

Supplementary Committee Agenda



Finance and Performance Management Scrutiny Panel Tuesday, 17th November, 2009

Place: Civic Offices, High Street, Epping

Room: Committee Room 1

Time: 7.00 pm

Committee Secretary: A Hendry - The Office of the Chief Executive
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9. QUARTER 2 FINANCIAL MONITORING (Pages 3 - 10)

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

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2009/10 DIRECTORATE CAPITAL MONITORING -
CORPORATE SUPPORT SERVICE

	09/10 Full Year Budget £'000		Second Quarter				09/10 Variance		Comments
			09/10		09/10		Budget v Actual		
	Budget		Budget	Actual	Budget	Actual	£'000	%	
Civic Office Works	552		43	44			1	2	The annual progress report on the Council's Five Year Planned Maintenance Programme has recently been completed and will be presented to Cabinet on 15th November 2009. Most schemes scheduled for 2009/10 have either been finished or are in progress. However a total of £314,000 was approved for carry forward as part of the Capital Review, relating to 6 schemes, reducing the full year budget to £238,000.
Other Planned Maintenance			0	0			0	0	This includes budgets of £50,000 for the Upgrade of the Industrial Units; £15,000 for the flat roof at Waltham Abbey Swimming Pool; and £8,000 for the Museum Roof. The recent review of the Programme has identified that the new roof on the swimming pool will be undertaken in 2010/11 and so the £15,000 will be carried forward. The other projects are planned for later in the year.
Total		625	43	44		44			

2009/10 DIRECTORATE CAPITAL MONITORING -
FINANCE & ICT

ANNEX 11

	09/10 Full Year Budget £'000		Second Quarter		09/10 Variance Budget v Actual		Comments
	£'000	602	09/10 Budget	09/10 Actual	£'000	%	
			£'000	£'000	£'000		
ICT Projects			119	123	4	3	A programme of CT capita projects for 2009/10 has been drawn up; several schemes have already commenced and some large schemes are due to be undertaken later in the year. However, some of these schemes will roll over into 2010/11. The Capital Review and Capital Strategy have identified a total carry forward of £184,000, reducing the revised estimate down to £418,000.
General Capital Contingency			0	0	0	0	This unallocated budget is automatically profiled into month 12 unless authority is granted to use it or a specific scheme. It is then moved to the relevant General Func Capital heading.
Total	779		119	123			

	09/10 Full Year Budget		Second Quarter		09/10 Variance Budget v Actual		Comments
	£'000	£'000	09/10 Budget	09/10 Actual	£'000	%	
Leisure Centre Works	242		176	179	2	2	A feasibility study is being undertaken in respect of works to the sports facilities in Waltham Abbey. The fitness equipment at Loughton Leisure Centre has been purchased and the outstanding works on the sports centre are due to be finalised this year.
Waste Management Equipment & Vehicles	1 875		1 875	1 684	-191	-10	The new food and garden recycling system was introduced on 7th September 2009 and most of the budget has now been committed.
Bobbingworth Tip	254		30	30	0	0	See comments on major schemes schedule.
Car Parking & Traffic Schemes	857		0	0	0	0	The outstanding invoices due to Essex County Council have now been cleared. Estimates in respect of current and future commitments have been re-assessed and the total estimate was reduced to £312,000 as part of the Capital Review, the difference being carried forward to 2010/11.
North Weald Airfield	288		3	2	-1	-33	The £10,000 budget for the fire cover vehicle was brought forward from 2008/09 and it is expected to be spent this financial year. The contribution for capital improvement works in respect of the market at North Weald Airfield has been revised down to £68,000 following the Capital Review.
Other Environmental works	282		111	5	-106	0	The grounds maintenance vehicles were purchased by the end of September and the outstanding invoices, totalling £183,000, were paid in October. The Safer Cleaner Greener equipment and remaining refuse bins for fats are expected to be purchased before the end of the year. All capital works relating to food alleviation schemes (£47,000) have been carried forward to 2010/11 following the Capital Review.
Total	3,798		2,195	1,800			

