

Supplementary Committee Agenda



Finance and Performance Management Scrutiny Panel Tuesday, 19th June, 2012

Place: Council Chamber, Civic Offices, High Street, Epping

Room: Committee Room 1

Time: 7.00 pm

Committee Secretary: A Hendry - The Office of the Chief Executive
Tel: 01992 564246 Email:
democraticservices@eppingforestdc.gov.uk

9.a Sickness Absences (Pages 3 - 12)

(Director of Corporate Support Services) To consider the attached report.

9.b Provisional Revenue Outturn 2011/12 (Pages 13 - 28)

(Director of Finance and ICT) To consider the attached report.

9.c Provisional Capital Outturn 2011/12 (Pages 29 - 42)

(Director of Finance and ICT) To consider the attached report.

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Report to the Finance and Performance Management Scrutiny Panel

Date of meeting: 19 June 2012

Subject: Sickness Absence

Officer contact for further information: Paula Maginnis (01992564536)

Committee Secretary: Adrian Hendry (01992 564246)

Recommendations/Decisions Required:

That the Panel notes the report on sickness absence.

Executive Summary

1. This report provides information on the Council's absence figures for Q4, 2011/2012; it includes absence figures by Directorate, the number of employees who have met the trigger level, those who have more than 4 weeks absence and reasons for absence. The report also includes the outturn figure for 2011/2012.
2. The Council's target for sickness absence under KPI10 for 2011/2012 is an average of 7.75 days per employee. The outturn figures for 2011/2012 are set out in paragraph 10 of the report. The Council achieved the target for 2011/2011 as the accumulated figure is 7.58 days.
3. The Council's figure for Q4 is 2.21 days against a target of 1.98 days for this period. Figures for each Directorate are set out in paragraph 11 of the report.
4. During Q4, 5.9% of staff met the trigger levels or above, 28.3% had sickness absence but did not meet the triggers and 65.8% had no absence.
5. Currently, under the Council's Managing Absence Policy there are trigger levels for initiating management action in cases of excessive sickness absence. These are:
 - (i) during any 'rolling' twelve-month period an employee has had 5 or more separate occasions of absence; or
 - (ii) during any 'rolling' twelve-month period an employee has had at least 8 working days of any combination of un/self certificated, or medically certificated absences.
6. Members agreed at the March 2012 Panel to adopt a new target of an average of 7.5 days per employee for 2012/2013.

Reasons for Proposed Decision

To enable members make decisions regarding actions to continue to improve the Council's absence figures

Other Options for Action

For future reports the Panel may wish to include other information or receive no report.

Report:

Introduction

7. The latest figures published by the Industrial Relations Service (for 2010) show that the average number of days taken as sickness absence in Local Government was 8 days compared to 6.5 days across all sectors. In manufacturing and production the average number of days was 6.2 and in private sector services the average was 6.2 days. (These figures have not been updated for 2011).

8. Currently, under the Council's Managing Absence Policy there are trigger levels for initiating management action in cases of excessive sickness absence. These are:

- (i) during any 'rolling' twelve-month period an employee has had 5 or more separate occasions of absence; or
- (ii) during any 'rolling' twelve-month period an employee has had at least 8 working days of any combination of un/self certificated, or medically certificated absences.

9. In addition to the above a manager should consider referring an employee to Occupational Health when an employee has been absent from work for at least one month if there is no estimate when they will be fit to return, or if this is unlikely to be within a reasonable period.

Quarterly Figures 2010/2011 – 2011/2012

10. The KPI target for sickness absence was revised to 7.75 days for 2011/12. The Q4 figure of 2.21 days is above the target for this period of 1.98 days. However, the outturn figure for 2011/12 is 7.58 days which is below the annual target of 7.75 days. A revised target of 7.5 days has been set for 2012/13.

Table 1 below shows the absence figures for each quarter since 2010/2011.

	Q1	Q2	Q3	Q4	Outturn	Target
2010/2011	1.88	1.81	2.15	2.01	7.85	8
2011/2012	1.86	1.64	1.87	2.21	7.58	7.75
2012/2013						7.5

Table 1

Directorate Figures 2010/2011 – 2011/2012

11. Table 2 shows the average number of days lost per employee in each Directorate. The target figure for Q4 is an average 1.98 days and 3 of the 7 Directorates are below this figure. Four Directorates are above this target.

12. The table also shows that 4 of the 7 Directorates are below the annual target of 7.75 days and 3 are above this target.

Directorate	Ave FTE	Average Number of Days Absence 2010/2011				Total Ave No of Days 2010/11	Average Number of Days Absence 2011/2012				Total Ave No of Days 2011/12
		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
Office of CE	20.9	0.25	0.51	2.12	1.42	4.3	1.39	1.93	2.34	1.43	7.09

Directorate	Ave FTE	Average Number of Days Absence 2010/2011				Total Ave No of Days 2010/11	Average Number of Days Absence 2011/2012				Total Ave No of Days 2011/12
		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
Office of DCE	47	0.92	2.09	2.35	1.99	7.35	2.08	2.12	1.71	1.92	7.83
Corporate Support Services	69.7	2.06	1.81	2.29	2.26	8.42	2.12	1.08	1.13	1.78	6.11
Environment & Street Scene	113	1.70	2.10	1.79	2.78	8.37	1.25	1.75	1.53	2.17	6.7
Finance & ICT	115.6	1.15	0.87	1.73	1.29	5.04	1.72	1.79	2.71	2.76	8.98
Housing	183.8	3.11	2.42	2.72	2.01	10.26	1.83	1.52	1.94	2.16	7.45
Planning	68.2	1.07	1.48	1.64	1.96	6.15	2.75	1.75	1.60	2.41	8.51

Table 2

13. This table is represented by a graph which can be found at appendix 1.

Long Term Absence 2011/2012

14. For this purpose long term absence has been defined as 4 weeks or over. During Q4 a total of 15 employees had 4 weeks or more absence. Eleven employees had one continuous period of absence, 2 employees had two periods of absence and 2 employees had 3 periods.

Table 3 provides further detail on these employees.

2011/12 Quarter	Left	Returned to work	Dismissed	Proposed Return date	Still Absent	Other Arrangements
Q4	0	73.2% (11)	6.7% (1)	0	6.7% (1)	6.7% (1) (deceased) 6.7% (1) (other duties)

Table 3

15. At appendix 2 there is a graph which sets out a breakdown of days lost to long term absence, those who met the trigger level and those below the trigger level. This graph shows that overall, 26% of lost time for Q4 was due to long term absence, 27% met the trigger level (and above to 19 days) and 47% was due to short term absence.

Reasons for Absence

16. Table 4 shows the reasons for absence, including the total number of days for both 2010/11 and 2011/12

Reason	Number of Days Q1	Number of Days Q2	Number of Days Q3	Number of Days Q4	Total Number of Days	Total Number of Days
	2011/2012	2011/2012	2011/2012	2011/2012	2011/2012	2010/2011
Stomach, liver, kidney, digestion; include diarrhoea, vomiting and other gastro illnesses	282	295	200.3	208.6	985.9	716.5
Other musculo-skeletal problems; includes neck, legs or feet and arms or hands. Also include joint problems such as arthritis.	150.5	196.8	206.9	312.9	867.1	968.7
Infections, including viral infections such as influenza, cold, cough and throat infections	132.9	75.3	227.3	287.3	722.8	1298.8
Depression, anxiety, mental health and fatigue. Includes mental illnesses such as anxiety and nervous debility/disorder (does not include stress)	60.6	42.3	87.4	18.8	209.1	468.2
Stress – Old description	91	0	0	0	91	357
Work related stress	58	30.7	2.9	22	113.6	N/A
Non Work related stress	29.1	59.7	16	0.8	105.6	N/A
Chest, respiratory; including asthma, bronchitis, hay fever and chest infections	89	62	26.1	94.3	271.4	212.7
Back problems	55.1	22.5	52.4	84	214	166.5
Neurological; headaches and migraines	41.1	42.7	26.4	49.2	159.4	158.1
Genito-urinary; menstrual problems	34.5	32	39	30	135.5	126.7
Cancer, including all types of cancer and related treatments	30.4	22.6	29.2	125.9	208.1	97.7
Eye, ear, nose and mouth, dental; sinusitis	20.9	56.8	23.8	31.9	133.	133.4
Pregnancy	17.5	1	6.4	31	55.9	55.9
Heart, blood pressure, circulation	10	4.4	97.9	56	168.3	168.3
RTA	0	5	6.6	2.3	13.9	13.9

Table 4
Page 6

Numbers of Absent Staff

17. Table 5 shows that there were fairly consistent numbers of staff who had no absence and those that had absence over the course of last year which has continued into this year. In Q4 (2011/12) the number of employees who had more than 8 days sickness absence increased compared to the previous 2 quarters, but is similar to Q1 figures. Approximately two-thirds of staff had no absence.

