

2015/16 DIRECTORATE CAPITAL MONITORING -  
COMMUNITIES

ANNEX 7

	15/16 Full Year Budget £'000	First Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Epping Forest District Museum	1,463	366	101	0	0	Please see comments on the major schemes schedule.
CCTV Systems	158	32	12	-20	-63	The 2015/16 CCTV capital budget covers the cost of work on seven schemes. The expenditure incurred to date relates to the purchase of new mobile cameras, which will be used throughout the District. Work on upgrading the system at North Weald Airfield is also complete although the invoice is yet to be received. The installation of CCTV cameras at the museum is progressing well and is expected to be completed within the next few months. Tenders are being sought to install cameras in the Council's car parks and the works are expected to be completed within the year. However, three schemes have been delayed including the scheme to provide CCTV coverage at the new Oakwood Hill depot; this is due to be undertaken at the end of the financial year. The two remaining schemes to locate cameras outside Epping Police Station and at Roundhills have been deferred due to officer capacity.
Housing Estate Parking	424	0	0	0	0	The off-street parking initiative comprises of a number schemes to provide parking bays on council housing estates and each scheme is jointly funded between the HRA and General Fund, depending on the mix of council owned and private properties. Works on the schemes were suspended while a tendering exercise was undertaken for the appointment of a design consultant. During the consultant tendering process, resident consultation on two off-street parking schemes are being undertaken and works are planned to commence on site in late autumn, depending on the results of the consultation and the appointment of a consultant. However, it is likely that the off-street parking budget will be underspent in 2015/16 and re-profiling of the budget into future years will be requested as part of the Capital Review.
<b>Total</b>	<b>2,045</b>	<b>398</b>	<b>113</b>			

	15/16	First Quarter		15/16		Comments
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
New Shopping Development at Langston Road	16,859	0	0	0	0	A supplementary capital estimate of £30,636,000 was approved by Cabinet in June for the purchase of Polofind's interest in the Epping Forest Shopping Park and the development of the site at Langston Road by the Council as sole owner developers; £16,636,000 has been included in this financial year and £14,000,000 in 2016/17. The purchase of Polofind's interest was completed on the 3rd July 2015, and the Section 278 highways works contract tender is scheduled to be issued during the week commencing 10th August 2015 with procurement required to comply with European Union Regulations. Tender documents for the main shopping park contract are being prepared and expected to be issued in early September. However, placing the contract is heavily dependent on progress on the Section 278 works. The current project plan anticipates that the new shopping park will be completed and ready for tenant fit-out in October 2016, with full opening for the Christmas trading period in December 2016. This project will be included on the major schemes schedule from next quarter onwards.
St John's Road Epping Development	1,000	0	0	0	0	With contracts between Essex County Council, Epping Town Council and Frontier Estates expected to be completed in October 2015, this scheme is on course to spend the full budget within this financial year. The £1,000,000 budget shown represents the net cost of the transactions to the Council. The gross costs and forecast capital receipts will be identified as part of the Capital Review. With regard to work starting on developing the site, it is unlikely that Frontier will obtain planning approval before late summer, early autumn 2016.
Sir Winston Churchill Pub House Development	35	9	7	-2	0	The developers of the Winston Churchill project intend to start on site at the beginning of October 2015. This project is anticipated to have a 20 month build programme which is expected to be completed in May 2017. The Council has retained the freehold but is not responsible for any of the capital costs associated with this development, other than legal costs. However, the Council will receive the commercial rental income from the new shops. Letting of the ground floor units is expected to start as soon as the development works have been completed and, after allowing for rent free periods, the Council expects to see rental income at the end of 2017.
Oakwood Hill Depot	2,625	0	-26	-26	0	The building contract for the new depot at Oakwood Hill has been signed, sealed and completed and the contractor has started work on design and enabling tasks. It is anticipated that work on the site will commence on 24th August 2015 with a pre-commencement meeting with the contractor having been scheduled for 12th August 2015. The project is due to be completed by the end of March 2016 and is on target for both time and budget. The negative actual figure shown on this report relates to a sundry creditor yet to be cleared.
2nd Floor Bridgeman Hse W Abbey	309	0	0	0	0	Officers continue to be involved in dialogue with Bridgemans in respect of the proposed purchase of office space on the second floor of Bridgeman House, in order to relocate staff from the Hemnall Street offices. Originally Bridgemans had suggested that they would be vacating the premises in July or August 2015, but this date has now been extended to March 2016.
North Weald Airfield	15	15	11	-4	-27	This budget is fully funded from contributions made in previous years from the airfield's market operator. This budget consists of a £15,000 contribution towards the installation of CCTV cameras around the airfield, with works already completed but not fully invoiced.
<b>Total c/f</b>	<b>20,843</b>	<b>24</b>	<b>-8</b>			

