

2014/15 DIRECTORATE CAPITAL MONITORING -
COMMUNITIES

ANNEX 7

	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Museum Property Purchase	1,750	787	521	-266	-34	Please see comments on the major schemes schedule.
CCTV Systems	112	28	20	-8	-29	This budget includes works to be carried out at Langston Road, Loughton High Road, Lower Queens Road Buckhurst Hill and Epping High Street. Although the overall budget position is underspent, works have commenced at Loughton High Road and Lower Queen Roads Buckhurst Hill and are expected to be completed in Quarter 2. A wireless receiver has been purchased for Epping High Street and installation works are due to be carried out in Quarter 2. Expenditure is expected to increase against Quarter 2 budget. The whole budget is expected to be fully spent by the end of the financial year.
Housing Estate Parking	891	223	0	-223	-100	The programme of providing off street parking facilities on Council Estates is ongoing. Phase 4 is almost complete; the final site within this phase is the Harveyfields site, which is due to be completed in the autumn. Feasibility studies have been undertaken on the sites identified in Phase 5 of the programme and a resident consultation process is underway. Planning permission has been obtained for construction works on two sites: Queens Road and Ladyfields and works are expected to commence later this year. All these schemes are joint funded between the General Fund and the HRA depending on the split between sold properties and HRA tenanted properties.
Limes Farm Hall Development	6	2	0	-2	-100	Limes Farm Hall Development is now completed. The budget of £6,000 is a carry forward from 2013/14 and is expected to be spent this financial year.
Total	2,759	1,040	541			

	14/15	First Quarter		14/15		Comments
	Full Year	14/15	14/15	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Purchase of Bridgeman House, Waltham Abbey	654	0	0	0	0	Negotiations have fallen through and this project will not be going ahead. The budget will be removed from the Capital Programme when it is reviewed in December 2014.
Purchase of Lease re Torrington Drive	3,462	3,462	3,511	49	1	This project was finalised in this quarter. The overspend relates to higher than expected capital fees.
New Developments	173	43	20	-23	-53	This budget has been set aside for new developments, in particular at the Langston Road development site. A consultancy exercise is currently being carried out and detailed planning permission is being sought for the Epping Forest Shopping Park at Langston Road.
Property Management System	35	0	0	0	0	Portfolio Holder approval is being sought for the appointment of a new provider for this system. The initial supplier was unable to satisfy the specific requirements needed for the management of the Council's commercial properties. Approval is expected to be granted in quarter 2 and the order for the system should follow. Implementation is anticipated to be in quarter 3.
Total	4,324	3,505	3,531			

2014/15 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS

ANNEX 9

	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
		Waste Management Equipment	130	33	10	
Parking Schemes	345	0	0	0	0	This category includes the Buckhurst Hill Parking Review Scheme and the Loughton Broadway Parking Scheme. The formal public consultation for the Buckhurst Hill Parking Review scheme is in progress and should be completed in the next quarter. No expenditure was anticipated in this first quarter, but costs are expected to be incurred against this budget in the next quarter. The final scheme, Loughton Broadway Parking Review, will follow once the Buckhurst Hill scheme is completed.
North Weald Airfield	128	0	0	0	0	This budget is funded from contributions from the airfield's market operator Hughmark. Spending on this budget will continue to be low since the Council has agreed to carry out essential work only following a negotiated reduction in Hughmark's capital contributions in the last financial year.
Other Environmental works	222	0	0	0	0	This category includes the Council's grounds maintenance vehicle replacement programme, flood alleviation improvement works and the pay and display car park scheme. An order has been placed for a 4x4 grounds maintenance vehicle, which will be used to carry survey and inspection equipment out on site. Delivery of some electronic telemetry equipment for flood alleviation schemes is expected in the next quarter and further assessments are being carried out on other sites, which will determine the nature and scope of equipment required. Procurement is underway for the installation of new pay and display machines across all Council owned car parks. Although there has been no spending on this budget to date, expenditure is expected to increase in the next quarter.
Total	825	33	10			