Quarter		Staff with no absence	Staff with 7 days or less	Staff with 8 days or more
1	2011/2012	71.2% (475)	23.7% (158)	5.1% (34)
2	2011/2012	73.3% (489)	22.8% (152)	3.9% (26)
3	2011/2012	66.6% (444)	29.5% (197)	3.9% (26)
4	2011/2012	65.8% (439)	28.3% (189)	5.9% (39)
1	2010/2011	71.4% (523)	24% (176)	4.6% (34)
2	2010/2011	73.7% (539)	22% (162)	4.3% (32)
3	2010/2011	65.2% (478)	29.9% (219)	4.9% (36)
4	2010/2011	66.8% (490)	28.9% (212)	4.3% (31)

Table 5

Queries Raised by the March Panel

18. At the March Panel, members raised a number of queries regarding sickness absence which are set out below;

18.1 Further information for employees with heart, blood pressure, circulation etc issues

During 2011/2012, thirteen employees recorded sickness absence under this category for a total of 168 days on 18 different occasions.

It is worth noting that absences for diabetes are also recorded under this category.

18.2 Accidents at Work

During 2011/2012 there were 10 accidents at work resulting in lost time. The number of days lost due to accidents was 192.5 days.

18.3 Long Term Absences

During 2011/2012 51 employees met the definition of long-term absence, of these employees 17 were absent for one occasion. The average number of days for those absent on one occasion was 54 days, the reasons for absence ranged from hospital procedures, treatments and recovery to stress (work and non work) to depression.

Resource implications:

N/A

Legal and Governance Implications

N/A

Safer, Cleaner and Greener Implications

N/A

Consultation Undertaken

None

Background Papers

Finance and Performance Scrutiny Panel – Quarterly Sickness Absence Reports for 9 September 2010 to 20 March 2012.

Risk Management

Failure to manage sickness absence results in loss productivity and if it is significantly high could adversely affect the reputation of the authority.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

No

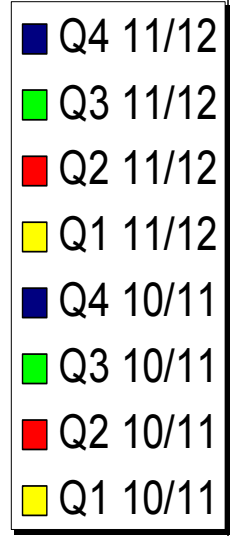
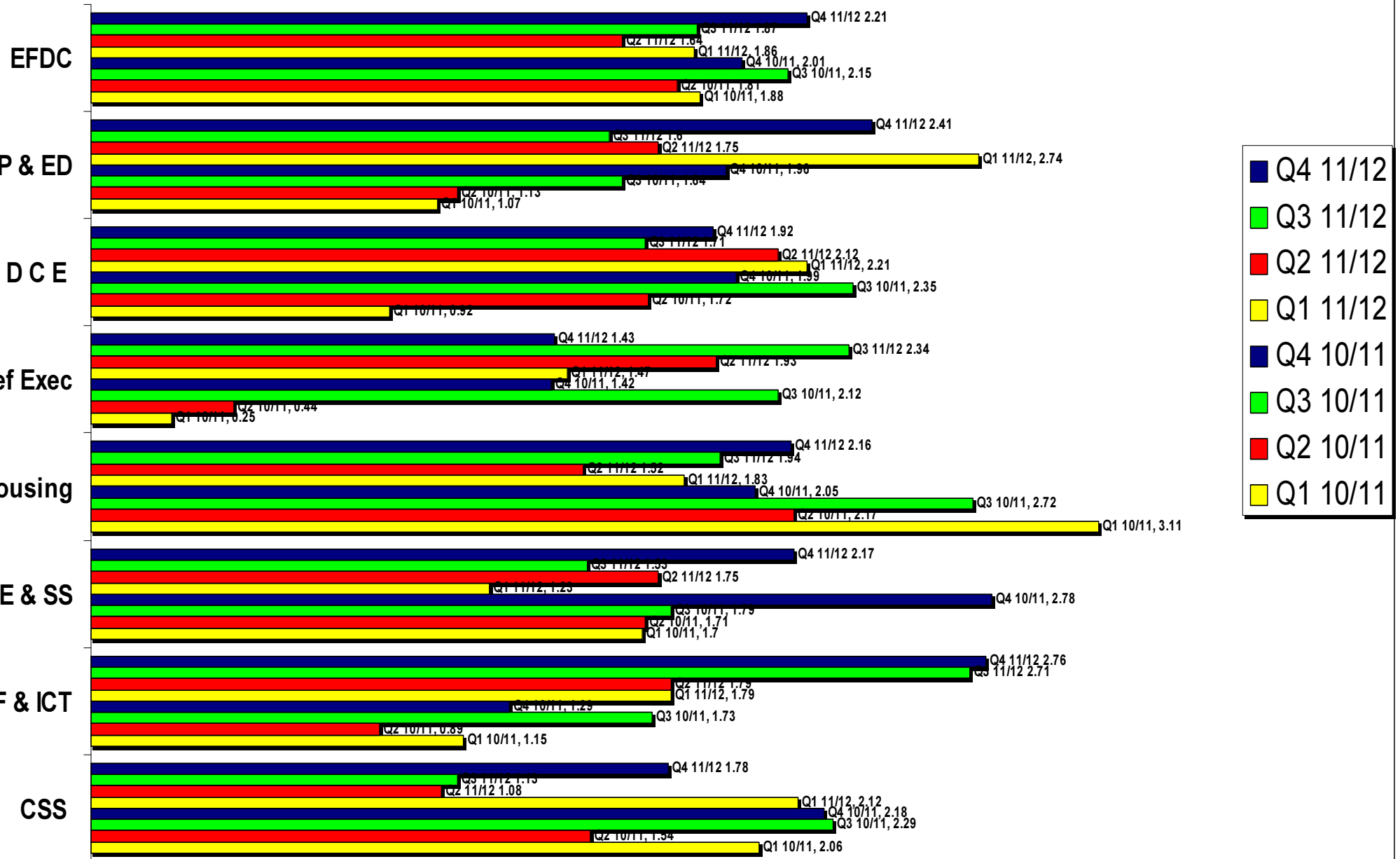
Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?

N/A

What equality implications were identified through the Equality Impact Assessment process?

