

	13/14	Third Quarter		13/14		Comments
	Full Year	13/14	13/14	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Planned Maintenance Programme	468	211	184	-27	-13	This allocation includes budgets for 30 capital projects being undertaken within the Planned Maintenance Programme. The largest projects include major upgrades of electrical & lighting works and energy conservation works at the Civic Office. Other works include fire safety upgrades, DDA compliant works and environmental improvement works to the Civic Offices. Although the majority of these schemes are progressing well, some of the energy efficiency works and the upgrade of the fire escape stair case have been delayed and are expected to slip into 2014/15. The Planned Maintenance Programme also covers capital works on other Council-owned offices, North Weald Airfield, Chigwell Row Recreation Ground and the Upshire Road shops. Most of these works are expected to be completed by the year end. However, the planned upgrade of the fire escape at the North Weald Airfield Control Tower has been delayed as the tower has recently been designated a listed building. It is anticipated that there will be an underspend in the order of £80,000 to £90,000 over all projects within this section, most of which is likely to be requested as a carry forward although there may be some savings.
Upgrade of Industrial Units	13	2	2	0	0	The planned work to upgrade the roofs on the industrial units at Oakwood Hill is expected to start next financial year, for which there is allocation of £300,000. The actual costs shown in this table relate to the consultant's report completed earlier this year. It is unlikely that any more feasibility work will take place until the results of the tenant consultation has been received and reported to Cabinet. The unspent budget of £11,000 is therefore expected to be carried forward to 2014/15.
Other Capital Investments	1,059	76	51	-25	0	This budget includes £654,000 for the purchase of the lease of the second floor of Bridgeman House, Waltham Abbey; £89,000 for the Bakers Lane toilet block refurbishment works; £35,000 for a new property management system; and £281,000 for three areas of feasibility works. The feasibility works cover new developments; solar energy panels; and the Waltham Abbey swimming pool roof. Negotiations for the lease of Bridgeman House are in hand and, although it is hoped that completion will be achieved by the year end, it is more likely that this will take place in 2014/15. The Bakers Lane toilet refurbishment is complete, for which £51,000 has been paid to date, and the property management system is expected to be purchased by the end of the financial year. Legal work has commenced on preparing and negotiating a Development Agreement for the redevelopment of the Sir Winston Churchill site. Consultants have undertaken feasibility works for solar panels and a report will be presented to Cabinet before further work is undertaken. The feasibility study for the roof at Waltham Abbey Swimming Pool is due to be commissioned but will not take place until 2014/15. It is anticipated that there will be a total carry forward in this section of approximately £50,000 to £60,000 but this would increase to over £700,000 if the Bridgeman House purchase is delayed.
Total	1,540	289	237			

2013/14 DIRECTORATE CAPITAL MONITORING -
FINANCE AND ICT

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		<u>Comments</u>
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
ICT Projects	467	351	347	-4	-1	Overall this budget is broadly on target. However, some slippage has occurred on the replacement of the Council's telephone system which may mean that some of the £295,000 budget will be requested to be carried forward. Other projects progressing include: the completion of the document management system roll out; the core switch replacement scheme; and the development of the Council's wireless network and mobile working facilities. The work planned on the gazetteer/environment & street scene system in this financial year will now be undertaken next year. To compensate for this slippage, additional work identified on the mobile working facilities project, has been brought forward from 2014/15 to 2013/14.
Total	467	351	347			

