

2015/16 DIRECTORATE CAPITAL MONITORING -
COMMUNITIES

ANNEX 7

	15/16	Second Quarter		15/16		<u>Comments</u>
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Epping Forest District Museum	1,463	732	746	-15	-2	Please see comments on the major schemes schedule.
CCTV Systems	165	82	27	-55	-67	The CCTV systems projects have been progressing well, with the new system at North Weald Airfield completed in the first quarter, the Waltham Abbey Museum system expected to be installed by December 2015, and the procurement of replacement portable equipment also completed now. Essential installation of CCTV systems at Town Mead Depot, due to security problems, has led to unexpected expenditure on this budget, which will be covered by a contribution from Revenue funds. The CCTV systems at Langston Road Depot and Roundhills are fully dependant on ground-work currently progressing at both sites before the installation of the systems can be completed. Although the Roundhills installation is expected to be completed by the end of the financial year, the Langston Road scheme is anticipated to slip into 2016/17 due to the current schedule being delayed. A decision has been made to delay work on system in Epping high street to 2016/17 as well due to staff capacity. This will allow work on the procurement and installation of CCTV systems in Council car parks to commence in February 2016.
Housing Estate Parking	424	0	0	0	0	The off-street parking schemes undertaken on council owned land, jointly funded between the HRA and General Fund, are currently undergoing design works on the remaining phase 6-sites, Paley Gardens and Torrington Drive, following the appointment of a design consultant. Works on both sites are planned to commence early 2016 subject to successful planning applications. However, it is likely that the off-street parking budget will be underspent in 2015-16.
Total	2,052	814	773			

2015/16 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS

ANNEX 8

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Epping Forest Shopping Park	16,859	8,429	10,256	1,827	22	Please see comments on the major schemes schedule.
St John's Road Epping Development	1,000	50	8	-43	-85	Negotiations have yet to fully conclude on the contract between Essex County Council and the District Council, with regard to the County Council's sale of their land to the authority. Agreement has still to be reached on an overage clause protecting the County Council's interests, if a scheme of significantly higher value was developed. State Aid approval still awaited from the Secretary of State. The £1,000,000 budget shown represents the net cost of the transactions to the Council and the gross costs and forecast capital receipts will be identified as part of the Capital Review. This scheme is currently on course to spend the full budget within this financial year.
Sir Winston Churchill Pub House Development	35	18	16	-2	-12	The scheme is now being taken forward by Epping Forest based developer Higgins Homes. Work has commenced on site with an anticipated 20 month build programme. Once complete, the Council anticipates receiving rental income from the ground floor retail premises in late 2017.
Oakwood Hill Depot	2,625	1,312	69	-1,243	-95	Work commenced on site in late September and the project is scheduled to be completed by the end of April 2016. Service managers moving to the new depot are making preparations to transfer from the Langston Road Depot. The Museum Collection has already vacated.
2nd Floor Bridgeman Hse W Abbey	309	0	0	0	0	It is still not known if the Council will be able to acquire an area of office space on the second floor of Bridgeman House, Waltham Abbey, to enable the transfer of the Community Services team to be located all in the same building, above the museum, but it is envisaged that there will still be sufficient budget within the capital programme for this if needed; but it is expected to slip into 2016/17
North Weald Airfield	15	15	15	0	0	The £15,000 contribution has been used towards upgrading CCTV; the works have now been completed.
Total c/f	20,843	9,824	10,364			