	15/16 Full Year Budget	First Quarter		15/16 Variance		Comments
		15/16 Budget	15/16 Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	20,843	24	-8			
Upgrade of Industrial Units	271	0	0	0	0	In October 2013 Stace were instructed to undertake an appraisal of the industrial units at Oakwood Hill Industrial Estate. They reviewed a typical lease to assess current repairing obligations and future liabilities and they also studied historical information including construction drawings. Within the terms of the lease, it is the landlord's obligation to ensure that all exterior additions are undertaken to a rentable standard and it is the tenant's responsibility to maintain skylights. With roof repairs needed to achieve current building regulation standards, four options were considered and overlay sheeting was decided to be the best method. Four contractors were asked to tender and Faircloth Construction submitted the most competitive tender overall. The main complication with this scheme has been how the Council would recover the costs of the works from its current tenants. It is anticipated that terms will be agreed within 6 months with works expected to start early 2016. Fees occurred on this scheme thus far only relate to Stace's consultancy and legal fees in 2014/15 with no expenditure in the first quarter of this financial year.
Waste Management Equipment	101	5	4	-1	-29	This budget is being reviewed in the light of the new contract.
Parking Schemes	317	79	0	-79	-100	The Buckhurst Hill parking review is an Epping Forest District Council funded scheme to ease parking pressures arising from commuter parking in Buckhurst Hill. The scheme is delivered by Essex Highways, and consequently it is dependent on Essex Highways and their ability to prioritise the works, which has in the past seen schemes of this nature being delayed. Currently, the review is in the implementation stage with signs and lines being installed which should be completed shortly, weather permitting. Once works on this review are complete, focus will change to the Loughton Broadway parking review. In 2015/16 it is expected that £40,000 will be spent at Buckhurst Hill, and that much of the budget will be requested as a carry forward. The Capital Review will take this on board.
Superfast Broadband Programme	84	0	0	0	0	An allocation of £84,000 has been set aside to co-fund the investment in superfast broadband and achieve 95% coverage in the district through the Superfast Essex programme co-ordinated by Essex County Council. Epping Forest District Council is also involved with the Rural Challenge Pilot Project (Phase 2b), the contract for which was awarded to Gigaclear on 29 June 2015. Gigaclear will deploy fibre-to-the-premise technology to more than 4,500 properties in the district, enabling these homes and businesses access to broadband speeds of 50Mbps and up to 1000Mbps. This project will begin in November 2015 and could take up to 18 months to complete.
Other Schemes	251	48	0	-48	-100	This category includes the Council's grounds maintenance vehicle replacement programme, the pay and display car park scheme and flood alleviation equipment. The grounds maintenance team are looking to procure a replacement vehicle in the new year, expecting delivery around January/February time. Much progress has been made on the installation of the 41 pay and display machines in the Council's car parks, although there have been some software issues which are being addressed. No payments were processed in the first quarter of the year but the budget is expected to be fully spent by the year end. Demands on the flood alleviation budget are being considered and a programme will be drawn up shortly.
<b>Total</b>	<b>21,867</b>	<b>156</b>	<b>-4</b>			

