

2014/15 DIRECTORATE CAPITAL MONITORING -  
COMMUNITIES

ANNEX 7

	14/15 Full Year Budget £'000	Third Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Epping Forest District Museum	1,080	810	589	-221	-27	Please see comments on the major schemes schedule.
CCTV Systems	107	80	81	1	1	The CCTV capital programme is on target for 2014/15. Completed projects include works on the systems at Loughton High Road, Lower Queens Road and the Limes Farm shops. Works on the systems at North Weald Airfield and Epping police station will be carried out in 2015/16. There was unexpected expenditure at Debden Broadway due to essential works which has been supplemented via underspends on other schemes.
Housing Estate Parking	175	131	24	-107	-82	The programme of providing off street parking facilities on Council Estates is ongoing. All of phase 4 and much of phase 5 is now complete. The scheme at Ladyfields is underway and the resident consultation exercises have been undertaken on Park Square and Paley Gardens. All these schemes are joint funded between the General Fund and the HRA depending on the split between sold properties and HRA tenanted properties. As most of the schemes undertaken this year have been in areas predominantly occupied by council tenants, it is anticipated that this budget will be underspent at the year end.
Limes Farm Hall Development	6	5	0	-5	-100	Limes Farm Hall Development is now completed. The budget of £6,000 was carried forward from 2013/14 to allow for the costs of some minor snagging works. These works have now been completed and the costs will show in quarter 4. There also remains a budget of £10,000 in the Planned Maintenance Programme, for acoustic works for two halls in the Limes Centre; bookings are currently being lost due to the very high noise levels. An acoustics report has been produced and the Council is in the process of inviting quotations for the work. It is envisaged that this work will commence prior to 31st March 2015.
Waltham Abbey Playing Field	0	0	8	8	N/A	This scheme was completed last year with the provision of a new floodlit Astroturf pitch and a £39,000 saving was reported in the Capital Outturn Report in May. However, this year remedial works have been required on the pitch due to drainage issues. These works are not covered by the guarantee because the original contractor has gone into administration. There have been security issues with the pitch, associated with travellers and antisocial behaviour by young people. A range of measures were put in place to address these issues and these have been successful. A further review will be undertaken during the Spring and Summer, but it is hoped that the current arrangements will be sufficient. An update report will be submitted to Cabinet in April.
<b>Total</b>	<b>1,368</b>	<b>1,026</b>	<b>702</b>			

	14/15 Full Year Budget £'000	Third Quarter		14/15 Variance Budget v Actual		Comments
		14/15	14/15			
		Budget	Actual			
		£'000	£'000	£'000	%	
Purchase of Lease re Torrington Drive	3,511	3,511	3,511	0	0	This project was finalised in April this year.
Upgrade of Industrial Units	15	7	0	-7	-100	There has been no progress on this project in the last few months, with the works being expected to start in the new financial year. The project had initially been delayed as the work is subject to agreement with the tenants occupying the units on the industrial estates. Although works are not expected to start until 2015-16 there is expectations that legal & quantity surveying fees will be incurred before the 31 March 2015.
New Developments	263	197	129	-68	-35	This budget has been set aside for major new developments within the district. With regard to the Winston Churchill pub site, a budget of £75,000 was approved to cover the costs of setting up the legal framework with the developer. The pub has now been demolished and construction works have commenced. With regard to the Epping Forest Shopping Park at Langston Road, discussions are on-going with Polofind and the development agreement is hoped to be finalised by end of March 2015.
St John's Road Epping Development	1,000	0	0	0	0	An estimate was approved by Cabinet in October 2014 for the acquisition of Essex County Council's land holding in the St John's Road development site in Epping. It is expected that the works for this project will slip into 2015/16 due to delays on the part of Essex County Council.
Oakwood Hill Depot	75	56	0	-56	-100	The development agreement with Polofind for Epping Forest Shopping Park at Langston Road is hoped to be finalised before the end of March. In order for this development to take place it has been agreed to relocate existing services into a new depot at Oakwood Hill. A budget of £2,659,000, including fees, for this new depot was approved at cabinet in December, with works to be starting in 2015/16. A £75,000 allowance has been included in 2014/15 for any fees incurred before the end of the financial year.
Property Management System	35	26	0	-26	-100	The new property management system was installed in December 2014 but there are integration problems at present. Once resolved the payment will be made and costs should be in line with the budget.
Document Scanner	25	25	26	1	4	This budget was included within the capital programme as part of the Capital Review to cover the cost of a scanner for the planning section. The budget was originally approved as a revenue item and consequently will be financed from revenue contributions. The scanner has now been purchased and the cost was slightly over budget.
Total	4,924	3,823	3,666			