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		<u>Comments</u>
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
Waste Management Equipment & Vehicles	313	283	258	-25	-9	The budget of £223,000 for waste collection vehicles has been fully spent on the purchase of two mechanical sweepers. However, the £90,000 budget for waste and recycling containers is underspent to date because the purchase of new bins has been kept to a minimum, pending the re-letting of the new waste management contract. It is likely that this budget will be underspent by the year end and it is estimated that a carry forward of approximately £30,000 to £40,000 to 2014/15 will be requested.
Parking Reviews	202	51	-10	-51	-100	There has been no spending on this budget in the first nine months of this financial year and there is still an outstanding liability relating to the Epping scheme. Although, the Epping parking scheme is complete, the council is yet to be invoiced for works already carried out; a £10,000 budget is available for this. Design work and surveys have now commenced on the Buckhurst Hill parking scheme and the formal consultation process (including planning applications and advertising) is due to be carried out in March/April 2014. The scheme is unlikely to be completed in this financial year and significant slippage is expected on this budget. The parking scheme in Loughton will follow once the Buckhurst Hill scheme is completed, this is expected to start in 2014/15.
North Weald Airfield	74	37	12	-25	-68	This budget is funded from contributions from the airfield's market operator Hughmark. The current position remains unchanged from the last quarter following the decision that the Council is to carry out essential work only in response to a negotiated reduction in Hughmark's capital contributions this year.
Other Environmental works	157	85	64	-20	-24	This category includes £39,000 for the Council's grounds maintenance vehicle replacement scheme; £95,000 for the provision of new and upgraded CCTV systems; and £23,000 for flood alleviation improvement work . Expenditure on grounds maintenance vehicles is in line with the profiled budget but no further spending is expected before the end of the financial year. The programme of CCTV upgrades is in progress and several systems have already been installed including the one at Langston Road Depot. The Loughton CCTV upgrade is being tendered and the contractor is expected to be appointed before the end of the financial year. Slippage on the Loughton system and also the Lower Queen's Road upgrade is anticipated and a carry forward to 2014/15 is likely to be requested. No expenditure has been incurred on the flood alleviation improvement programme although a full procurement exercise is currently under way for the purchase of flood warning telemetry systems equipment. It is likely that the majority of this budget will need to be carried forward.
Total	746	455	324			

2013/14 DIRECTORATE CAPITAL MONITORING -
DEPUTY CHIEF EXECUTIVE

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		<u>Comments</u>
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
Limes Farm Hall Development	11	8	-22	-30	-369	Snagging works at Limes Farm Hall have been completed. The negative actual expenditure relates to unpaid retention monies. A number of building control issues have been identified and remedial actions are in progress. The retention monies will only be released when these issues have been fully addressed.
Waltham Abbey All Weather Pitch	12	12	18	6	46	This budget is showing an overspend. Although work on the pitch surface is now complete, there have been issues with regard to the installation of floodlights on the pitch. These are currently being addressed and it is likely that extra funding will be required to complete this project. The overspend will be dependant on how much of the retention will be released and this is subject to contractual negotiations.
Museum Property Purchase	650	163	0	-163	-100	Funds amounting to £1,165,000 have been secured from the Heritage Lottery Fund for this project of which £495,000 is allocated for the purchase of the lease of the first floor at 37 Sun Street. A three-way negotiation between the Council, Bridgeman and Essex County Council for the lease purchase is in progress and anticipated to be completed by the end of the financial year. Some slippage on this budget is anticipated as it is unlikely that works will commence on this project before the end of the financial year. Approximately £130,000 is expected to be carried forward to the next financial year.
Total	673	183	-5			

2013/14 DIRECTORATE CAPITAL MONITORING -
HOUSING GENERAL FUND

	13/14	Third Quarter		13/14		<u>Comments</u>
	Full Year	13/14	13/14	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Housing Estate Off Street Parking	150	68	64	-4	-6	A report on the outcome of current off street parking schemes on housing estates and future schemes was reported to Cabinet on 3 February 2014. Progress is being made on the third and fourth phases of the programme with three schemes already completed. Work on the Harveyfields site is due to start in late February, having been delayed following concerns from British Telecom with regards to their infrastructure on this site. Planning permission has now been submitted for approval for the Parndon House site, where work is expected to be carried out in the next financial year. These schemes are jointly funded between the General Fund and the HRA, and in the past, this has been split based on a 51:49 ratio to reflect the proportion of Council properties compared to the number of Right to Buys across the district as a whole. However, Cabinet has agreed to split the funding on a scheme by scheme basis from 2013/14 onwards. The effect of this change is difficult to assess at present but will be reflected in the Outturn figures and any explanations will be provided as necessary.
Total	150	68	64			