2015/16 DIRECTORATE CAPITAL MONITORING -  
RESOURCES

ANNEX 9

	15/16 Full Year Budget £'000	First Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Planned Maintenance Programme	916	198	159	-39	-20	This budget covers all projects undertaken within the Council's Planned Maintenance Programme, except for the solar panel project reported on separately in this schedule. In the first quarter: the window replacement in the main building is nearing completion; the air conditioning compressor in plant room 3, which cools the Members and the staff recreation areas has been completed; the installation of smart metering to reduce energy usage in the Civic complex is ongoing; and works to address the acoustic issues at the Limes Centre have been designed and will be undertaken in two phases. Most of the other schemes are planned to be undertaken in the autumn and winter and are expected to be completed by the end of the financial year. However, four schemes have been identified as slipping into 2016/17 including the replacement of electrical distribution equipment at the Civic Offices. The other three schemas were planned to be undertaken at the leisure centres at Epping and Waltham Abbey; these schemes have been put on hold pending finalisation of the Leisure Strategy. These budgets total £70,000 and the re-phasing will be addressed as part of the Five Year Planned Maintenance Review which will be presented to Cabinet later in the year.
Solar Energy Panels	267	0	0	0	0	The project to install solar energy panels at the Civic Offices was rescheduled to commence after the completion of the window replacement works and the installation has been combined with essential roofing upgrade works. The window programme is almost complete and a contract has been let for the preliminary roofing works to the front of the main building and the Condor Building; work commences on the 17 August 2015 and is programmed for 12 weeks. The Photo voltaic panels will be installed on completion of these works.
ICT Projects & Other Equipment	401	100	99	-1	-1	During the first quarter of the ICT programme there has been key progression and completion of specific schemes. The Bankers' Automated Clearing Service replacement is due for completion by the end of August. The Uninterruptable Power Supply, Host Server and Virtual Private Network replacements have been completed, whilst the remote management and service desk systems have been installed and are currently undergoing configuration. The website development fund has been used to purchase a Freedom of Information system which will be implemented in September. At present it is expected that all the projects will be completed on time with no overspends anticipated.
<b>Total</b>	<b>1,584</b>	<b>298</b>	<b>258</b>			

	15/16 Full Year Budget	First Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget	15/16 Actual	£'000	%	
	£'000	£'000	£'000			
Housing Developments	5,772	1,443	236	-1,207	-84	Housing developments include phases 1 and 2 of the new house building programme and the conversion works at Marden Close and Faversham Hall. Please refer to Annex 12 (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, construction works commenced on site on 15 September 2014. The Contractor P A Finlay & Co encountered early delays on the contract. However, these have been resolved and the contract is on target to complete on time. However, a number of variations have been issued to account for unforeseen matters during this refurbishment contract. These include asbestos removal, roof repairs, lintels and window replacement and asphalt works to the external staircase to Faversham Hall. The estimated additional cost for these variations amounts to around £90,000.
Heating/Rewiring /Water Tanks	3,032	758	453	-305	-40	All areas of work are underspent in this category. One reason is that the contract for the replacement of gas communal boilers was only awarded in June so no costs were incurred in the first quarter. The replacement programme for communal water tanks in flats have been taking place over 5 years, which is due for completion in 2015/16; expenditure was low in the first quarter but is due to increase during the year. Likewise, the work planned for upgrading electric heating systems and associated rewiring has been scheduled to commence in the autumn.
Windows/Doors/Roofing	2,598	650	302	-348	-54	All budgets in this category are currently underspent with the largest underspend relating to the roofing programme. This is because the tiled roofing programme planned for this financial year has only recently commenced, with work in the first quarter focusing on completing some outstanding properties from last year's programme. On the other hand, the flat roofing programme is ahead of schedule as these works are profiled for completion in the summer months. Expenditure on window replacements is also showing a large underspend as the contract for replacement of windows in flats was only awarded at the end of June; commencing this programme along with window replacements to Council houses is expected to put expenditure back on target by the end of the year. The front entrance door replacement programme is currently on target and this budget is only slightly underspent.
Other Planned Maintenance	673	143	12	-131	-91	This category includes Norway House improvements, door entry system installations, Leonard Davis House conversion works and energy efficiency works and all the budgets are currently showing underspends. No works have been undertaken at Norway House to date but bathroom upgrades are due to commence in early autumn and other works later in the year. Limited work has been undertaken on door entry system installations so far this year as this programme is due to be tendered in the autumn and work on Leonard Davis House has not commenced yet. The budget for energy efficiency works is showing the largest underspend in this category. Generally energy efficiency works attract Government grant funding and the sudden withdrawal of the Green Deal funding has led to the suspension of the planned external wall insulation programme, which was the largest programme of work included in this budget. Following its suspension, alternative energy efficiency measures are being planned such as accelerating the air source heating programme, which attracts Government funding.
Kitchen Replacements	809	202	128	-74	-36	Both the kitchen and bathroom replacement budgets are currently underspent, it is anticipated that works on both programmes will be accelerated between September and December 2015. The completion of a four-year bathroom upgrade programme of the flats located in the blocks at Copperfield is due for completion by the end of 2015.
Bathroom Replacements	1,173	293	227	-66	-22	
<b>Total c/f</b>	<b>14,057</b>	<b>3,489</b>	<b>1,359</b>			