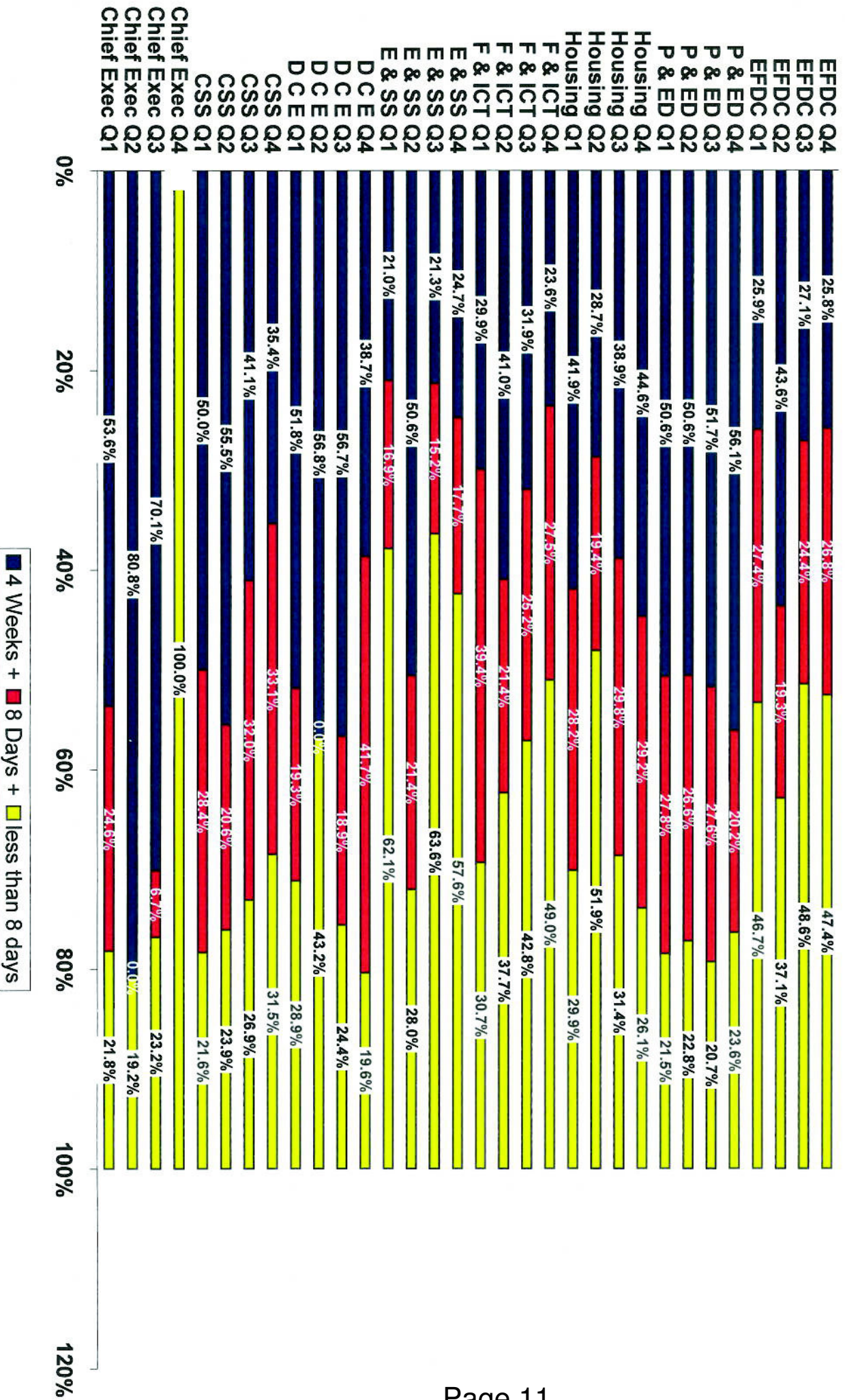
N/A

Sickness Absence All Directorates 2010-12



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Appendix 2 Sickness Absence by Duration Q1-Q4 2011/12



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Report to the Finance and Performance Management Scrutiny Panel



SCRUTINY

 Epping Forest District Council

Date of meeting: 19 June 2012

Portfolio: Finance and Technology

Subject: Provisional Revenue Outturn 2011/12.

Responsible Officer: Peter Maddock (01992 564602)

Democratic Services Officer: Adrian Hendry (01992 564246).

Recommendations/Decisions Required:

- (1) That the overall 2011/12 revenue out-turn for the General Fund and Housing Revenue Accounts (HRA) be noted;
- (2) That as detailed in Appendix D, the carry forward of £446,000 District Development Fund expenditure be noted ; and

Executive Summary

This report provides an overall summary of the revenue outturn for the financial year 2011/12.

Reasons for proposed decision:

To note the provisional revenue outturn.

Other options for action:

No other options available.

General Fund

1. The table below summarises the revenue outturn for the General Fund and the consequential movement in balances for 2011/12.

	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
General Fund					
Net Expenditure after Adjustments	15,682	15,643	15,165	(517)	(478)
Government Grants and Local Taxation	15,511	15,712	15,712	(201)	-
(Contribution to)/from Balances	<u>171</u>	<u>(69)</u>	<u>(547)</u>	<u>(718)</u>	<u>(478)</u>
Opening Balances – 1/4/11	(8,570)	(8,570)	(8,570)	-	-
(Contribution to)/from Balances	171	(69)	(547)	(718)	(478)

General Fund	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Closing Balances – 31/3/12	(8,399)	(8,639)	(9,117)	(718)	(478)

2. Net expenditure for 2011/12 totalled £15.165 million, which was £517,000 (3.4%) below the original estimate and £478,000 (3.2%) below the revised. When compared to a gross expenditure budget of approximately £85 million, the variances can be restated as 0.6% and under 0.5% respectively.

3. An analysis of the changes between Continuing Services Budget (CSB) and District Development Fund (DDF) expenditure illustrates where the main variances in revenue expenditure have occurred.

General Fund	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Opening CSB	17,090	17,393	17,026	(64)	(367)
In Year Growth	486	1,102	1,112	626	10
In Year Savings	(1,894)	(2,852)	(2,973)	(1,079)	(121)
Total Continuing Services Budget	15,682	15,643	15,165	(517)	(478)
DDF – Expenditure	1,698	1,965	1,557	(141)	(408)
DDF – One Off Savings	(594)	(1,615)	(1,745)	(1,151)	(130)
Total DDF	1,104	350	(188)	(1,292)	(538)
Appropriations	(1,275)	(281)	735	2,010	1,016
Net Expenditure	15,511	15,712	15,712	201	-

Continuing Services Budget

4. CSB expenditure was £517,000 below the original estimate and £478,000 lower than the revised. Variances have arisen on both the opening CSB, £367,000 lower than the probable outturn and the in year figures, £111,000 lower than the probable outturn.

5. In common with recent years salary savings make up a proportion of this saving. Actual salary spending for the authority in total, including agency costs, was some £18.847 million compared against an original estimate of £19.796 million. The saving of £949,000 was primarily spread over four directorates Housing, Environment and Street Scene, Planning and Economic Development and Office of the Chief Executive, though much of the latter has been treated as DDF. The largest monetary saving relates to Housing so broadly half of the overall saving fell on the Housing Revenue Account (HRA) or Housing Repairs Fund rather than on the General Fund. The saving was a little higher than in 2010/11 (4.8% compared to 4.0%) however a sizeable amount of this saving was built into the Probable Outturn. The saving over and above the probable outturn amounted to £199,000,(1.1%).

6. There were a number of other CSB savings when compared to the revised, these include:

- (a) Some unspent monies relating to the corporate improvement budget (£33,000)
- (b) Building Maintenance (£25,000)

- (c) A few NNDR reductions (£24,000)
- (d) Various savings on recruitment advertising, postage and stationery within directorate admin budgets. (£24,000).
- (e) A significant number of other budgets showing underspends of between £6,000 and £12,000.
- (f) There was also a reduction in the Provision for bad and doubtful debts of £63,000. The external auditors had requested the General Fund provision be reviewed and this has been carried out. The reduction represents 3.5% of the provision that existed at the start of the financial year.

7. The original in year CSB savings figure of £1,408,000 became an in year savings figure of £1,750,000. The main reasons related to the savings on the waste management contract and the inclusion of the New Homes Bonus but this was offset to a degree by the decision to build the whole of the pension deficit payments into the CSB. Given that the capitalisation direction applied for in 2011/12 was refused this was considered the appropriate prudent step to take in the circumstances. In the event savings were higher than both at £1,861,000, due in the main to the full saving on the cessation of the contribution toward the community support officers being achieved earlier than expected. Full details of items within the CSB growth figures can be found at appendix A.

District Development Fund

8. Net DDF expenditure was expected to be £1,104,000 in the original estimate and £350,000 in the probable outturn. In the event the DDF showed net income of £188,000. This is £1,292,000 below the original and £538,000 below the revised. There are requests for carry forwards totalling £446,000 and therefore the variation actually equates to a £92,000 net under spend on the DDF items undertaken. These one-off projects are akin to capital, in that there is regular slippage and carry forward of budgetary provision. Therefore the only reasonable variance analysis that can be done is against the probable outturn.

9. The DDF reduced between the Original and Revised position by some £754,000, this was due to a mixture of items brought forward, rephased into future years and new items identified during 2011/12, the largest item introduced into the revised estimates was a credit of £249,000 for a VAT refund relating to trade waste income originating between 1973 and 1996. The final figure was in line with this. There was also anticipated to be a substantial reduction in investment income, slippage on the Local Plan budget and savings as a result of not having a permanent Chief Executive.

10. Corporate Support Services. Finance and ICT and Planning and Economic Development saw variations in excess of £100,000 on their DDF when compared to the probable outturn. Within Corporate Support Services the main variation related to the issue surrounding personal search charges within Local Land Charge. This is still ongoing and the allowance within the DDF is requested for carry forward. In Finance and ICT there are two quite large variations. The anticipated allowance required for the new concessionary fare arrangements will not be required and whilst ongoing court cost income from Council Tax Collection is expected to reduce the total income in 2011/12 was better than expected. It is felt the additional income though is of a one off nature. The main variation within Planning services relates to slippage within the Local plan budget. This issue was considered in some detail by Cabinet on 11 June 2012.