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
		£'000	£'000	£'000	%	
Total b/f	20,843	9,824	10,364			
Waste Management Equipment	101	51	15	-35	-69	This budget is currently under review pending a decision on how to account for future replacement refuse bins under the new contract. Any proposed changes to budgetary provisions will be reported as part of the Capital Review.
Parking Schemes	317	64	0	-64	-100	The parking review at Buckhurst Hill is nearing completion, with the final invoice for the works expected to be received soon. Loughton Broadway is dependent on the completion of the Buckhurst Hill site and its works are unlikely to commence until 2016/17. However an informal meeting is being arranged with members to start discussions for this project.
Superfast Broadband Programme	84	84	84	0	0	Following the award of the Superfast Broadband (Phase 2b) Rural Challenge Project contract by Essex County Council to Gigaclear, preparatory work has been taking place and a detailed delivery plan is being prepared. The building of the network will begin in November 2015 and the first community engagement event was held on 15 October in Moreton Village Hall, for those who live and work in Moreton, Bobbingworth and Bovinger. A further event has been organised for November in Fyfield. These community events are intended to help everyone understand what they are doing, how they are doing it and what difference it will make to the community and Gigaclear will be hosting a series of similar community events throughout the district as the rollout progresses over the course of the next 12 to 18 months. The Rural Challenge Project sits alongside the ongoing Phase 1 and Phase 2a elements of the Superfast Broadband project which, in partnership with BT, are aiming to deliver 95% superfast broadband to the whole of Essex. Delivery under these programmes is continuing and the latest information on the rollout can be found on the Superfast Essex website.
Other Schemes	251	126	133	8	6	This category includes the Council's grounds maintenance vehicle replacement programme, the pay and display car park scheme and flood alleviation equipment. The grounds maintenance team are looking to procure a replacement vehicle in the new year, expecting delivery around January/February time. The pay & display machines have all now been installed to all of the schemes car parks with further expenditure to come through in quarter 3. The flood alleviation budget is also currently under review with any proposed changes to budgetary provisions being reported as part of the Capital Review.
Total	21,596	10,149	10,598			

2015/16 DIRECTORATE CAPITAL MONITORING -
RESOURCES

ANNEX 9

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000			
		£'000	£'000	£'000	%	
Planned Maintenance Programme	916	458	399	-59	-13	This budget covers all projects undertaken within the Council's Planned Maintenance Programme, except for the solar panel project reported on separately in this schedule. In the second quarter: the window replacement in the main building has been completed; the installation of smart metering to reduce energy usage in the Civic complex is currently ongoing; and the separation of 4 areas, each floor plus 323 house, of the Civic Offices heating system have been separated allowing greater control of the temperatures in each areas. Most of the other schemes are planned to be undertaken in the autumn and winter and are expected to be completed by the end of the financial year. However, four schemes have been identified as slipping into 2016/17 including the replacement of electrical distribution equipment at the Civic Offices. The other three schemes were planned to be undertaken at the leisure centres at Epping and Waltham Abbey; these schemes have been put on hold pending finalisation of the Leisure Strategy. These budgets total £70,000 and the re-phasing will be addressed as part of the Planned Maintenance Review.
Upgrade of Industrial Units	271	0	0	0	0	In October 2013 Stace were instructed to undertake an appraisal of the industrial units at Oakwood Hill Industrial Estate. They reviewed a typical lease to assess current repairing obligations and future liabilities and within the terms of the lease, it is the landlord's obligation to ensure that all exterior additions are undertaken to a rentable standard and it is the tenant's responsibility to maintain skylights. With roof repairs needed to achieve current building regulation standards, four options were considered and overlay sheeting was decided to be the best method. The main complication with this scheme has been how the Council would recover the costs of the works from its current tenants. Meetings with the council tenants are likely to begin in late October which will give more accurate information with regards to the start dates for works on the industrial units, which are currently anticipated to commence late in this financial year.
Solar Energy Panels	267	0	0	0	0	The project to install solar energy panels at the Civic Offices has commenced, with the installation being combined with essential roofing upgrade works in order to achieve economy of scales savings on the two schemes. The work commenced on the 17 August 2015 and is programmed to last 12 weeks, the roofing work is well underway and the photo voltaic panels will be installed on completion of these works.
ICT Projects & Other Equipment	401	201	149	-52	-26	The completion of the Bankers' Automated Clearing Service replacement system in August, configurations for the remote management & service desk systems, and continuing implementation of the Freedom of Information system has shown notable progression within the ICT schemes. The mobile and flexible working solutions continue to perform well and all other projects are on schedule. Despite an underspend at present, it is anticipated that all schemes will be completed within the current financial year and the budget will be on target. This will be achieved through an increase in activity in the second half of the financial year. In particular, work is expected to progress on the mobile and flexible working scheme, following the appointment of a new Head of Transformation starting in November. The final phase of the purchasing of uninterruptable power supplies will take place in the next few months, with the confirm system replacement (Parks) possibly being delayed slightly whilst development of the replacement system is carried out. It is still hoped that this will be completed in this financial year.
Total	1,855	659	548			

