conditions.
BLOCK C PEPPER POT BUILDING	19,997,572	1,581,811	0	0	521,820	1,125,014	0	65,023	The minor increase in budget is due to an uplift in anticipated capital contributions reflecting the requirements and conditions of the current lettings market, albeit this has been largely offset by savings on construction following completion of the works. The primary reasons for the slippage is to reflect the delays to lettings and the reduction in letting spend in the year (capital contributions, associated legals & fees), in addition to challenging market conditions as a result of the delayed handover of the buildings.
BLOCK D	89,744,286	1,066,699	0	0	469,581	266,044	422,194	91,120	The minor increase is due to the introduction of disposal fee allowances to ensure there is capital provision as & when the asset is sold. This has been offset somewhat by t remaining contingency. The slippage is largely due to the delay in lettings not being agreed/completed this financial year as had been originally targeted (capital -contributions & associated fees slipped to next financial year as a result) and the introduction of disposal legal & agent fees forecasts.
BLOCK E TELEPHONE HOUSE	4,108,095	448,975	0	0	398,224	0	0	-50,751	Underspend relates to a reduction for non-contract/construction related costs including engineering, legal and marketing fees.
BLOCK F TRAFALGAR WORKS	223,298	0	0	0	0	0	0	-	N/A
BLOCK G DEVELOPMENT PLOTS	738,955	164,500	0	0	46,859	117,641	0	0	N/A
BLOCK G1 38 CARVER STREET	2,526,611	0	0	0	82,785	0	0	82,785	Now includes allowances for Disposal Legal Fee and Sales Agent Fees.
BLOCK H HENRYS BLOCK	46,073,284	10,898,341	470,795	0	7,940,637	2,698,720	0	- 729,779	The savings achieved is due to the omission of historic risk allowances which were not realised and savings against the construction budget following a commercial settlement. Considerable slippage due to continued challenges and delays on site. Forecast construction completion now imminent, however the delay has had an impact on construction expenditure and a resulting knock-on effect on letting activity (capital contributions, associated legals & fees).
BLOCK H1 LEAHS YARD	5,699,159	5,911,781	412,520	0	4,545,832	1,626,283	0	- 152,186	Savings achieved following a review of budget allowances that are no longer required (in their entirety or at all) due to the nature of the single-lease occupancy agreed. Savings also achieved in construction-related fee expenditure, where are now included within the construction contract. Budget revised to reflect construction programme and that the final months of construction expenditure now slip into the next financial year, which again have a knock-on effect on associated fee and post-contract spend.
BLOCK I - JLP BUILDING	6,490,923	2,428,708	0	0	2,723,221	0	0	294,514	Minor budget increase to reflect asbestos removal contract costs, additional utility costs, additional air monitoring costs and the other minor works.
PUBLIC REALM & INFRASTRUCTURE	625,179	199,634	0	0	23,576	176,057	0	-	Slippage relates to delayed Public Art works and associated fee spend.
HOCII ACQUISITIONS	73,883,688	1,180,775	0	0	687,531	9,001	0	- 484,243	Use of contingency budget to cover increased costs on other BUs. Slipped legal fees to 24/25.
HOC PROGRAMME WIDE DEVELOPMENT COSTS	7,850,812	693,520	0	0	684,345	458,787	0	449,612	Variation relates to the increased programme costs as a result of delay to the construction programme. Includes allowances for 24/25 professional fees and charges
BLOCK G POUNDS PARK	6,131,666	1,438,911	0	0	1,154,598	284,313	0	-	Slippage due to realignment of budget to reflect revised programme for Rockingham Street.
BARKERS POOL CAR PAR	3,509	35,491	0	0	35,491	0	0	-	N/A
	311,677,016	48,163,034	883,315	-	37,694,447	10,929,709	422,194	0	

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