11. Appendix D lists the DDF items requested for carry forward but none of these is more than 2 years old.

Appropriations

11. The only variation on appropriations arises from the underspend on the DDF.

Housing Revenue Account

12. The table below summarises the revenue outturn for the Housing Revenue Account.

Housing Revenue Account	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Revenue Expenditure	13,416	13,154	12,866	(550)	(288)
HRA Subsidy Payable	11,312	11,342	11,304	(8)	(38)
Depreciation	8,904	12,893	10,032	1,128	(2,861)
Total Expenditure	33,632	37,389	34,202	570	(3,187)
Gross Dwelling Rents	27,502	27,544	27,538	(36)	6
Other Rents and Charges	2,980	2,815	2,741	239	74
Total Income	30,482	30,359	30,279	203	80
Net Cost of Service	3,150	7,030	3,923	773	(3,107)
Interest and Other Transfers	(750)	(590)	(637)	113	(47)
Interest Payable	0	0	61	61	61
Transfer from Major Repairs Reserve	(3,998)	(7,965)	(5,104)	(1,106)	2,861
Net Operating Income	(1,598)	(1,525)	(1,757)	(159)	(232)
Appropriations					
Capital Expenditure	2,050	2,050	2,050	-	-
Charged to Revenue					
Transfer to Insurance Fund	0	0	650	650	650
Other	130	424	450	320	26
Deficit/(Surplus) for Year	582	949	1,393	811	444
Opening Balance – 1/4/11	(5,887)	(5,887)	(5,887)	-	-
Deficit/(Surplus) for year	582	949	1,393	811	444
Closing Balance – 31/3/12	(5,305)	(4,938)	(4,494)	811	444

13. A Deficit within the HRA of £582,000 and £949,000 was expected within its original and revised revenue budgets respectively, the actual outturn was a deficit of £1,393,000.

14. There has for sometime been a slight possibility that the Council might become liable for the settlement of claims relating to Mesothelioma. There have been court proceeding in an attempt to ascertain whether liability to settle any claims rests with the Councils current insurers or the insurers at the time of employees exposure to the risk. On 28 March 2012 judgement was passed that liability rests with the insurers at the time of potential exposure. The insurers at the time are no longer trading as such and it is unlikely that there are sufficient assets to meet the totality of any claims, which will therefore mean some liability if not all will fall on the scheme creditors of which this Council is one. The amount involved is over £600,000 and given that the claims relate to former Housing DLO employees it is felt that provision should be made within the Insurance fund for this eventuality by providing £650,000 from the Housing Revenue Account. Any eventual liability that crystallises can then be charged to the Fund and amounts remaining returned to the HRA. This charge was not included in either the Original Estimate or Probable Outturn due to the fact that this outcome was unknown until the year end and is reported separately above.

15. There were a number of savings making up the underspend on general expenditure though around half of this was identified when the budget was updated. The most significant areas when compared to the Probable Outturn were Heating and lighting costs (£86,000),

Choice based lettings and other allocation related costs (£32,000) Piper Alarm equipment (£22,000), Computer system upgrades (£13,000), Grounds Maintenance (£13,000) and Employee related costs generally.

16. The depreciation charge relating to Council Dwellings has been amended as there is a requirement to review useful lives of key components annually. This review has reduced the depreciation charge from that in the Probable Outturn however this has no overall effect on the HRA as an equivalent amount is reversed out on the line 'transfer for Major Repairs Reserve'.

Consultation undertaken:

None

Resource implications:

As set out in report, it is clear that the Cabinet priority to maintain a sound financial position has been achieved.

Legal and Governance Implications:

Reporting on the financial outturn for the previous financial year is recognised as a key element of the Council's Governance Framework.

Safer, Cleaner, Greener Implications:

The Council's revenue budgets contain spending related to the Safer, Cleaner, Greener initiative.

Background Papers:

Final Accounts working papers held in Accountancy.

Impact Assessments:

Risk Management

This report is a key part in managing the financial risks faced by the Council.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?
None

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A

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CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2011/12 £000's	Probable 2011/12 £000's	Actual 2011/12 £000's	Variance from Probable £000's
Chief Executive	Internal Audit	Consultants Fees- Saving		(24)	(32)	(8)
	Directorate Savings	General		(12)	(12)	-
	Total Chief Executive		0	(36)	(44)	(8)
Corporate Support Services	Business Premises	Transfer to General Fund from HRA	(1,429)	(1,412)	(1,415)	(3)
	Civic Offices	Car Park Rental - Black Lion	(5)	(5)	(5)	-
	Estates & Valuation	Additional Fees from re-assignments etc		(8)	(6)	2
	Fleet Operations	MOTs - Reduced Income		25	36	11
	Industrial Estates- Brooker Rd	Increased Rental Income	(10)	(8)	(40)	(32)
	Industrial Estates- Oakwood Hill	Reduced/(Increased) Rental Income	4	(13)	(15)	(2)
	Industrial Estates - O Hill Workshops	Reduced Rental Income	4			-
	Industrial Ests- Lang Road Seed Bed	Reduced Rental Income		8	(1)	(9)
	Langston Road Depot	WRVS Termination of lease	32	32	32	-
	Local Land Charges	Removal of Personal Search chges (LLC Amendment Rules 2010)	35	35	19	(16)
	Local Land Charges	ECC Charge for highways LLC search		6	9	3
	Offices & Depots	Gas & Electricity		(42)	(42)	-
	Offices & Depots	NNDR Re-assessment	63	63	63	-
	Directorate Savings	General	(37)	(85)	(85)	-
Total Corporate Support Services		(1,343)	(1,404)	(1,450)	(46)	
Deputy Chief Executive	All Weather Pitch	Townmead Project	(17)			-
	DCE directorate	Savings	(100)	(136)	(136)	-
Total Deputy Chief Executive		(117)	(136)	(136)	0	

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2011/12 £000's	Probable 2011/12 £000's	Actual 2011/12 £000's	Variance from Probable £000's
Environment & Street Scene	Contaminated Land & Water Quality	Contaminated land investigations		(26)	(26)	-
	Engineering, Drainage & Water	Deletion of Drainage Technician post		(12)	(12)	-
	Food Safety	Inspections		(7)	(7)	-
	Grounds Maintenance	Fuel		11	15	4
	Leisure Facilities	Loughton Leisure management fee reduction	(75)	(75)	(75)	-
	Leisure Facilities	Epping Sports Centre management fee reduction	(11)	(6)	(10)	(4)
	Leisure Facilities	Ongar Leisure Centre management fee reduction	(7)	(8)	(11)	(3)
	Naming and Numbering	Introduction of charging		(3)	(3)	-
	North Weald Airfield	Increase in Events Income		(13)	(13)	-
	North Weald Airfield	Increase in Market Income		(14)	(14)	-
	North Weald Airfield	Increase in Maintenance cost		19	26	7
	North Weald Airfield	Increase in NNDR		18	20	2
	Off Street Parking	Fluctuations in NDR	15	10	10	-
	Off Street Parking	Loss of income through VAT increase	12	12	12	-
	Off Street Parking	Contract allocations / Change of Service		(34)	(33)	1
	Off Street Parking	Drop in PCN income		120	112	(8)
	Pest Control	Cessation of contract		(25)	(25)	-
	Safer Communities	Reduction in PCSO's	(29)	(29)	(92)	(63)
	Safer Communities	Reduction in Contributions	1	-	-	-
	Waste Management	Contract savings		(213)	(207)	6
	Waste Management	Gate fees		(128)	(128)	-
	Waste Management	Advertising		(3)	(3)	-
	Waste Management	Publicity		(20)	(14)	6
	Waste Management	Abandoned vehicles		(15)	(15)	-
	Waste Management	Wheeled Bin Maintenance	8	8	9	1
	Directorate Savings	General	(18)	(56)	(56)	-
	Total Environment & Street Scene			(104)	(489)	(540)
Finance & ICT	Council Tax Collection	Reduction in court cost income		30	30	-
	Finance Miscellaneous	Decrease in Employers Pension Conts (Act Val 2010)	(10)	(10)	(10)	-
	Housing Benefits	Housing Benefit Admin Subsidy settlement reductions	25	25	25	-
	Housing Benefits	Limes Farm Area Office	7			-
	ICT	Equipment		(20)	(20)	-
	Mobile Telephones	Saving from New contract (T Mobile to O2)		(6)	(8)	(2)
	NNDR	Reduction in court cost income	2			-
	Revenues	Additional postage costs		5	1	(4)
	Directorate Savings	General	(24)	(32)	(32)	-
	Total Finance and ICT			0	(8)	(14)
Housing	Directorate Savings	General	(15)	(15)	(15)	-