2015/16 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

ANNEX 10

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000			
		£'000	£'000	£'000	%	
Housing Developments	5,772	2,886	921	-1,965	-68	Housing developments include phases 1 and 2 of the new house building programme and the conversion works at Marden Close and Faversham Hall. Please refer to Annex 12 (major schemes) for timings, costs and information on phase 1 of the new build scheme as well as an update on future phases. The Marden Close works to convert 20 bedsits into 10 flats along with the conversion of Faversham Hall into 2 new 1-bed flats commenced on site on 15 September 2014 is currently nearing completion. There have been some minor delays on the conversion works, mainly due to some additional works needed to the structure once it was exposed and also due to new mains connections; subsequently this scheme has accrued variations amounting to an additional £90,000.
Heating/Rewiring /Water Tanks	3,032	1,515	1,237	-278	-18	This category includes, gas and electrical heating; mechanical ventilation and heat recovery (MVHR) installation; rewiring; and communal water tank replacements. There is an overall underspend as at the 30th September 2015, most of which relates to gas heating. The contract for the replacement of gas communal boilers at Jubilee and Parsonage Court was awarded in June and is nearing completion with the final payment due mid-November. The budget for MVHR is on target, and expenditure on the electric heating budget has increased over the last three months. Overall therefore, the underspends have reduced since quarter one. The budget for rewiring is currently showing an underspend despite the increased expenditure on the electrical testing and upgrade programme in council flats. Reductions in the work required to bring domestic properties up to current electrical installation standards has resulted in reduced levels of expenditure; if this trend continues an underspend is expected at the year end. The communal water-tanks installed in flat blocks have been on a planned replacement programme over the last 5 years and the programme for 2015/16 remains on target
Windows/Doors/Roofing	2,598	1,299	972	-327	-25	All budgets in this category with the exception of flat roof covering are currently underspent, including PVCu window replacement, front entrance door replacement, tiled roofing and balcony resurfacing programmes. Following the appointment of a specialist contractor, who accelerated the programme of catch up works for front entrance door replacements, the scheme is currently on target for 2015/16 despite a small underspend at the end of the second quarter. Expenditure on PVCu window replacements is showing the largest underspend in this category but with the contract for PVCu window replacement to council blocks has now been awarded and works have commenced; expenditure is expected to increase in the next few months. The flat roofing programme is ahead of schedule as these works are profiled for completion in the summer months, whilst the works on the tiled roofing have increased following a slow start.
Total c/f	11,402	5,700	3,130			

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	Budget v Actual		
		£'000	£'000	£'000	%	
Total b/f	11,402	5,700	3,130			
Other Planned Maintenance	673	287	30	-256	-89	This category includes Norway House improvements, door entry system installations and energy efficiency works with all the budgets currently showing an underspend. The last of the planned bathroom upgrades as part of the Norway House improvement scheme is due to commence shortly, with additional works and expenditure planned for 2015/16. Limited work has been undertaken to date on door entry system installations as the contact is currently out to tender; a small programme of upgrades is planned for this financial year. The budget for energy efficiency work is showing the largest underspend in this category; the only energy efficiency work that currently attracts substantial government grant funding is the Domestic Renewable Heat Incentive (DRHI) repaid over a 7-year term following the installation of air source heating. An accelerated programme of air source heating installation is currently underway and, to date, income of £10,756 has been received. However, income of £296,858 is projected for all current registered installations over the 7-year term, assuming there are no changes to the existing rules.
Kitchen Replacements	809	405	338	-66	-16	The kitchen replacement programme is still showing an underspend as at 30 September, this is due to “no-access” properties slowing the programme down.
Bathroom Replacements	1,173	587	662	76	13	The acceleration of the bathroom replacement programme has resulted in expenditure on the bathroom replacement budget at the end of the second quarter being back on target. The completion of a 4-year Bathroom upgrade programme of the flats located in the blocks at Copperfield is on target for completion by the end of 2015.
Void Refurbishments & Other Small Works	3,203	1,602	897	-704	-44	The nature of void works is that it is largely demand led and therefore it is difficult to predict expenditure outcomes each year. Although the budget is currently underspent, expenditure is expected to increase in the next three months following the completion of phase 1 of the house building programme (refurbishment properties). In order to identify the nature of the capital work undertaken on void properties, the voids budget has been allocated within specific capital works budgets including gas heating, rewiring, water-tanks, kitchen and bathroom replacements. All works reflect the current underspend with the exception of water-tank renewals. However, based on the trends experienced in previous years it is thought likely that the budget will be fully spent by the end of 2015/16.
Structural & Other Works	452	276	202	-74	-27	Although the programme is currently showing an underspend as at the 30 September 2015 most of the structural projects are planned to take place in the second half of the budget year and this will bring the structural works budget back on target for 2015/16. It is anticipated that the conversion of Leonard Davies House will be undertaken next financial year.
Council Estate Parking, Garages & Other Environmental Works	1,578	789	326	-463	-59	This category includes garages, fencing, off-street parking, estate environmental works, CCTV installations, external lighting schemes and a gas pipe-work replacement programme. The largest programme within this category is the off-street parking programme where parking schemes are undertaken on council owned land. This is joint funded by the HRA and General Fund; an update of this programme is given in the Communities annex. The programme for the replacement of gas pipe-work is progressing well with the work on the blocks in Waltham Abbey expected to be completed in 2015 and work on blocks in Loughton expected to take place in 2016/17. The budget for external lighting schemes was increased in 2015/16 to finance additional requirements and works at Jessop Court and other locations are nearing completion. Although the external lighting scheme budget is currently showing an underspend, expenditure is expected to be on budget for this financial year. CCTV installation on HRA properties in Springfield and Shelly Close are expected to be completed in 2015/16, and funds are likely to be requested to be brought forward from 2016/17 as part of the Capital Review to accommodate a new system to cover Limes Farm yellow block.
Total c/f	19,290	9,646	5,585			