	09/10 Full Year Budget £'000		Second Quarter		09/10 Variance Budget v Actual %		Comments
	09/10 Budget £'000		09/10 Actual £'000		09/10 Budget v Actual %		
	09/10 Budget £'000	09/10 Actual £'000	09/10 Budget £'000	09/10 Actual £'000	09/10 Budget v Actual £'000	09/10 Budget v Actual %	
Customer Services Transformation Programme	500	0	0	0	0	0	See comments on major schemes schedule.
Ongar Playing Fields	1,433	-10	0	-10	-10	100	The negative actual spend relates to an outstanding invoice, which will be cleared shortly. The whole budget remaining for the Ongar playing fields was approved for carry forward to 2010/11 as part of the Capital Review, pending new external funding being secured.
Youth Sports Facilities	9	0	0	0	0	0	The remaining grant allocation of £9,000 has been carried forward to 2010/11 following the Capital Review.
Children's Play Facilities	162	92	81	92	11	12	Overall the programme is slightly ahead of schedule this year. The play park at Limes Farm was completed last year and the youth facilities have been completed this year. The playground equipment at Hoe Lane, Nazeing is also fully installed. The final two projects at Elizabeth Close, Nazeing and Pancroft Ring, Lambourne are planned for September/October 2009 and February/March 2010 respectively.
Total	2,104	82	81	82			

	09/10 Full Year Budget		Second Quarter		09/10 Variance		Comments
	£'000		£'000		Budget v Actual		
	09/10 Budget	09/10 Actual	09/10 Budget	09/10 Actual	£'000	%	
Loughton Broadway Works TCE	1,508		754	394	-360	-48	See comments on major schemes schedule.
Planning Capital Works	27		0	-9	-9	n/a	The majority of this relates to works funded by Housing and Planning Delivery Grant brought forward from 2008/09. The negative actual spend relates to expenditure charged to last year which has not been paid yet.
Total	1,535		754	385			

	09/10 Full Year Budget £'000		Second Quarter 09/10		09/10 Variance Budget v Actual £'000		Comments
	Budget	Actual	Budget	Actual	Budget v Actual	%	
Contributions to Affordable Housing	155	155	155	155	0	0	All schemes are now complete.
Disabled Facilities Grants	435	159	200	159	41	-21	Despite expenditure being relatively low in quarters 1 and 2, there are no indications to suggest that demand has fallen. A report presented to Cabinet in October revises the anticipated expenditure to £400,000 per year.
Other Private Sector Grants	592	137	141	137	-4	-3	This budget includes the £310,000 contingency sum set aside specifically for private sector grants. The Cabinet report in October reassesses anticipated expenditure at £350,000 per year and rephases the contingency sum into future years.
Home Ownership Schemes	554	34	51	34	-17	-33	A the original 5 Home Ownership Grants have been paid and approval was given for 5 more grants in March 2009 with a corresponding additional budget of £170,000. Of this, £102,000 has now been approved for carry forward to 2010/11. The budget of £350,000 for Open Market Shared Ownership Grants was brought forward from last year; £200,000 of this has so now been approved for carry forward into 2010/11 as part of the Capita Review.
Aired Road Drainage Works	9	0	0	0	0	0	This scheme has now been closed and removed from the capita programme.
Cpo 6/6a Sun Street W. Abbey	378	0	0	0	0	0	Planning permission has been granted to the owner of the property to re-develop the site. If the owner goes ahead with the works, the CPO will not be necessary but this is not certain at present and the situation is being monitored. For the time being the full budget has been carried forward to 2010/11 following the Capita Review.
Total	2,123	485	547	485			