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original 2011/12 £000's	Probable 2011/12 £000's	Actual 2011/12 £000's	Variance from Probable £000's
	Total Housing	(15)	(15)	(15)	

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original 2011/12 £000's	Probable 2011/12 £000's	Actual 2011/12 £000's	Variance from Probable £000's
Planning & Economic Development	Building Control Ring Fenced Acct			10	2
	Building Control Ring Fenced Acct			(10)	(2)
	Countrycare			(7)	-
	Development Control			(100)	-
	Development Control			(10)	-
	Planning Appeals			(5)	-
	Directorate Savings			(10)	-
Total Planning & Economic Development				(107)	(32)
Other Items	Investment Interest			278	101
	New Homes Bonus				(295)
	Pensions			564	564
	Total CSB			(1,408)	(1,750)
				(1,861)	(111)

Overspends/Income not achieved 45

Underspends/ Income Overachievement (156)

Net Underspend (111)

DISTRICT DEVELOPMENT FUND

Directorate	Description	2011/12					over/(under)spend	2012/13		2013/14	2014/15	
		Original	Probable	Actual	Difference	C/Fwd		Estimate	Adjusted	Estimate	Estimate	
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Chief Executive	Corporate Management		(185)	(184)	1		1		0			
	Corporate Policy Making		150	119	(31)	31	-		31			
	Corporate Policy Making			(150)	(150)	-	-		0			
	Elections		160	148	148	-	-		0			
	Elections	Government Referendum on the Voting system- Re-imburement	(160)	(148)	(148)	-	-		0			
	Elections	District Elections- Saving due to multiple elections		(45)	(40)	5		5		0		
	Elections	Police & Crime Commissioner Elections						-	148	148		
	Elections	Police & Crime Commissioner Elections - Re-imburement						-	(148)	(148)		
	Elections	District Elections- Additional cost due to No multiple elections						-	18	18		
	Grants to Voluntary Orgs	Furniture Exchange Scheme		20	0	(20)	20	-		20		
	Members	Standards Committee other rechargeable investigations		(3)	(3)	-		-		0		
	Total Chief Executive		0	(213)	(258)	(45)	51	6	18	69	0	0
	Corporate Support Services	Civic Offices		6	5	4	(1)	1			1	
Emergency Planning		ECC charge for Emergency Planning Resource		(7)	(7)	-		-		-		
Estates & Valuation		Consultant's fees Legal & Taxation-Langston Rd Project		25	0	(25)		(25)		-		
Estates & Valuation		Council Asset Rationalisation	35	132	94	(38)	32	(6)	205	237		
Estates & Valuation		Council Asset Rationalisation HRA Contribution		(19)	(16)	3	(3)		(13)	(16)		
Greenyard Waltham Abbey		Reduced Rental Income		8	10	2		2	5	5		
Industrial Estates- O Hill Workshops		Reduced Rental Income		20	11	(9)		(9)		-		
Industrial Estates- Brooker Road		Additional Rental Income			(8)	(8)		(8)		-		
Local Land Charges		Increased Income		(63)	(70)	(7)		(7)		-		
Local Land Charges		Removal of Personal Search charges(Claims) (LLC Amendment Rules 2010)		100	0	(100)	100			100		
Non HRA Building Maintenance		Planned Building Maintenance Programme	15	124	51	(73)	73		45	118	19	10
Office Accommodation		Essential Work to Civic Offices	65	65	65	-		-		-		
Total Corporate Support Services			121	390	134	(256)	203	(53)	242	445	19	10
Deputy Chief Executive	Community & Culture	One-off savings to fund redundancy 2012/13			(7)	(7)	7		0	7		
	Deputy Chief Executive	Externally Funded Projects	75	53	123	70		70	38	38		
	Deputy Chief Executive	Externally Funded Projects	(75)	(53)	(123)	(70)		(70)	(38)	(38)		
	Limes Farm Hall	Costs of Management/Admin/Mtc/Repairs	19	19	19	-		-		-		
	NWA Strategy Action Plan	North Weald Airfield Action Plan.	2	1	1	-		-		-		
	NWA Strategy Action Plan	Aviation Consultant	20					-	20	20		
	Public Relations	Improvements to Main Reception Area	3	3	3	-		-		-		
	Public Relations & Information	Website Officer	25	14	14	-		-	11	11	11	11
	Youth Council	Youth Council	12	12	12	-		-	12	12		
	Total Deputy Chief Executive		81	49	42	(7)	7	0	43	50	11	11

DISTRICT DEVELOPMENT FUND

Directorate	Description	2011/12					2012/13		2013/14	2014/15	
		Original	Probable	Actual	Difference	C/Fwd	over/(under)spend	Estimate	Adjusted	Estimate	Estimate
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Environment & Street Scene	Abandoned Vehicles		4	0	(4)	4	-	4	8		
	Abandoned Vehicles			0	-		-				
	Contaminated Land & Water Quality	3	24	(12)	(36)	24	(12)	25	49		
	Food Safety		6	6	-		-	4	4		4
	Highways			(16)	(16)		(16)				
	Inspection of Workplaces			27	27		27				
	Leisure Facilities			10	-		-	5	5		
	Leisure Facilities			2	2	(2)	-	2	-		
	Leisure Facilities			0	-		-	3	3		
	Leisure Facilities		(17)	(17)	-		-				
	Leisure Facilities			(12)	(12)		(12)				
	North Weald Airfield		(18)	(18)	(16)	2	2				
	North Weald Airfield			(5)	(5)		-				
	North Weald Airfield		34	34	34	-	-	24	24	14	4
	North Weald Airfield			24	24	-	-	72	72		
	North Weald Airfield			5	5	-	-				
	North Weald Airfield					-	-	3	3		3
	Off Street Parking		(40)	(40)	(40)	-	-				
	Off Street Parking				(24)	(24)	(24)				
	On Street Parking			22	0	(22)	(22)	21	21		
	Parks & Grounds		3	10	9	(1)	(1)	10	10		
	Parks & Grounds		(3)	(10)	(9)	1	1	(10)	(10)		
	Parks & Grounds				9	9	9				
	Pollution Control			5	5	-	-				
	Waste Management		(102)	(184)	(155)	29	29	(184)	(184)		
	Waste Management			5	5	-	-				
	Waste Management			10	5	(5)	5	10	15		
Waste Management			10	0	(10)	10	10	20			
Waste Management			3	0	(3)	3	3	6			
Total Environment & Street Scene		(113)	(102)	(165)	(63)	44	(19)	2	46	18	7
Finance & ICT	Concessionary Fares	72	72	0	(72)	10	(62)	5	15		
	Concessionary Fares	(50)	(45)	(45)	-		-				
	Council Tax Collection		8	3	(5)	5	-		5		
	Council Tax Collection			(44)	(44)		(44)				
	Housing Benefits		3	2	(1)		(1)				
	Housing Benefits		2	2	-		-				
	Housing Benefits		(15)	(5)	10		10				
	Housing Benefits		(3)	(3)	-		-				
	Housing Benefits		15	9	(6)		(6)	20	20		
	Housing Benefits		(1)	(5)	(4)	0	-	(3)	(3)		
	Housing Benefits		1	1	-	4	-	3	7		
	ICT		(5)	(5)	-		-	(2)	(2)		
	ICT			(16)	(16)		(16)				
	Insurance Services			(6)	(6)	-	-	(6)	(6)		
	NNDR					-	-	9	9		
	Procurement		(10)	(8)	(3)		(3)	(9)	(9)		
	Total Finance & ICT		27	21	(120)	(141)	19	(122)	17	36	0
Housing	Handy Person Scheme	10	5	1	(4)	4	-	15	19		
	Homelessness	26	26	26	-		-	26	26		
	Homelessness	(26)	(26)	(26)	-		-	(26)	(26)		
	Homelessness	26	26	26	-		-	26	26		
	Homelessness	(26)	(26)	(26)	-		-	(26)	(26)		
	Homelessness			4	4		4				
	Homelessness			(4)	(4)		(4)				
	Private Sector Housing	52	28	41	13	(13)	-	28	15		
	Private Sector Housing	27					-	27	27		
	Handyperson Scheme	15	19	13	(6)	6	-		6		
	Total Housing	104	52	55	3	(3)	0	70	67	0	0