2014/15 DIRECTORATE CAPITAL MONITORING -  
NEIGHBOURHOODS

ANNEX 9

	14/15 Full Year Budget £'000	Third Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget	14/15 Actual			
		£'000	£'000	£'000	%	
Waste Management Equipment	84	63	63	0	0	This budget was set aside primarily to renew any waste and recycling containers as necessary to ensure sufficient stock levels for the commencement of the new waste and recycling contract in November 2014. Under the new contract, the Council will continue to purchase replacement bins and an annual allowance has been approved to cover this. Most of the remaining budget will be needed for essential IT work required to complete the process of integration of Biffa's computer system with the Council's IT platform. This will be supplemented by additional expenditure of £18,000 to be met from a Biffa contribution. Hardware costs for council client offices of £8,000 will also be incurred, which will be partly by bringing forward a small allocation from 2015/16.
Parking Schemes	155	116	0	-116	-100	This budget covers the cost of completing the Buckhurst Hill parking review. The formal public consultation for the Buckhurst Hill parking review is now completed and Essex County Council have advised EFDC that the works are expected to commence within the financial year. The final scheme in Loughton Broadway will follow once the Buckhurst Hill scheme has finished; the allocation for Loughton Broadway was carried forward as part of the Capital Review.
North Weald Airfield	44	33	2	-31	-94	This budget is fully funded from contributions made in previous years from the airfield's market operator Hughmark; ongoing capital contributions have been suspended for the time being due to economic circumstances. The Council has agreed to carry out essential work only, which will utilise the unspent balance of £44,000 on the account. So far, £15,000 has been allocated to contribute to a new CCTV system that will cover the market areas. A further £5,000 has been allocated to purchase a new item of cleaning equipment that will be used after each market to ensure it is fit for purpose for other activities.
Other Environmental works	183	137	70	-67	-49	<p>This category includes the Council's grounds maintenance vehicle replacement programme, flood alleviation equipment and the pay and display car park scheme. All the flood alleviation equipment has been purchased and the budget utilised in full. The replacement of grounds maintenance vehicles is on target to be fully spent by the end of the financial year; one mower has already been purchased and a second mower will be delivered on the 2 March 2015.</p> <p>A report submitted in February 2015, agreed a revised strategy to improve and modernise the pay and display machines in 2015/16 with an extra allocation of £100,000 subsequently being assigned to this programme. This allocation will extend the replacement of the machines to all car parks and provide an improved service. Procurement is complete for the installation of new pay and display machines across all Council owned car parks with a preferred supplier, Metric Ltd, identified. No spending has been incurred on this budget to date and cost are likely to be minimal in this financial year. However, it is expected that the machines will be installed and operational by July 2015, for which a carry forward will be required.</p>
Total	466	350	135			