	15/16 Full Year Budget £'000	First Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Total b/f	14,057	3,489	1,359			
Void Refurbishments & Other Small Works	3,203	801	382	-418	-52	The nature of void works is that it is largely demand led and therefore it is difficult to predict expenditure outcomes each year. Although the budget is underspent at the end of the first quarter, expenditure is expected to increase towards the second half of the financial year based on trends experienced in previous years and it is thought likely that the budget will be fully spent by the end of 2015/16
Structural & Other Works	452	113	78	-35	-31	The structural repairs programme is on target to be completed by the end of the financial year. Currently, the programme is showing a small underspend as at the end of the first quarter but a number of structural projects are planned for the next six months which will increase expenditure.
Council Estate Parking, Garages & Other Environmental Works	1,578	190	49	-141	-88	This category includes garages, fencing, off street parking, estate environmental works, CCTV installations, external lighting schemes and a gas pipe-work replacement programme. Again, expenditure in the first quarter is low. The CCTV installation projects include: works for Springfields Waltham Abbey, which is currently awaiting quotes before a decision is made on the progress; Shelly Close Waltham Abbey, which has currently received planning permission with installation expected September onwards; and Limes Farm Green Block, which is expected to be undertaken in spring 2016. The largest programme within this category is for off-street parking which is jointly funded with the General Fund; a progress report can be found on the Communities sheet. The programme for the replacement of gas pipe-work at Ninefields is progressing well with the completion of a number of blocks late in June. Although expenditure is low at present it is expected to be back on target by the end of the year. The budget for external lighting schemes was increased this year with works well underway on a number of projects and overall expenditure is expected to be on budget by the year-end.
Disabled Adaptations	442	111	133	22	20	The budget for disabled adaptations is currently overspent due to an increase in demand combined with a number of large projects being undertaken at present. However, it is anticipated that expenditure can be controlled to avoid an overspend at the year-end by placing some disabled adaptation requests on hold until 2016/17.
Other Repairs and Maintenance	179	43	19	-24	-58	This category includes feasibilities, asbestos removal and the contingency budget; the largest budget being for asbestos removal. Expenditure on this budget is demand led and currently shows an underspend.
Capital Service Enhancements	350	28	6	-22	-94	The capital service enhancements budget includes the front entrance fire door replacement programme on leasehold properties, the Oakwood Hill Estate enhancement scheme, the refurbishment of communal kitchens in sheltered schemes and a small budget for the provision of electric scooter stores at sheltered schemes. The front entrance door replacement project is currently underspent, but demand is increasing and the underspend is expected to reduce in the next quarter. There has been no expenditure on the Oakwood Hill Estate enhancement scheme to date as the scope of the work has yet to be agreed with the project team, and expenditure is currently on hold. Phase 2 of the refurbishment of communal kitchens in sheltered schemes is progressing well with the completion of two kitchens in the summer and works are planned to refurbish another three kitchens over the next six months. Although underspent at present, expenditure is expected to catch up during the year and the budget is on target to be fully spent this financial year. After completing electric scooter stores at two sites last year, a review of demand for further scooter stores is being undertaken; a small budget is available this year for design works on two more sites and expenditure will depend on the results of the review.
Housing DLO Vehicles	58	0	0	0	0	A vehicle review is currently underway and it is expected to be concluded at the end of August to allow the replacement vehicles to be tendered through a framework agreement. Unlike previous years, when the budget has been used to replace transit vans, this year the budget is going to be used to procure tipper vans.
<b>Total</b>	<b>20,319</b>	<b>4,774</b>	<b>2,025</b>			