DISTRICT DEVELOPMENT FUND

Directorate	Description	2011/12					2012/13		2013/14	2014/15	
		Original	Probable	Actual	Difference	C/Fwd	over/(under)spend	Estimate	Adjusted	Estimate	Estimate
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Planning & Economic Development	Building Control Group			Salary saving re vacant posts (net of Consultants)	-		-	(63)	(63)		
	Building Control Group			Salary saving re vacant posts Ring Fenced Element	-		-	42	42		
	Conservation Policy	10		Technical Support Officer -Conservation	-		-	-	-		
	Conservation Policy			Historic Buildings Grant	(3)	(3)	3	-	3		
	Countrycare		1	BRIE - SLA	0	(1)	1	4	5	4	4
	Countrycare			Protected species/habitat related consultation	-		-	9	9	9	9
	Development Control	51	26	Contingency for Appeals	(1)		(1)	25	25		
	Development Control		(75)	Fees & Charges-additional large applications	(51)		24	-	-		
	Development Control		(10)	Pre Application Consultants Fees - saving	(10)		-	-	-		
	Development Control		5	Pre Application Fees Reduction	8	3	3	-	-		
	Development Control		(10)	Publicity	(12)	(2)	(2)	-	-		
	Economic Development		2	Chamber of Commerce	2	-	-	-	-		
	Economic Development	4		Enhanced Business Contacts	-		-	-	-		
	Economic Development	9	11	Town Centre Manager	-		-	-	-		
	Economic Development	12		LABGI regeneration	-		-	12	12		
	Economic Development	3	3	Economic Development Strategy	(3)	3	-	3	6		
	Forward Planning			Administration Assistant	-		-	21	21		
	Forward Planning	395	165	Local Plan	(93)	93	-	586	679	100	
	Forward Planning	35	24	Senior Planner	-		-	22	22		
	Planning Services	7		Planning Delivery Grant 4	-		-	17	17		
	Planning Services			Records Scanning	(25)	25	-	-	25		
	Tourism	5	5	Waltham Abbey Tourist Information Centre	-		-	-	-		
	Town Centre Enhancements			Waltham Abbey Regeneration Projects	-		-	46	46		
	Town Centre Enhancements	12		Town Centre Support	-		-	-	-		
	Total Planning & Economic Development		543	147	46	(101)	125	24	724	849	113
Total Service Specific District Development Fund		763	344	(266)	(610)	446	(164)	1,116	1,562	161	41
Other Items	Capital Expenditure Funded from Revenue	22	65	56	(9)		(9)	13	13		
	Council Tax Freeze						-	(204)	(204)		
	LABGI Contribution	40	40	40	-		-	-	-		
	Local Services Support Grant		(117)		117		117	-	-		
	Lost Investment Interest	363	342	371	29		29	267	267	217	67
	Interest Impairment Reversal			(61)	(61)		(61)	-	-		
	Second Homes Discount Allowance	(84)	(75)	(75)	-		-	(75)	(75)		
	VAT Refund		(249)	(253)	(4)		(4)	-	-		
Total District Development Fund		1,104	350	(188)	(538)	446	(92)	1,117	1,563	378	108

DISTRICT DEVELOPMENT FUND

Service	2011/12 Original £000	2011/12 Probable £000	2011/12 Actual £000	Over/(Under) spend £000	Carry Forward £000	2012/13 Original £000	2012/13 Updated £000
Chief Executive	0	(213)	(258)	6	51	18	69
Corporate Support Services	121	390	134	(53)	203	242	445
Deputy Chief Executive	81	49	42	0	7	43	50
Environment & Street Scene	(113)	(102)	(165)	(19)	44	2	46
Finance & ICT	27	21	(120)	(122)	19	17	36
Housing	104	52	55	0	(3)	70	67
Planning & Economic Development	543	147	46	24	125	724	849
Total DDF Expenditure	763	344	(266)	(164)	446	1,116	1,562
Funding Analysis							
Transfer from DDF							
Transfer to/(from) General Fund	763	344	(266)			1,116	1,562
Total DDF Funding	763	344	(266)			1,116	1,562
DDF Earmarked Reserve							
Balance B/F	3,269	3,269	3,269			2,919	3,457
Capital Expenditure Funded from Revenue	22	65	56			13	13
Council Tax Freeze						(204)	(204)
LABGI Contribution	40	40	40				
Local Services Support Grant		(117)					
Lost Investment Interest	363	342	371			267	267
Investment impairment reversal			(61)				
Second Homes Discount Allowance	(84)	(75)	(75)			(75)	(75)
VAT Refund		(249)	(253)				
Transfer Out	763	344	(266)			1,116	1,562
Balance C/F	2,165	2,919	3,457			1,802	1,894

Appendix D

DISTRICT DEVELOPMENT FUND 2011/12 - 2012/13

Directorate	Description	C/Fwd £000's	Year Approved
Chief Executive	Efficiency Challenge Grant (RIEP)	31	2011
	Furniture Exchange Scheme	20	2012
		51	
Corporate Support Services	Climate Change Smart-metering	1	2011
	Council Asset Rationalisation	32	2011
	Council Asset Rationalisation HRA Contribution	(3)	2011
	Removal of Personal Search charges (LLC Amendment Rules 2010)	100	2010
	Planned Building Maintenance Programme	73	2011
		203	
Deputy Chief Executive	One-off savings to fund redundancy 2012/13	7	2012
		7	
Environment & Street Scene	Abandoned vehicles contract	4	2011
	Contaminated land investigations	24	2011
	"Look and Feel"	(2)	2011
	Wheeled bin replacements	5	2011
	Publicity	10	2011
Advertising	3	2011	
		44	
Finance & ICT	New National Scheme - Costs	10	2010
	Legal Fees re Bailiffs in Liquidation	5	2011
	Atlas Project Expenditure	4	2011
		19	
Housing	ECC re. Mobile Homes/Sites Improvements	4	2011
	House Condition Survey	(13)	2010
	ECC re. Additional Handyperson Scheme	6	2011
		(3)	
Planning & Economic Development	Historic Buildings Grant	3	2012
	BRIE - SLA	1	2011
	Economic Development Strategy	3	2010
	Local Development Framework	93	2012
	Waltham Abbey Tourist Information Centre	25	2012
		125	
		446	

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Report to the Finance and Performance Management Scrutiny Panel



Date of meeting: 19 June 2012

Portfolio: Finance and Technology

Subject: Provisional Capital Outturn 2011/12

Responsible Officer: Teresa Brown (01992-564604)

Democratic Services Officer: Adrian Hendry (01992 564246).

Recommendations/Decisions Required:

- (1) That the provisional outturn report for 2011/12 be noted;
- (2) That retrospective approval for the over and underspends in 2011/12 on certain capital schemes as identified in the report is recommended to Cabinet;
- (3) That approval for the carry forward of unspent capital estimates into 2012/13 relating to schemes on which slippage has occurred is recommended to Cabinet; and
- (4) That retrospective approval for changes to the funding of the capital programme in 2011/12 is recommended to Cabinet.

Executive Summary:

This report sets out the Council's capital programme for 2011/12, in terms of expenditure and financing, and compares the provisional outturn figures with the revised estimates. The revised estimates, which were based on the Capital Strategy, represent those adopted by Council on 14 February 2012.

Appendix 1 summarises the Council's overall capital expenditure in 2011/12, analysed by directorate, while appendices 2 and 3 identify the expenditure on individual schemes. Variations from revised estimates are shown in the third column of each appendix and these are identified as savings, overspends, carry forwards or brought forwards on a scheme-by-scheme basis in appendices 2 and 3. The carry forwards and brought forwards represent changes in the timing and phasing of schemes and the movement of estimates between financial years rather than amendments to total scheme estimates.

An analysis of the funds used to finance the Council's capital expenditure in 2011/12 is also given in appendix 1, detailing the use of government grants, private funding, capital receipts and revenue contributions to capital outlay. The generation and use of capital receipts and Major Repairs Fund resources in 2011/12 are detailed in appendix 4.

Reasons for Proposed Decision:

The funding approvals requested are intended to make best use of the Council's capital resources that are available to finance the Capital Programme.