2014/15 DIRECTORATE CAPITAL MONITORING -  
RESOURCES

ANNEX 10

	14/15 Full Year Budget £'000	Third Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
		£'000	£'000	£'000	%	
Planned Maintenance Programme	557	418	119	-299	-72	This budget covers all projects undertaken within the Council's Planned Maintenance Programme, except for those reported on separately in this report. There are thirty three planned projects and the main ones include window replacements in the Civic Office building, the upgrade of electrical & LED lighting works, Disability Discrimination Act (DDA) compliant works and car park resurfacing works at two leisure centres. The window replacement programme has slipped into 2015/16 due to the manufacturing issues which the contractor is dealing with. Plans are in place to start the project in April with phase two to commence in early May. The rolling contract allows for economies of scale to be achieved which will enable budgetary targets to be met. The budget set aside for electrical work and LED lighting is on course to be spent by the end of the financial year, with all works also expected to be completed by 31 March 2015; rolling works will start again in 2015/16. The DDA complaint projects are currently continuing, however, they have hit a few snags along the way. Although the side doors and the doors to the conference room are complete, the front doors are unlikely to be completed by the end of the financial year.
Solar Energy Panels	221	166	9	-157	-95	There has been a slippage in the solar energy panels programme due to works in the windows project and as a consequence the solar energy panel programme has been postponed until June/July 2015. The original contractor, who offered the lowest tender price, was unable to agree to hold prices due to the later time scale of the project. The agreement has therefore been cancelled and, subsequently, the programme has moved on to the second lowest tenderer who has agreed to hold prices until the expected start date. A further report will be supplied by the portfolio holder on the appointment of the new contractor. This said, budgeted estimates are still on track to complete the works in 2015/16.
ICT Projects & Other Equipment	573	430	331	-99	-23	All ICT projects are on schedule for completion in the financial year with a number of projects already fully completed. The replacement host servers have been delivered and we are now awaiting the invoice whilst the Good rollout, portal payment project and information at work rollout have all been fully completed and invoiced appropriately. Although delivered, the host servers are not in use at present as they need time to be properly assembled and installed. Once this has happened it will allow for the release of the older hardware to facilitate the progress of the disaster recovery project as planned. This budget category also includes an allocation of £40,000 for the purchase of an enveloping machine for the Council's reprographics section. This has now been done and the machine is in use.
<b>Total</b>	<b>1,351</b>	<b>1,013</b>	<b>459</b>			

	14/15 Full Year Budget £'000	Third Quarter		14/15 Variance Budget v Actual		Comments
		14/15 Budget £'000	14/15 Actual £'000	Budget v Actual		
		£'000	£'000	£'000	%	
Housing Developments	1,683	1,262	761	-501	-40	Housing developments include phases 1 and 2 of the new house building programme; the conversion works at Marden Close and Faversham Hall; and the purchase of a former council house. Please refer to annex 13 (Major Schemes) for timings, costs and information on phase 1 of the new build scheme as well as an update on future phases. Regarding the conversion works at Marden Close and Faversham Hall, work started on site in October 2014 and the project is running to programme and budget. Completion is expected around November 2015. The budget for these works was re-profiled in line with expenditure forecasts as part of the Capital Review.
Heating/Rewiring /Water Tanks	2,831	2,123	2,128	5	0	This category includes gas and electrical heating; mechanical ventilation and heat recovery (MVHR) installation; rewiring; and communal water tank replacements. The one-off replacement of two boilers at Burkhurst Court has been completed and the budget for gas heating was enhanced as part of the Capital Review to cover the costs associated with these works. Progress is now being made on the electrical heating programme having appointed a specialist contractor, who is undertaking work previously put on hold. MVHR is demand lead so is difficult to predict outcomes, however, thus far it is looking like the project is on course for completion within the budget. Overall, this category is on target with little variance to the phasing of the budget up to 31 December 2014.
Windows/Doors/Roofing	2,743	2,057	1,628	-429	-21	All budgets in this category are currently underspent, including PVCu window replacement, front entrance door replacement and roofing programmes. After the appointment of a new specialist contractor, an accelerated programme of catch up works for the front entrance door replacement programme led to increased expenditure and the budget was enhanced to cater for this. Conversely, the reduced expenditure on the windows programme was matched with a budget reduction equivalent to the increase on the front entrance door replacement programme. With regard to the roofing programme, the catch up work on flat roofs which started last quarter is progressing well. However, it is likely that the work will not be finished in this financial year due to delays caused by utility companies and road closures; an underspend in the region of £220,000 is expected to be carried forward to 2015/16.
Other Planned Maintenance	621	466	468	2	0	This category includes Norway House improvements, door entry system installations and energy efficiency works. Capital works at Norway House and installations of door entry systems are currently underspent, although the Wi-Fi facility at Norway House is now complete. Energy efficiency works have progressed well to date and expenditure is ahead of targets. However, work external wall insulation has been put on hold pending future funding becoming available through the Government's Green Deal funding scheme. The opportunity to secure this funding was missed in January but claims have subsequently been submitted for 18 properties. At present it is not economically viable to undertake the work, but the project will re-commence when the funding is made available.
Kitchen Replacements	1,506	1,130	688	-442	-39	This budget is substantially underspent. This is mainly due to 47 of the 201 properties included in this year's program having being placed on hold pending clearance of tenant arrears and other matters. Furthermore, another 10 of the properties in the 2014/15 programme became vacant and, as such, were fully refurbished under the void refurbishment programme. These two situations have had a large impact on the expenditure charged to the kitchen replacement budget. Likewise, the 2016/17 kitchen programme is under subscribed at present and there appear to be insufficient failures to warrant the budget. This will be addressed in future capital programme reviews.
Bathroom Replacements	1,779	1,334	1,309	-25	-2	The bathroom replacement programme for 2015/16 is progressing well. It is anticipated that the bathroom budget may be over-spent at the end of the year due to having a long waiting list; this overspend will be offset by the inevitable underspend from the Kitchen programme. Contrary to the Kitchen programme the bathroom program is looking healthy for next year 2016/17 and extra properties could be brought forward to this year without affecting next year unduly. Again, future budget revisions will realign allocations to demand.
Total c/f	11,163	8,372	6,982			