2015/16 DIRECTORATE CAPITAL MONITORING -  
REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE (REFCuS))  
AND CAPITAL LOANS

ANNEX 11

REFCuS	15/16 Full Year Budget £'000	First Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Disabled Facilities Grants	380	95	207	112	117	Expenditure on Disabled Facility Grants (DFGs) advanced to private sector residents in the District is currently exceeding the budget. The ability to control costs, however, is limited because the Council has a legal duty to provide DFGs to all residents who meet the eligibility criteria and residents are referred to Epping Forest District Council by occupational therapists provided by Essex County Council. The number of referrals has grown significantly since March 2013 due to an increase in the provision of the occupational therapist service by Essex County Council. The number of referrals rose significantly in 2014/15 and this increased level of demand has levelled off at an all-time high such that expenditure is forecast to be around £500,000 per year from 2015/16 onwards. Local authorities receive funding from the government in order to help them meet these statutory requirements. This funding now comes through the Better Care Fund, which is managed by Essex County Council, and the amount received for 2015/16 is £363,000. A report will be going to the Cabinet in September recommending that the budget be increased to cover the new level of demand and that this Council supplements the government funding received, from its own resources.
HRA Leaseholders	150	0	0	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.
<b>Total</b>	<b>530</b>	<b>95</b>	<b>207</b>			

CAPITAL LOANS	15/16 Full Year Budget £'000	First Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Home Ownership Schemes	357	89	0	-89	-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. Phase 1 of the scheme was completed in 2012/13 and 8 loans were advanced. The scheme is now in its second phase and this includes an allocation to fund 5 loans of which 2 were completed in 2013/14. No advances were made in the first quarter of the year but one purchase has subsequently completed and the loan for this was advanced in July 2015. The remaining 2 purchases are in progress. Consideration is currently being given to undertaking a phase 3 of the Scheme.
Repayable Private Sector Housing Loans	120	30	10	-20	-67	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 and, although it is now increasing, expenditure for the year is likely to be no more than £81,000. Any budget adjustments deemed necessary will be requested as part of the Capital Review.
<b>Total</b>	<b>477</b>	<b>119</b>	<b>10</b>			

**MAJOR CAPITAL SCHEMES  
HOUSE BUILDING PHASE 1**

Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Tender Forecast	Pre-Updates	Approved Budget	Actual Expenditure To Date	Anticipated Outturn	Variance Anticipated Outturn to Original Forecast %	Approved Budget Unspent To Date
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	((E-A)/Ax100)	£'000 (C-D)
Apr-14	Jun-15	Oct-14	Apr-16	3,948	-478	3,470	620	3,470	-12%	2,850