Other Options for Action:

More of the HRA capital expenditure in 2011/12 could have been financed from the use of usable capital receipts. This option was rejected because the Revenue Contributions to Capital Outlay (RCCO) level suggested in this report is affordable within the HRA, according to current predictions, and greater use of usable capital receipts for HRA purposes would have the effect of reducing scarce capital resources available for the General Fund.

Report:

Capital Expenditure

1. The overall position in 2011/12 was that a total of £9,563,000 was spent on capital schemes, compared to a revised estimate of £12,329,000. This represents an underspend of £2,766,000 or 22% of the Council's revised capital budget. Expenditure on General Fund projects totalled £3,943,000, which was £1,360,000 or 26% less than anticipated, and expenditure on the Housing Revenue Account (HRA) totalled £5,620,000, which was £1,406,000 or 20% less than anticipated.
2. The majority of the underspends on General Fund schemes relate to slippage of expenditure in respect of work which has been delayed to the following financial year, although there are also savings on a few schemes. On the other hand, there are some projects which progressed ahead of expectations and another which is shown as an overspend, but actually relates to work which was re-classified as Capital having originally been classified as Revenue. The underspends on the HRA also relate mainly to areas of slippage, which are being addressed in the current financial year but there are also some savings, an overspend and a few schemes where work is ahead of schedule. Appendices 2 and 3 give details of the individual projects where slippage, savings, brought forwards and overspends have occurred.
3. The major scheme in the General Fund Capital Programme in 2011/12 was the refurbishment of Limes Farm Hall. Construction work commenced in March 2011 and, although there were delays due to steelwork fabrication and the installation of new electrical power cables, the works were completed early in 2012 and the hall opened for business on 20 February 2012. The project has been successful in centralising services into one building. The contract is seen as representing good value for money although there have been some additional costs and the full financial impact of the delays is not known at present. It is recommended that the £1,000 underspend is carried forward to 2012/13 pending the final account being agreed. Once settled, the final account and report will be presented to Cabinet when the overall cost of the project will be reassessed; it is possible that the final cost will be slightly higher than originally estimated.
4. There are three schemes which were underspent by more than £100,000 within the General Fund. The largest underspend of £495,000 relates to the new All Weather Pitch at Waltham Abbey. This project was delayed because of planning issues raised by the

Environment Agency. At their request, additional surveys have been undertaken and a decision regarding the outcome is expected during June 2012. If planning permission is subsequently granted, construction work will commence in July and it is anticipated that the pitch will take 16 weeks to complete. Members are requested to approve a carry forward to 2012/13 equivalent to the full underspend to allow for the delay. A re-evaluation of estimated costs will be undertaken and it may be necessary to request additional funding.

5. The 2011/12 Waste Management Vehicles and Equipment budget for the provision of the new food and recycling system was underspent by £192,000. Of this, £122,000 relates to the new bins and recycling containers for flats, schools, places of worship, village halls etc and £70,000 relates to the refuse freighters. The former resulted from a delay in finalising the contract to purchase the containers while the latter resulted from more competitive quotes than expected for the vehicles. The full underspend is requested for carry forward pending the purchase of a further 7 refuse freighters in 2012/13.
6. Finally, the Open Market Shared Ownership Scheme within the Housing General Fund capital programme was underspent by £174,000. The revised budget of £235,000 allowed for 4 of the 8 interest-free loans to be passed over to Broxbourne Housing Association to assist housing applicants to purchase low-cost homes on a shared-equity basis. However, completion was only achieved on one property by 31 March 2012. One more has subsequently completed and the others are in hand. A full carry forward is requested.
7. Savings were achieved on some projects within the General Fund Capital Programme, the largest two relate to the extension of the Loughton Leisure Centre and the feasibility works at Waltham Abbey Sports Centre. In both cases credits were granted as a result of negotiations in respect of the final settlements. The only area of work which shows an overspend is the Energy Efficiency Measures, but this actually relates to work which was considered to be more appropriately chargeable to Capital having originally been classified as Revenue. It therefore represents a switch of funding rather than an overspend within the Council's accounts overall.
8. The outturn on the HRA was 20% under the revised budget overall and Appendix 3 shows where savings were achieved and which areas of work experienced slippage. It also shows one overspend and areas of work where the programme is ahead of target.
9. The major scheme within the HRA over the last few years has been the substantial improvement works at Springfields, Waltham Abbey. The final account was agreed and reported to Cabinet in July 2011 and all capital fees have now been finalised. The scheme is now closed and a saving of £30,000 has been achieved on the revised budget. Other savings have been achieved on some heating installations, drainage works, structural work at Jessop Court, CCTV installations and some environmental improvements at Loughton Way and Pyrles Lane.
10. The area of work which has experienced the greatest volume of slippage within the HRA Capital Programme is the Small Capital Works, a substantial proportion of which relates to work on refurbishing void properties. This is difficult to forecast due to nature of the work being demand led. Although workload in this area generally increases during the winter months, the increase in 2011/12 was significantly lower than usual, resulting in the large underspend of £449,000 reported. It is considered prudent to carry this sum forward to 2012/13 pending review during the 2012/13.
11. Significant slippage was also experienced on the kitchen and bathroom replacement

programme during 2011/12. This primarily occurred because 50 of the planned 2011/12 kitchen replacements had to be placed on hold pending Housing Management approval. In addition to this, preparations to replace 275 kitchens at Limes Farm, requiring resident liaison, commenced in 2011/12 but the work has slipped into 2012/13. A carry forward of the full £420,000 underspend is requested to carry out the 50 properties put on hold in 2011/12 and, at the same time, fulfil the dedicated Limes Farm project within the 2012/13 kitchen replacement programme.

12. A third area of slippage relates to plans for potential development in Pырles Lane for which a supplementary estimate of £239,000 was approved by Cabinet in September 2011. It is anticipated that this will take place in 2012/13.
13. The final category where slippage exceeds £100,000 is the heating and rewiring capital works. Although expenditure on new heating upgrades was generally on target during the year, expenditure on electrical upgrades and rewiring works associated with the heating upgrades was underspent. The main reason for this was that the majority of the properties included in the 2011/12 programme are situated on the Ninefields Estate and only required minor electrical upgrade works rather than full rewires due to their newer age and generally good condition. However, the properties on the 2012/13 programme are mainly older and it is anticipated that the number of full rewires will be much higher and therefore more costly. In addition to this, a new programme of electrical testing on the Landlords electrical supplies has commenced in all Council owned and managed blocks of flats. A carry forward of £119,000 is requested to cover the anticipated increased costs of the 2012/13 rewiring programme as well as the new initiative relating to flats.
14. Members are requested to approve the savings, overspend, carry forwards and brought forwards referred to above on the schemes identified in appendices 2 and 3. The total carry forward requested is £1,368,000 on the General Fund and £1,429,000 on the HRA. Members are also requested to retrospectively approve the brought forwards of £45,000 and £103,000 on the General Fund and HRA respectively.

Funding

15. When financing the capital programme government grants and private funding for specific schemes are applied initially. Appendix 1 identifies all the grants used in 2011/12 and it compares the actual sums used with the amounts estimated in the revised capital programme. In 2011/12, the total sum of grants applied was £974,000, which was £97,000 lower than expected. This was partly due to expenditure on Disabled Facilities Grants being underspent and also due to slippage on the Open Market Shared Ownership scheme which is being financed from the Section 106 contribution from McCarthy and Stone. Countering this, to some extent, was the funding received from leaseholders for work carried out on leasehold flats in 2011/12, which was £135,000 higher than expected. The unused elements of Government grants and private contributions will be carried forward to finance the appropriate schemes in the future.
16. The situation with regard to capital receipts in 2011/12 proved to be better than had been anticipated, as shown in appendix 4. Income from council house sales was higher than expected with 7 houses being sold. On the other hand, the use of capital receipts was £1,031,000 lower than expected primarily due to the reduced expenditure on General Fund schemes. The effect of these two variations on the Capital Receipts Reserve is that the balance as at 31 March 2012 ended up £1,229,000 higher than expected at £15,841,000.
17. With regard to the use of revenue contributions to capital outlay, the HRA contribution of

£2,050,000 was in line with the revised budget and the underspend of expenditure on HRA capital schemes was taken into account by reducing the use of resources from the Major Repairs Reserve. Usage of this reserve was £1,629,000 less than estimated and, as a result, the balance as at 31 March 2012 increased to £8,241,000.