	14/15	Third Quarter		14/15		Comments
	Full Year	14/15	14/15	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	11,163	8,372	6,982			
Void Refurbishments & Other Small Works	1,962	1,472	1,317	-155	-10	The nature of void works is that it is largely demand led and therefore difficult to predict expenditure outcomes each year. That said, it is thought likely that the budget will be fully spent by the end of 2015/16. Although underspent at present, expenditure is increasing and this trend is expected to continue to the end of the financial year.
Structural & Other Works	494	371	335	-36	-10	The structural repairs programme is still on target to be completed by the end of the financial year. Although the programme is showing a small underspend as at 31 December 2014, a large structural project on the development of a newly re-purchased council house will decrease this expenditure/budget variance. The purchase of this house will allow for the land adjacent to the property to be developed as part of the Council's House Building Programme. Overall, expenditure is predicted to increase over the final quarter and is on course to be completed to plan by the end of the financial year.
Council Estate Parking, Garages & Other Environmental Works	741	556	653	97	17	This category includes garages, fencing, off street parking, estate environmental works, CCTV installations, external lighting schemes and a gas pipe-work replacement programme. One of the major projects is the off street parking programme on council owned land, which is jointly funded between the HRA and General Fund (please see comments on annex 7). This programme is progressing well with extra bays being identified (78 areas in 2014 compared to 69 in 2012). The large-scale replacement of gas pipe-works was planned to be a four year project, however, due to the success of the works undertaken in phase 1, works have already begun on phase 2 and this shorten the length of the project. In the short term, this will result in an overspend in this financial year but it will benefit the programme in the long term and the budgets will be re-profiled to reflect the progress made. Expenditure on all other projects within this category are underspent to date and, although costs are expected to increase in the last three months of the year an overall underspend on these budgets is expected at the year end.
Disabled Adaptations	402	302	319	18	6	Expenditure is currently on target and it is anticipated that the budget will be fully spent by the end of the financial year.
Other Repairs and Maintenance	221	166	157	-9	-5	This category includes feasibilities, asbestos removal and the contingency budget. Work on feasibility studies has increased and, although there is still a large underspend as at 31 December 2014, it is anticipated that the variance between the budget and actual costs will narrow in the last three months of the financial year. Expenditure on asbestos removal works is difficult to forecast because it is largely demand led. This year, expenditure has exceeded the budget to date and an overspend is expected by the year end. The contingency fund of £20,000 is currently unused but this may be needed to top up the asbestos removal budget.
Capital Service Enhancements	299	224	90	-134	-60	The capital service enhancements budget includes the front entrance fire door replacement programme on leasehold properties, the refurbishment of communal kitchens in sheltered schemes, the provision of electric scooter stores at sheltered schemes, a contribution towards the provision of Wi-Fi at Norway House, and the online rents system and repairs maintenance software. Phase 1 of the project to refurbishment communal kitchens has been completed slightly under budget; the saving will be used to start phase 2. After completing the consultation for the provision of electric scooter stores in November 2014, work started on two schemes in December which is anticipated to be finished by 31 March 2015. The front entrance fire door replacement project is significantly underspent at present but a catch up programme is in progress; 180 doors have now been ordered and 90 doors installed in leasehold properties. The online rents system, and repairs maintenance system have not been installed yet and both schemes are likely to slip into 2015/16.
Housing DLO Vehicles	68	51	0	-51	-100	Four new housing maintenance vehicles have now been delivered and the costs will show in the final quarter of the year.
Total	15,350	11,513	9,853			