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		Comments
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
Housing Developments	566	164	160	-4	-2	This budget category includes new housebuilding, conversions and an acquisition. For new housebuilding, see comments on the major schemes schedule (Annex 17). Conversion works include the re-development of Marden Close and Faversham Hall, which are expected to go ahead in the next financial year once planning permission for Faversham Hall is obtained. It has been agreed that these conversions will be funded from the Service Enhancement Budget and there is a budget of £29,000 in 2013/14 for preliminary work. There is a further allocation £254,000 for the acquisition of a property at Pyrles Lane; this is in progress and expected to be finalised in the final quarter.
Heating/Rewiring /Water Tanks	3,282	1,901	2,150	249	13	The overall budget is currently showing as overspent. This is mainly due to the gas heating programme of replacement gas boilers being ahead of schedule where good progress is being made. Conversely, there are underspends on the other budgets in this category, including electrical heating, rewiring and communal water tank replacement. It is anticipated that overall, this category will be underspent by £78,000 at the end of the financial year.
Windows/Doors/Roofing	3,008	2,102	1,556	-546	-26	All budgets in this category are currently underspent. Work on the windows and doors programme was delayed awaiting the outcome of a fire risk assessment. This has now been completed and the replacement programme has been accelerated in order to meet fire precautions guidelines as soon as possible; expenditure is now expected to be roughly on target. On the other hand, roofing budgets are expected to be underspent due to the re-letting of contracts. Portfolio holder approval is being sought for the tiled roof contract and the tender for the flat roof replacement and balcony resurfacing works is expected to be in place by April 2014. Overall, this category is expected to be underspent by £166,000.
Other Planned Maintenance	400	297	90	-206	-70	This category includes Norway House improvements, communal TV upgrades, door entry system installation and energy efficiency works. Improvement works at Norway House are on target but the other two budgets are underspent, particularly the energy efficiency works. These have been put on hold following the withdrawal of the anticipated British Gas ECO grant funding for the external wall insulation programme. Officers are consulting with other utilities companies to secure ECO funding which could be used to fund up to 50% of energy efficiency works. It is anticipated that only £137,000 of the £400,000 available budget will be spent in this financial year.
Kitchen Replacements	850	410	250	-160	-39	The underspend on this budget has occurred as a result of unexpected delays on the contract. The original contractor, appointed in October 2013, withdrew their tender after a number of trial kitchen installations were completed. The need to gain approval and appoint the second contractor delayed the commencement of the programme. Despite this, the planned number of kitchen replacements is still expected to be achieved as about half of the total programmed replacements are being carried out within the voids programme. Approval for a £431,000 virement from this budget to the voids budget was sought at the February Cabinet meeting to reflect the kitchen replacement works carried out within the voids programme.
Bathroom Replacements	1,200	558	280	-278	-50	The planned and ad-hoc bathroom replacement programmes also commenced late in the year with the appointment of two contractors in October 2013. The planned programme will span over three years and see the replacement of non-standard bathrooms in approximately 600 properties on the Limes Farm estate. Progress has been hampered by a number of practical issues, primarily relating to problems of access to the properties and also because works have to be completed in floor order, starting with lower floors. This budget is expected to be £573,000 underspent by the end of the financial year.
Total c/f	9,306	5,431	4,487			