**Phase 1 :** Work started on time in October 2014 on 4 sites in Waltham Abbey, which make up Phase 1 of the Council's Housebuilding Programme after the fifth site was rejected. However, the contractor Broadway Construction Ltd has not progressed with the works in a manner that will see the new homes completed within the original contract period. The latest estimate suggests that the Contractor is some 24 weeks behind programme, which moves the original contract completion date back to around 29 April. Broadway Construction Ltd (BCL) have indicated that they feel justified in making a claim for an extension of time with loss and expense as they feel the delays are not as a result of their actions. According to BCL, the delays are as a result of flood prevention measures required on one site; the requirement to achieve Code for Sustainable Homes Level 4; and issues pertaining to foundation and soil contamination remedial works across all 4 sites. One other cause that is cited is an issue with the design of the access road and maintaining fire access on one of the sites.

The Cabinet Committee met and considered whether the case warranted further negotiations with BCL. However, after considering the arguments for and against, it was agreed that when tendering for a contract that an amount should be factored into the costs for any unforeseen risks that could be incurred. The Cabinet Committee proposed that the Council should therefore enforce the contract with no additional costs being incurred by the Council.

**Future Phases:** The planning application for Phase 2 at Burton Road, Loughton has been submitted and, if approval is granted, the scheme is due to commence on site around February 2016. Planning applications are also due to be submitted for each of the 10 sites across Epping and North Weald that make up Phase 3 during August 2015. The target commencement date for Phase 3 is May 2016.

**EPPING FOREST DISTRICT MUSEUM**

Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Tender Forecast	Pre-Updates	Approved Budget	Actual Expenditure To Date	Anticipated Outturn	Variance Anticipated Outturn to Original Forecast %	Approved Budget Unspent To Date
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	((E-A)/Ax100)	£'000 (C-D)
Feb-14	Jan-15	Apr-15	Nov-15	1,750	345	2,095	733	2,095	20%	1,362

In November 2012 the Museum Service submitted a bid to the Heritage Lottery Fund for an extension and redevelopment of the Epping Forest District Museum, this was supported by an agreed capital commitment from EFDC of £250,000 towards the purchase of the lease of the first floor of the adjoining 37 Sun Street. The bid was successful resulting in an award totalling £1,654,000 in March 2013; £1,500,000 for the capital redevelopment works and £154,000 for the associated engagement programme over a three year period. The project will transform the museum, providing step free access across the site and bringing a large percentage of the reserve collections, currently held at Langston Road depot into the heart of the museum.

Following the tender process and call in period, Coniston Ltd were selected as the preferred main contractors in December 2014 and Cabinet approved an additional allocation of £345,000 to allow for the agreed tendered sum. Works began on site at the end of April 2015 with a projected completion by end of October 2015. At the beginning of the contract, several elements of historic listed building fabric and archaeological features were uncovered which required recording before their removal and this led to an initial week's delay. Good progress was made following this until it was found that the builders undertaking the conversion of the second floor premises had cut through active ventilation ducts for the library. This has led to a further delay of one week. The conversion of 37 Sun Street in to the new gallery, stores and work areas is well underway, but recent difficulties with the planned installation of the lift, which enables the building to have step-free access (a main requirement of the HLF) may see a further delay of up to 5 weeks and may have cost implications to be assessed. The project architects and main contractors are trying to mitigate this through re-organising other areas of work, which it is hoped will reduce the overall delay in progress of the works. These issues are all associated with the anomalies found in such a historic building. Regular fortnightly site meetings continue to be held when progress is monitored. As the Council was unable to acquire the top floor of 37 Sun Street, some temporary alterations to access and additional fire protection has had to be put in place between the museum and the residential floor above. It is not known as yet if the Council will be able to acquire an area of office space on the second floor of the building. If this does prove to be possible, it will potentially enable the transfer of the Community Services team to be located all in the same building, therefore allowing quicker vacation of the Hemnall Street Office site.