2014/15 DIRECTORATE CAPITAL MONITORING -  
REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE (REFCuS)  
AND CAPITAL LOANS

ANNEX 12

REFCuS	14/15 Full Year Budget	Third Quarter		14/15 Variance Budget v Actual		Comments
		14/15 Budget	14/15 Actual			
	£'000	£'000	£'000	£'000	%	
Disabled Facilities Grants	380	285	315	30	11	The number of occupational therapist referrals that initiate Disabled Facilities Grant (DFG) applications have been growing significantly since March 2013 and the total number of referrals forecast for 2014/15 is 175, compared to 163 in 2013/14. As a consequence, expenditure is currently exceeding the budget to date. The allocations for 2014/15 and the following three year period were re-profiled in the recent Capital Review to provide an allocation of £380,000 in 2014/15. Current estimates are that expenditure for the year is likely to be higher than this, at approximately £425,000, so further profiling of the budget will be required in line with medium-term forecasts.
Other Private Sector Housing Grants	13	10	5	-5	-49	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. It is anticipated that all the remaining grants will be paid off during 2014/15 and expenditure will total approximately £14,000.
HRA Leaseholders	TBA	TBA	TBA	N/A	N/A	These costs relate to capital expenditure on sold Council flats and are currently shown in the HRA capital programme. They are will be identified once the works are complete and reported at the end of the financial year.
Total	393	295	328			

CAPITAL LOANS	14/15	First Quarter		14/15		Comments
	Full Year	14/15	14/15	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Home Ownership Schemes	120	60	0	-60	-100	The Open Market Shared Ownership Scheme provides interest-free loans to B3Living (formerly Broxbourne Housing Association) to enable first time buyers to purchase properties on the open market on a shared ownership basis. EFDC's loan amounts funds 58% of B3Living's 50% share. The scheme is now in its second phase. It had been hoped that 6 loans could be provided under Phase 2 from the capital budget made available. However, due to the increase in the maximum purchase price introduced for phase 2, this has resulted in higher loans being required for each purchase. Therefore, the budget is now only sufficient to fund 5 loans, of which 2 have now completed. The remaining 3 purchases are in progress and expected to complete by the end of March 2015. If there are any delays, the related balance will be carried forward to 2015/16. Consideration is currently being given to undertaking a phase 3 of the Scheme.
Repayable Private Sector Housing Loans	120	90	54	-36	-40	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 budget is underspent to date as the uptake for these loans has been low, although it is now increasing. Expenditure for the year is likely to be no more than £81,000.
Total	240	150	54			