	13/14	Third Quarter		13/14		Comments
	Full Year	13/14	13/14	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	9,306	5,431	4,487			
Void Refurbishments & Other Small Works	1,229	922	1,013	91	10	This budget is overspent as at 31 December 2013. As part of the repairs refresh programme, increased capital improvements including kitchen and bathroom replacements are now being undertaken while properties are void. There has been a significant increase in the number of void numbers since the introduction of the benefit cap within the Welfare Reform Act; this has resulted in a number of tenants downsizing due to under-occupancy. The original budget was increased by £791,000 to accommodate this increase in void works.
Council Estate Parking, Garages & Other Environmental Works	709	294	246	-48	-16	This category includes garages, fencing, off street parking, estate environmental works, environmental improvements, watercourse repairs, CCTV, drainage works, external lighting schemes and Ninefields gas pipeworks. Overall, the category is underspent, mostly due to delays on the Ninefields gas pipework renewal project. This project involves working on National Grid infrastructure and can only be undertaken by approved Lloyd registered contractors. Although originally tendered in November 2013, a re-tendering exercise is currently in progress, which will result in the full allocation of £267,000 slipping into 2014/15. The CCTV upgrade programme has also slipped and some systems have been re-scheduled into next year. Variations between budgets and actuals on the other schemes in this category are relatively small. The off-street parking programme is on target; this scheme is jointly funded between the HRA and General Fund and more information is given on annex 14. The temporary hold on works to garage sites is still in place, pending the confirmation of potential development sites for the house building programme. However, some additional essential emergency works have been identified on some garages, which will result in a small overspend. Underspends in other areas, which are essentially demand led, are expected to offset these overspends to some extent but, overall, this category is expected to be underspent by about £290,000.
Structural & Other Works	600	431	351	-81	-19	Although structural works are currently being carried out at a number of properties, expenditure to date is relatively low and it is likely that the budget will be underspent by the end of the financial year.
Disabled Adaptations	446	320	304	-16	-5	Although this budget is showing a small underspend as at 31 December 2013, work is progressing well and it is expected to be fully spent by the end of the financial year.
Other Repairs and Maintenance	221	133	80	-53	-40	This category includes feasibility studies and asbestos removal, and both areas of work are currently underspent. New projects for feasibility studies have been lower than expected, primarily due to resources being directed towards the new housebuilding project. Asbestos removal works are demand led and will only pick up if asbestos materials are found on Council properties.
Capital Service Enhancements	194	106	72	-33	-32	This category includes all works to be financed from the Service Enhancement Budget in 2013/14, except for the conversions at Marden Close and Faversham Hall, which are covered in the Housing Developments section above. Works include: DDA works to communal toilets; fitting smoke detectors; and installing the Locata computer system & module. DDA conversion works at Barrington Hall are due to start in February with a predicted mid-March finish date. Although the smoke detector & rewiring programme is currently showing an underspend, this budget is expected to be fully spent by the end of the financial year. Progress on the procurement of a review module to complement the existing Locata housing system is on-going and still expected to be purchased this financial year.
Housing DLO Vehicles	82	64	64	0	0	Five vehicles have been bought and no further spending is expected on this budget. The unspent budget is likely to be requested as a carried forward in the next financial year.
Total	12,787	7,701	6,616			

2013/14 DIRECTORATE CAPITAL MONITORING -
Revenue Expenditure Financed from Capital under Statute

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		<u>Comments</u>
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
Disabled Facilities Grants	330	248	210	-38	-15	Expenditure on Disabled Facilities Grants was low last year due to the reduced number of occupational therapist referrals received at the end of the previous financial year. Essex County Council has now taken action to address the situation and, as a result, there has been a significant increase in the number of referrals received in 2013/14; for example in quarter 3 this year there were 39 referrals compared to 18 over the same period last year. It was established at a meeting with Essex County Council officers in December 2013 that this steady increase in referrals is likely to continue. Despite this, the budget is currently underspent. Although every effort is being made to process and approve the grant referrals as quickly as possible and arrangements are being made for the works to be done quickly, some grant payments will inevitably slip into 2014/15. Any unspent budget will be carried forward to 2014/15 to accommodate this.
Other Private Sector Housing Grants	100	63	73	10	17	This budget covers private sector housing grants approved under the previous system of non-repayable grants for decent homes, small works and thermal comfort assistance. The budget is expected to be fully spent by the end of the financial year when all the works for approved discretionary grants are completed and paid for. The Council now offers financial assistance in the form of repayable loans instead of grants and this is reported on separately in the capital loans section below.
Waltham Abbey Regeneration	35	17	27	10	59	This regeneration initiative started in 2011/12, financed from the £165,000 premium paid by Lidl in respect of 1 Cartersfield, Waltham Abbey. It consists of a number of grants to Waltham Abbey Town Council for various projects. As the projects do not enhance EFDC assets, these grants are now classified as revenue expenditure, although they can be financed from capital resources. The projects are progressing well and three more grant payments have been made this financial year. It is anticipated that the initiative will be completed this year.
Total	465	328	310			