	09/10 Full Year Budget £,000	Second Quarter		09/10 Variance Budget v Actual		Comments
		09/10 Budget	09/10 Actual	£,000	%	
		£,000	£,000	£,000	%	
Springfields, Wattham Abbey	1,548	1,161	1,184	23	2	Soc comments on major schemes schedule.
Heating/Roofing	1,037	1,062	1,058	4	0	New heating upgrades and boiler replacements are progressing on target. However, roofing work has increased as a result of a comprehensive programme of testing, which identified a large volume of work. The roofing budget therefore required additional funds of £225,000; a variation was sought and agreed as part of the Capital Review in October giving a total revised budget of £1,262,000.
Windows/Roofing / Asbestos / Water Tanks	1,000	422	493	58	14	Expenditure in this category is ahead of target because the roofing contracts are ahead of schedule. The domestic water tank replacement contract is underway with the communal water tank replacement contract being out to tender. Work is expected to start on communal water tanks early in 2010. The 2009/10 PVCU budget is being spent on front entrance door replacements and works on windows will resume next financial year. The asbestos programme has slipped and £70,000 has been carried forward to 2010/11. Requests for variations between budgets were also approved by the Capital Review. These changes combine to give a revised budget of £877,000.
Other Planned Maintenance	752	202	185	17	-8	Overall this budget is underspent due to delays in letting the door entry contract and installation delays in the communal TV upgrade programme. No major drainage schemes have been scheduled for works this financial year and works are due commence 2011/12. With regard to energy efficiency works, most properties in the district now benefit from oil and cavity wall insulation; other energy efficiency measures are now being considered. Re-phasing some budgets into 2010/11 and variations into other budgets, agreed by Cabinet in October, reduces the total budget to £279,000.
Other Capital Works	4,637	2,030	1,927	103	-5	The three year bathroom and kitchen replacement programme commenced in August 2008 and works are on programme, however the expenditure profile shows an underspend to date as a number of payments had not been made by 30 September. A one-off additional sum of £200,000 was approved in April for disabled adaptations to help clear the backlog and an increase in the installation programme is underway. Works have now commenced on miscellaneous structural schemes. The Capital Review in October secured a carry forward of £511,000 and a number of variations giving a net increase of £80,000; the overall impact of these amendments is to reduce the budget to £4,186,000.
Total	8,974	4,877	4,833			

Capital Project	Original Start Date	Original Finish Date	Latest Est/ Actual Start Date	Latest Est/ Actual Finish Date	Original Total Project Cost £'000	Latest Total Project Cost £'000	Variance %	Actual Exp To Date £'000
Bobbingworth Tip	Aug-04	n/a	Apr-07	Dec-09	1,107	2,492	125%	2,208
<p>The scheme is essentially complete but there still remains some fencing and security works which Veolia have been tasked to complete by December 2009. The final account and report will be presented to Cabinet by the end of the financial year. At present, the total scheme budget stands at £2,492,000, excluding the £20,000 contribution from Essex County Council for tree planting. It is important to note that the original total project cost, finish date and the variance relate to the original scheme which had to be withdrawn as it would not have delivered the desired solution. An upgraded scheme had to be developed and the budget had to be amended to accommodate the new design. (Design investigations were carried between Aug 04 and Jul 06 with the construction phase being between Apr 07 and Dec 09)</p>								
Loughton Broadway Town Centre Enhancement	Aug-06	Dec-06	Aug-06	Jul-09	3,003	3,531	21%	2,282
<p>The scheme is now complete subject to some snagging works relating to street lighting. Subject to finalising the accounts, it is anticipated that actual costs will be significantly below budget and the Director of Environment and Street Scene will be submitting a report to Cabinet in the near future. As with Bobbingworth Tip, the scheme finally approved was significantly different to the original due to the discovery of a low pressure gas main running along the length of the central reservation of The Broadway. Therefore the variances against the original expenditure and finish date need to be seen in that light. (Construction of phase 1 was between Aug 05 and Dec 06 with phase two being between Oct 06 and Jul 09)</p>								
Customer Services Transformation Programme	n/a	n/a	n/a	n/a	2,500	2,500	n/a	0
<p>At its meeting on 30 April, the Customer Transformation Task and Finish Panel, agreed to undertake a detailed feasibility study to establish the costs of a new customer services/reception area to include innovative use of new technology. This will be financed from the capital allocation on the basis that the works will proceed in the future.</p>								
Springfields Improvement Scheme Works (HRA)	Jul-04	Nov-07	Nov-07	Aug-09	4,033	4,524	12%	3,573
<p>Work commenced on the contract on 5 November 2007 and the practical completion was achieved on 14 August 2009; this represents a 27 week delay primarily due to the unexpected need to replace french doors and windows to top floor balconies. The latest total project cost was revised to £4,524,000 by cabinet in June 2009; this excludes the cost of the repurchases.</p>								