2015/16 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

ANNEX 10

	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	Budget v Actual		
				£'000	%	
Total b/f	19,290	9,646	5,585			
Disabled Adaptations	442	221	255	34	15	This budget is currently overspent and due to a number of large projects being undertaken this year in addition to an increase in demand for disabled adaptation request generally. It is anticipated that the budget will be fully spent by the end of the financial year and it may be necessary to put some disabled adaptation requests on hold until the next financial year.
Other Repairs and Maintenance	179	90	42	-47	-53	This category includes feasibilities, asbestos removal and the contingency budget. The largest programme within this category is the asbestos removal budget which is predominantly demand led and currently shows an underspend.
Capital Service Enhancements	350	175	74	-101	-58	The capital service enhancements budget includes the front entrance fire door replacement programme on leasehold properties, the Oakwood Hill estate enhancement scheme, the refurbishment of communal kitchens in sheltered schemes and a small budget for the provision of electric scooter stores at sheltered schemes. Phase 2 of the refurbishment of communal kitchens in sheltered housing schemes has been completed, and additional work has been required on lift and door entry equipment which has resulted in a small overspend to date. After completing the provision of electric scooter stores at two schemes in 2014/15, a review of demand for scooter stores is being undertaken and a small budget is available for 2015/16 for design works on two currently on-hold schemes, expenditure will depend on the results of the review. The front entrance fire door replacement project on leasehold properties is currently underspent, but demand is showing signs of increasing. There has been no expenditure on the Oakwood Hill Estate enhancement scheme, as the scope of the work has yet to be agreed with the project team and expenditure is currently on hold and the budget is unlikely to be spent by the end of the financial year. The online rents system budget is expected to be carried forward due to the scheme being dependent on the installation of a separate system as well as the recruitment of a new IT team leader.
Housing DLO Vehicles	58	0	0	0	0	Due to the need to replace some council owned tipper vehicles in 2016/17 it is being proposed that the current year budget will be carried forward to accommodate these more expensive vehicles; therefore no expenditure is expected in this year for this scheme. These provisions will be reported as part of the Capital Strategy.
Total	20,319	10,131	5,956			

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

ANNEX 11

REFCuS	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000			
		£'000	£'000	£'000	%	
Disabled Facilities Grants	500	250	358	108	43	Expenditure on Disabled Facility Grants (DFGs) advanced to private sector residents in the District is currently exceeding the budget. The ability to control costs, however, is limited because the Council has a legal duty to provide DFGs to all residents who meet the eligibility criteria and residents are referred to Epping Forest District Council by occupational therapists provided by Essex County Council. The number of referrals rose significantly in 2014/15 and this increased level of demand has levelled off at an all-time high such that expenditure is forecast to be around £500,000 per year from 2015/16 onwards. As a result of the continuing high number of Occupational Therapist's referrals for DFGs the Council agreed to a supplementary estimate of £120,000 for 2015/16. A capital growth bid is also being made for an additional £120,000 for the following 3 years until 2018/19.
Other Private Sector Housing Grants	0	0	12	12	N/A	These actuals cover private sector housing grants approved in 2013, under the previous system of non-repayable grants for decent homes, small works and thermal comfort assistance. The Council currently offers financial assistance in the form of repayable loans instead of grants and this is reported on separately in the capital loans section below; however this expenditure relates to works on two properties that were both approved in 2013 but have been delayed until 2015; this commitment has now been completed and paid for.
HRA Leaseholders	150	0	0	N/A	N/A	These costs relate to capital expenditure on sold Council flats and are currently shown in the HRA capital programme. They are will be identified once the works are complete and reported at the end of the financial year.
Total	650	250	370			