	13/14 Full Year Budget £'000	Third Quarter		13/14 Variance Budget v Actual		<u>Comments</u>
		13/14 Budget £'000	13/14 Actual £'000	£'000	%	
Home Ownership Schemes	375	281	316	35	12	The Open Market Shared Ownership Scheme is now in its second phase and, to date, the Council has provided a total of 10 interest-free loans to B3Living (formerly Broxbourne Housing Association) to enable first time buyers to purchase properties on the open market. Three extra loans have been approved and will be released pending the first time buyers finding suitable properties. This is not expected to happen before the end of the financial year. Any unspent budget will be carried forward to the next financial year. An option of a third phase will be considered when the second phase is successfully completed.
Repayable Private Sector Housing Loans	139	101	55	-46	-46	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock and replaces the old non-repayable grants scheme referred to above. The initial uptake for loans was low but demand is growing. An overall underspend on this budget is anticipated and it is likely that a request will be made to carry forward any unspent allocation to 2014/15.
Total	514	382	371			

2013/14 HOUSE BUILDING - PACKAGE 1										
Original Start on Site Date	Original Finish Date	Proposed Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast £'000	Updates £'000	Latest Forecast £'000	Actual Expenditure To Date £'000	Anticipated Outturn £'000	Variance to Original Cost %	Variance to Approved Budget %
Apr-14	Jun-15	Jun-14	Aug-15	3,948	-565	3,383	67	TBA	-14%	N/A

In July 2013 the Housebuilding Cabinet Committee met to consider the Council's Housebuilding Strategy and to agree a report on how the housebuilding programme will be funded as well as the financial appraisals and feasibilities for the schemes to be included in the first phase.

Package 1 centres on Waltham Abbey, on the Roundhills and Harveyfields estates in particular. The principle reason for these areas being the first to be selected was that the Council was successful in securing a grant of £90,000, through a bidding process from the Harlow Growth Area Fund for flood mitigation works to enable development of the former Red Cross Hall site on Roundhills. East Thames, who are the Council's Development Agent, prepared individual feasibility study reports for the five individual sites originally included in Package 1: the former Red Cross Hall site; 3 further garage sites on the Roundhills Estate, Waltham Abbey; and a garage site in Harveyfields. In total, this package was expected to deliver 25 new affordable Council dwellings, subject to planning approval, with the first applications submitted in September 2013.

A financial viability assessment was undertaken for each site individually and collectively as a package and a pre-tender forecast of £3,948,000 was agreed for Package 1 at the Housebuilding Cabinet Committee in July 2013. This forecast covered all five sites originally included in Package 1. However, the forecast has been re-assessed and revised down to £3,383,000 since the withdrawal of one of the Roundhills sites, which reduces the overall number of new affordable Council homes to 23 in Package 1. These costs are subject to tender, so the forecast will need be updated again after the scheme is tendered in March 2014.

Subject to planning approval, it is now anticipated that the first phase will be tendered using the East Thames Framework Agreement and that work will commence on site in June 2014. If these timescales are achieved, the first phase of the housebuilding programme is expected to be completed by August 2015.