2014/15 DIRECTORATE CAPITAL MONITORING -
RESOURCES

ANNEX 10

	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Planned Maintenance Programme	681	170	8	-162	-95	This budget covers all projects, except for those reported on separately in this report, being undertaken within the Planned Maintenance Programme and includes a total of £196,000 carry forwards from 2013/14. There are thirty three planned projects and the main ones include window replacements in the Civic Office building, the upgrade of electrical & LED lighting works, Disability Discrimination Act (DDA) compliant works and energy conservation works. Works on the DDA compliant project is ongoing and the tendering process is underway for the external works projects. Works on these projects are expected to commence in the second and third quarter of the year. The 5 year Planned Maintenance Programme is currently under review and will be presented to Cabinet in October. Changes identified during this process will feed into the next Capital review.
Solar Energy Panels	196	49	0	-49	-100	The tendering process for roofing works has commenced. Construction works are due to commence later this year following contractor appointment and obtaining planning permission.
Upgrade of Industrial Units	311	78	0	-78	-100	This project is subject to agreement with tenants occupying the units on the industrial estates. Negotiations with the tenants are on-going. Some legal expenses are expected against this budget but the current forecast is that no works will be carried out in this financial year. The 5 year Planned Maintenance Programme to be presented to Cabinet in October will update the budget accordingly.
W Abbey Swimming Pool Roof	10	3	0	-3	-100	This project is on hold pending a decision about the future role for local authorities in leisure provision which will be published in the Leisure Strategy. No works are expected to be carried out in this financial year.
ICT Projects	529	117	13	-104	-89	This budget covers all planned ICT projects to be undertaken in this financial year and includes a total of £105,000 carry forwards from 2013/14. There are 14 planned projects, the main ones being the disaster recovery scheme, completing the telephony upgrade, the replacement of host servers, eform back office integration and the next phase of mobile working solutions. The telephony upgrade is in its final stages and is expected to be completed in quarter 2. Work on the disaster recovery project commenced in quarter 1, the resilient connectivity is expected to be finalised in quarter 2 which will facilitate the phone and website host implementation. The tendering process is underway for the replacement of host servers project with contractor appointment expected to be in quarter 2 and implementation to follow soon after. Phase 1 of the mobile working solutions is expected to be completed in the next quarter and proposals on future roll-outs (Phase 2) are being sought. Despite the budget being underspent, works have commenced on the majority of the schemes and an increase in expenditure is expected in quarter 2.
Total	1,727	417	21			

	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		<u>Comments</u>
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Housing Developments	3,264	20	5	-15	-75	Housing developments include phases 1 and 2 of the new house building programme as well as the conversion works at Marden Close and Faversham Hall. The actual costs of £5,000 incurred in quarter 1 relate to phase 1 of the house building programme: please refer to annex 13 (Major Schemes) for more information. Regarding the conversion works at Marden Close and Faversham Hall, tenders have been evaluated and the lowest tender approved; an additional sum of £310,000 to be allocated from the Service Enhancement Fund was identified in a portfolio holder report (July 2014)
Heating/Rewiring /Water Tanks	2,711	658	451	-207	-31	This category includes gas and electrical heating; mechanical ventilation and heat recovery (Mvhr) installation; rewiring; and communal water tank replacements. The overall budget position shows an underspend, primarily on the heating budgets. This is partly due to a £150,000 contract for the one-off replacement of two gas heating boilers at Buckhurst Court having only just commenced. Secondly, works on the electrical heating programme are due to commence in the autumn following the appointment of the specialist contractor.
Windows/Doors/Roofing	3,143	776	407	-369	-48	All the budgets in this category are currently showing as underspent. The extension of the contract for the replacement of composite front doors has not been entered into due to the poor performance of the specialist contractor. The appointment of a new contractor was completed in quarter 1, and an accelerated catch up programme of front door replacement works will be implemented in quarter 2. The contract for flat roofs has been let in this quarter and works are expected to commence in the next quarter. A overall underspend on this budget category is expected, which will be addressed at the next Capital review.
Other Planned Maintenance	824	206	120	-86	-42	This category includes Norway House improvements, communal TV upgrades, door entry system installation and energy efficiency works. All the budgets are underspent. The more significant underspends are within the energy efficiency works and door entry installation budgets. Work on door entry installations and energy efficiency works commenced in quarter 1 and expenditure is expected to increase as both programmes complete works during quarter 2. Around £17,000 of the Norway House improvements budget has been earmarked for the provision of Wi-Fi on site along with some service enhancement monies, but work on this has not started yet.
Kitchen Replacements	1,506	377	194	-183	-49	This budget is currently showing an underspend. Overall, the kitchen replacement programme is progressing well and is currently on target. £160,000 of the underspend relates to works on 32 properties that are currently on hold pending clearance of tenant arrears. A proportion of this budget is expected to be used to finance capital works undertaken as part of the voids process. This will be considered at the next review of Capital Programme and virements requested accordingly.
Bathroom Replacements	1,779	445	391	-54	-12	Overall, the bathroom replacement programme is progressing well and on target. The identified underspend relates mainly to works on 21 properties that are currently on hold awaiting clearance of tenant arrears. A proportion of this budget is expected to be used to finance capital works undertaken as part of the voids process. This will be considered at the next review of Capital Programme and virements effected accordingly.
Void Refurbishments & Other Small Works	1,962	490	358	-132	-27	Capital work on void properties is demand led as the level of spending depends on the quality and condition of properties as they become void. In the past year there has been a general increase in spending on this budget partly due to the Council carrying out more capital improvements (as part of the Repairs Refresh Programme) while properties are void, but also due to a number of tenants downsizing as a result of the introduction of the benefit cap within the Welfare Reform Act. Despite the current underspend, this budget is expected to be fully spent by the year end as expenditure is likely to increase in the next three quarters, based on previous trends.
Total c/f	15,189	2,972	1,926			