Resource Implications:

The 2011/12 General Fund Outturn totalled £3,943,000 which represents underspends of £1,360,000 on the revised budget. This comprises of savings of £56,000, an overspend/switched funding of £19,000, slippage of £1,368,000, and brought forward expenditure of £45,000.

The 2011/12 HRA Capital Outturn was £5,620,000 which represents an overall underspend of £1,406,000 on the revised budget. This includes savings of £89,000, an overspend of £9,000, slippage of £1,429,000 and brought forward expenditure of £103,000.

Legal and Governance Implications:

The Council's capital accounts have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Code of Practice on Local Authority Accounting in the United Kingdom 2011.

Safer, Cleaner and Greener Implications:

The Council's Capital Strategy works to incorporate safer, greener and cleaner design concepts within all capital schemes. The capital programme also supports sustainable initiatives such as the new food and recycling system which was supported by the provision of new vehicles and equipment.

Consultation Undertaken:

Progress on the capital programme is monitored regularly by the Finance and Performance Management Scrutiny Panel and the Finance and Performance Management Cabinet Committee. Service Directors and spending control officers are also consulted throughout the year. In addition, consultation is undertaken with the Tenants and Leaseholders Federation and the Director of Housing on the HRA programme.

Background Papers:

The capital programme approved at Cabinet 30 January 2012 and working papers filed for External Audit purposes.

Impact Assessments:

Risk Management:

The changes to the proposed funding of the capital expenditure are intended to reduce the financial risks faced by the Council.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process? N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group? N/A

**CAPITAL PROGRAMME
2011/12 ACTUAL (PROVISIONAL)**

	2011/12 Revised £000	2011/12 Actual £000	(Under) / Overspend £000
EXPENDITURE			
Finance & IT	358	287	(71)
Corporate Support Service	536	324	(212)
Deputy Chief Executive	1,572	1,089	(483)
Environment & Street Scene	1,582	1,271	(311)
Planning & Economic Development	80	22	(58)
Total Non-Housing	4,128	2,993	(1,135)
Housing General Fund	1,175	950	(225)
HRA	7,026	5,620	(1,406)
Total Housing	8,201	6,570	(1,631)
TOTAL	12,329	9,563	(2,766)
FUNDING			
DCLG Grant for DFG	330	301	(29)
Housing Ass Growth Area Funding	70	70	0
Other Government Capital Grants	33	33	0
ECC/Parish Contributions	260	270	10
Private Funding	378	300	(78)
Total Grants	1,071	974	(97)
Housing GF (Other Capital Receipts)	540	508	(32)
HRA (Other Capital Receipts)	0	83	83
Non Housing (Other Capital Receipts)	3,697	2,615	(1,082)
Total Capital Receipts	4,237	3,206	(1,031)
GF - RCCO	65	56	(9)
HRA - RCCO	2,050	2,050	0
HRA - MRR	4,906	3,277	(1,629)
Total Revenue Contributions	7,021	5,383	(1,638)
TOTAL	12,329	9,563	(2,766)

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**CAPITAL PROGRAMME
2011/12 ACTUAL (PROVISIONAL)**

	2011/12 Revised £000	2011/12 Actual £000	(Under) / Overspend £000	Savings/ Overspends £000	Carry Forwards £000	Brought Forwards £000
Finance & IT						
General IT	321	253	(68)		(71)	
Cash Receipting & Income System	12	9	(3)			
Atlas Benefit System	25	25	0			
Total	358	287	(71)	0	(71)	0
Corporate Support services						
Civic Office Works	304	231	(73)		(73)	
Building Improvement Programme - Leisure	68	15	(53)		(53)	
Environmental Improvements to Shops	30	26	(4)	(4)		
Energy Efficiency Measures	35	45	10	19	(9)	
Langston Road Redevelopment	54	7	(47)		(47)	
Pyrles Lane Redevelopment Purchases	21	0	(21)		(21)	
Fleet Ops MOT vehicle lift	24	0	(24)		(24)	
Total	536	324	(212)	15	(227)	0
Deputy Chief Executive						
Customer Services Trans Prog	14	14	0			
Limes Farm Hall Development	1,000	999	(1)		(1)	
Waltham Abbey All Weather Pitch	513	18	(495)		(495)	
Waltham Abbey Regeneration Scheme	45	58	13			13
Total	1,572	1,089	(483)	0	(496)	13
Enviornment & Street Scene						
Waste Management Vehicles & Equipt	1,141	949	(192)		(192)	
Fitness Equipment: Epping & Ongar	192	192	0			
W Abbey Sports Provision Feasibility	0	(23)	(23)	(23)		
Loughton Leisure Centre:Extension	0	(25)	(25)	(25)		
Loughton Leisure Centre:New Build	12	9	(3)	(3)		
Bobbingworth Tip	39	42	3			3
Parking & Traffic Schemes	71	78	7			7
N W Airfield Market Improvements	73	20	(53)		(53)	
Flood Warning System	25	0	(25)		(25)	
Grounds Maint Plant & Equipt	29	29	0			
Total	1,582	1,271	(311)	(51)	(270)	10
Planning & Economic Development						
Loughton Broadway TCE Phase 2	22	12	(10)		(10)	
Loughton Broadway CCTV	49	2	(47)		(47)	
Planning Services Capital Schemes	9	8	(1)	(1)		
Total	80	22	(58)	(1)	(57)	0
TOTAL NON-HOUSING PROGRAMME	4,128	2,993	(1,135)	(37)	(1,121)	23

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**CAPITAL PROGRAMME
2011/12 ACTUAL (PROVISIONAL)**

	2011/12 Revised £000	2011/12 Actual £000	(Under) / Overspend £000	Savings/ Overspends £000	Carry Forwards £000	Brought Forwards £000
Housing General Fund						
Open Market Shared Ownership Scheme	235	61	(174)		(174)	
Housing Ass Growth Area Funding	70	70	0			
Home Ownership Grants Scheme	84	84	0			
Disabled Facilities Grants	330	304	(26)		(26)	
Other Private Sector Grants	290	312	22			22
Housing Estate Car Parking	166	119	(47)		(47)	
TOTAL HOUSING GENERAL FUND	1,175	950	(225)	0	(247)	22
Housing Revenue Account						
Springfields, Waltham Abbey *	28	-2	(30)	(30)		
Pyrles Lane House Purchase	239	0	(239)		(239)	
Heating/Rewiring *	1,557	1,430	(127)	(8)	(119)	
Windows/Roofs/Asbestos/Water Tanks *	746	821	75	9		66
Other Planned Maintenance	392	342	(50)	(3)	(47)	
Total Planned Maintenance	2,962	2,591	(371)	(32)	(405)	66
Structural Schemes	471	387	(84)	(3)	(81)	
Small Capital Repairs *	896	447	(449)		(449)	
Kitchen & Bathroom Replacements *	1,837	1,417	(420)		(420)	
Environmental Improvements	402	283	(119)	(45)	(74)	
Disabled Adaptations	423	459	36			36
Other Repairs and Maintenance *	35	36	1			1
TOTAL HRA	7,026	5,620	(1,406)	(80)	(1,429)	103
TOTAL HOUSING PROGRAMME	8,201	6,570	(1,631)	(80)	(1,676)	125
* EFDC Affordable Housing	5,338	4,149	(950)	(29)	(1,018)	67

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CAPITAL RECEIPTS
2011/12 ACTUAL (PROVISIONAL)

	2011/12 Revised £000	2011/12 Actual £000	2011/12 Variation £000
Receipts Generation			
Housing Revenue Account	586	975	389
General Fund	0	51	51
Total Receipts	586	1,026	440
Receipts Analysis			
Usable Receipts	155	353	198
Payment to Govt Pool	431	673	242
Total Receipts	586	1,026	440
Usable Capital Receipt Balances			
Opening Balance	18,694	18,694	0
Usable Receipts Arising	155	353	198
Use of Other Capital Receipts	(4,237)	(3,206)	1,031
Closing Balance	14,612	15,841	1,229

MAJOR REPAIRS RESERVE
2011/12 ACTUAL (PROVISIONAL)

	2011/12 Revised £000	2011/12 Actual £000	2011/12 Variation £000
Opening Balance	6,540	6,540	0
Major Repairs Allowance	4,978	4,978	0
Use of MRR	(4,906)	(3,277)	1,629
Closing Balance	6,612	8,241	1,629

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