	14/15	First Quarter		14/15		Comments
	Full Year	14/15	14/15	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	15,189	2,972	1,926			
Structural & Other Works	467	110	49	-61	-55	The Council's ongoing programme of carrying out remedial structural works to a number of properties is under way. However, this budget also funds urgent major structural repair works which are ad-hoc in nature. During quarter 1 no urgent major structural repairs have been identified.
Council Estate Parking, Garages & Other Environmental Works	1,777	244	52	-192	-79	This category includes garages, fencing, off street parking, estate environmental works, watercourse repairs, cctv installations, drainage works, external lighting schemes and a gas pipe work replacement programme. The two largest projects in this category are the off street parking schemes on Council owned land and the gas pipe work replacement programme, both of which are currently underspent. The off street parking schemes are joint funded between the HRA and General Fund. Please see comments on annex 7. The programme for the replacement of gas pipe works is a four year project and includes works on 38 blocks of flats in Waltham Abbey and Loughton. Work has commenced on 3 blocks at Ninefields and completion is due early in quarter 2. These two budgets are expected to be underspent and will be updated when the Capital Programme is reviewed. The overall budget position for the other budgets within this category (except for fencing) are also showing as underspent. The reduced work on drainage projects due to a transfer of responsibility to the Water Authorities continues to reduce expenditure. The temporary hold on works to garage sites is still in place until potential development sites identified as part of the House Building programme are confirmed. This has resulted in a reduction in expenditure for this quarter which is likely to continue for several years until all feasibilities on the House Building Programme are completed. The contract for estate environmental works has been let and works have commenced with a catch up programme underway. Recommendations to vire identified underspends will be made accordingly as part of the Capital Review.
Disabled Adaptations	402	95	66	-29	-31	Although the budget position is showing an underspend, it is anticipated that it will be fully spent by the end of the financial year.
Other Repairs and Maintenance	221	51	38	-13	-25	This category includes feasibilities, asbestos removal and the contingency budget. The current budget position is showing as underspent. Asbestos removal is by far the largest budget within this section, these works are demand led and are roughly on target, with the budget showing a small underspend. The feasibility budget is again demand led and showing an underspend in quarter 1, however, a number of projects have been identified and expenditure on this budget is expected in quarter 2. There have been no calls on the contingency budget.
Capital Service Enhancements	399	0	0	0	0	The capital service enhancements budget includes the front entrance fire door replacement programme on leasehold properties, the Oakwood Hill estate enhancement project, the refurbishment of communal kitchens in sheltered schemes, the provision of electric scooter stores at sheltered schemes, a contribution towards the provision of Wi-Fi at Norway House, and the online rents system & repairs maintenance software. The front entrance fire door replacement programme is progressing well with the new specialist contractor, with installations underway, and expenditure is due in quarter 2. The Oakwood Hill estate enhancement project task force met late in quarter 1 and work is being planned. The refurbishment of the communal kitchens in sheltered schemes is underway with the completion of some schemes expected in quarter 2. Consultation with the residents of sheltered schemes for the provision of electric scooter stores is being undertaken with a planning application for prioritised schemes due in quarter 2. The works on the remaining schemes are being progressed in the design and planning stages. There has been no spending on these budgets in quarter 1.
Housing DLO Vehicles	68	0	0	0	0	A request for the purchase of four vehicles has been made. The procurement exercise will be carried out in quarter 2 with delivery of the vehicles expected in Quarter 4.
Total	18,523	3,472	2,131			

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

ANNEX 12

REFCuS	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		Comments
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Disabled Facilities Grants	363	92	70	-22	-15	Although this budget is showing an underspend, the number of occupational therapist referrals that initiate Disabled Facilities Grant (DFG) applications have been growing significantly since March 2013. The forecasted number of referrals for 2014/15 is 190, compared to 163 in 2013/14. The situation is being monitored and if a potential overspend is identified, an additional allocation will be sought.
Other Private Sector Housing Grants	4	1	5	4	17	This budget covers private sector housing grants approved under the previous system of non-repayable grants for decent homes, small works and thermal comfort assistance. There are 2 remaining cases, totalling £10,000, which have been held in abeyance due to client hospitalisation and protracted legal consents with a listed building. Again, this is being monitored and an additional allocation will be requested if appropriate.
Waltham Abbey Regeneration	8	2	0	-2	59	This regeneration initiative started in 2011/12, financed from the £165,000 premium paid by Lidl in respect of 1 Cartersfield, Waltham Abbey. It consists of a number of projects managed by Waltham Abbey Town Council. Most of the projects completed to date have been of a capital nature but do not enhance EFDC assets, consequently they have been classified as revenue expenditure, although they can be financed from capital resources. The remaining projects are small scale schemes and may be financed from revenue. Once clarified, appropriate amendments will be made.
HRA Leaseholders	TBA	TBA	TBA		N/A	These costs relate to capital expenditure on sold Council flats and are currently shown in the HRA capital programme. They will be identified once the works are complete and reported at the end of the financial year.
Total	375	95	75			

CAPITAL LOANS	14/15 Full Year Budget £'000	First Quarter		14/15 Variance Budget v Actual		Comments
		14/15 Budget £'000	14/15 Actual £'000	£'000	%	
Home Ownership Schemes	593	0	0	0		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. The scheme is now in its second phase, with 5 out of 6 loans completed in this phase. A maximum purchase price of £250,000 per property is applicable under this scheme and with the current upward trend in property prices, this has resulted in the uptake on the interest-free loans being lower than expected. A number of options on how to make the scheme more attractive are currently being considered. The decision with regards to phase 3 of this scheme will be made when the second phase is completed.
Repayable Private Sector Housing Loans	412	88	14	-74	-46	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock and replaces the old non-repayable grants scheme referred to above. The budget is underspent to date as the uptake for these loans has remained low. Expenditure for the year is likely to be no more than £100,000 and it is likely that a request will be made to carry forward some of the unspent portion into 2015/16.
Total	1,005	88	14			

HOUSE BUILDING - PACKAGE 1										
Original Start on Site Date	Original Finish Date	Proposed Start on Site Date	Proposed Finish Date	Original Tender Forecast £'000	Pre-Updates £'000	Latest Forecast £'000	Actual Expenditure To Date £'000	Anticipated Outturn £'000	Variance to Original Cost %	Variance to Approved Budget %
Apr-14	Jun-15	Nov-14	Dec-15	3,948	-565	3,383	89	TBA	-14%	N/A
<p>In July 2013, the Cabinet Committee considered and approved the feasibility study for Package 1 of the Council House-building Programme. Planning approval has been achieved for four sites in Roundhills and Harveyfields in Waltham Abbey. This Package is expected to provide 23 new affordable homes and a budget of £3,383,000 has been approved to date to cover the cost of works, site enabling costs and fees.</p> <p>Tenders were received in July 2014 and evaluated by Pellings, the Employers Agent acting on behalf of East Thames, the Council's Development Agent. An evaluation process is now being undertaken on the financial status of all the tenderers and a report will be presented to the Council's Housebuilding Cabinet Committee on 21 August 2014. It is anticipated that work will start on site in November 2014 with the first new homes due for completion in around December 2015.</p> <p>The Council has recently learnt that it has been successful in its bid for HCA Affordable Housing Grant for Phase 2 of the Council House-building Programme. It was announced that the Council's full grant application for £250,000 consisting of 40 properties at £12,500 per property has been approved. This will be subject to the Council now applying for and achieving HCA Partner Status, which East Thames will assist the Council in achieving.</p>										
EPPING FOREST DISTRICT MUSEUM										
Original Start on Site Date	Original Finish Date	Proposed Start on Site Date	Proposed Finish Date	Original Tender Forecast £'000	Pre-Updates £'000	Latest Forecast £'000	Actual Expenditure To Date £'000	Anticipated Outturn £'000	Variance to Original Cost %	Variance to Approved Budget %
Feb-14	Jan-15	Jan-15	Oct-15	1,750	0	1,750	521	TBA	0%	N/A
<p>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 1st 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 Rd into the heart of the museum.</p> <p>Delay in acquiring the lease (originally estimated to be completed by June 2013) until April 2014 postponed the start of the detailed design work, although clearance of the Museum building and as much preliminary work as possible was undertaken while waiting for the purchase completion.</p> <p>Since April 2014 the appointed design team have been undertaking further investigations of the buildings and developing the scheme, with tenders for the main contractor of the build phase anticipated to be sent out in September 2014 and appointment made by November 2014. Revised costings for the building works are currently being undertaken ahead of the main contractor tender and any additional costings emerging from the purchase and design stage will be met in the first instance from project contingencies.</p> <p>The build phase is due to begin on site in January 2015 and be completed by July 2015. This will be followed by the installation of the exhibitions and collections to be completed by October 2015. If these timescales are achieved the Museum will reopen to the public in mid-October 2015.</p>										