CAPITAL LOANS	15/16 Full Year Budget £'000	Second Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000			
		£'000	£'000	£'000	%	
Home Ownership Schemes	357	179	146	-32	-18	The Open Market Shared Ownership Scheme provides interest-free loans to B3Living to enable first time buyers to purchase properties on the open market on a shared ownership basis. EFDC's loan amounts funds 58% of B3Living's 50% share. Phase 1 of the scheme was completed in 2012/13 and 8 loans were advanced. The scheme is now in its second phase and this includes an allocation to fund 5 loans of which 2 were completed in 2013/14. Two advances were made in the first two quarters of the year. The remaining purchase is in progress.
Repayable Private Sector Housing Loans	120	60	52	-8	-13	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. It is anticipated that some money paid out in previous years will be re-couped this year as applicants move on and properties are sold. At this point in the year the budget allocated is expected to be spent.
Total	477	239	198			

MAJOR CAPITAL SCHEMES

HOUSE BUILDING PHASE 1

Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Tender	Pre-Forecast	Updates	Approved Budget	Actual Expenditure To Date	Anticipated Outturn	Variance Anticipated Outturn to Approved Budget	Approved Budget Unspent To Date
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	£'000 (F)	% ((E-C)/Cx100)	£'000 (C-D)
Apr-14	Jun-15	Oct-14	Jul-16	3,948	-429	3,519	979	3,519		0%	2,540

Phase 1: Work started on time in October 2014 on 4 sites in Waltham Abbey, which make up Phase 1 of the Council's Housebuilding Programme after the fifth site was rejected. However, the works have not progressed in line with the original contract period, which had a completion date of 13 November 2015.

As at 30 September 2015, approximately one third of the value of works was completed although an outstanding contract payment, processed in early October, does not show in the Month 6 actual costs shown in the above table. The latest estimate suggests that the contractor is behind programme by between 5 and 8 months based on a 12-month contract. The contractor Broadway Construction Ltd is reporting they will complete works on the Red Cross site and the two sites on Roundhills by March 2016 and they will complete works on the site in Harveyfields in July 2016

The contractor has yet to submit a formal request for an extension of time. Any requests will be considered in line with the contract conditions.

Future Phases: Since obtaining planning permission for Phase 2 in September 2015 to build 51 homes at Burton Road, tenders are currently being sought based on a "Design and Build" contract. A Cabinet Committee has been scheduled for early January 2016 to consider the tenders and to appoint a contractor.

Planning applications have also been submitted for the 9 sites that make up Phase 3 of the house-building Programme, which centres on Epping, Coopersale and North Weald. Approval has been received for sites in Centre Avenue and London Road. Further applications are being prepared for Phases 4 and 5 in Loughton, Buckhurst Hill and Ongar.

EPPING FOREST DISTRICT MUSEUM

Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Tender	Pre-Forecast	Updates	Approved Budget	Actual Expenditure To Date	Anticipated Outturn	Variance Anticipated Outturn to Approved Budget	Approved Budget Unspent To Date
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	£'000 (F)	% ((E-C)/Cx100)	£'000 (C-D)
Feb-14	Jan-15	Apr-15	Nov-15	1,750	345	2,095	1,379	2,183		4%	716

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

Following the tender process and call in period, Coniston Ltd were selected as the preferred main contractors in December 2014 and Cabinet approved an additional allocation of £345,000 to allow for the agreed tendered sum. Works began on site at the end of April 2015 with a projected completion by end of October 2015. However, there have been a number of events which have caused delays including: a requirement to record several elements of historic listed building fabric and archaeological features before their removal; the builders cutting through active ventilation ducts for the library; difficulties with the planned installation of the lift, which enables the building to have step-free access (a main requirement of the Heritage Lottery Fund); and the need for temporary alterations to access the residential floor above and put in place additional fire protection for the museum.

Regular fortnightly site meetings continue to be held to monitor progress. The additional building work has resulted in a total delay of 8 weeks and an extension of time (EOT) certificate has been submitted to, and agreed by the contract administrators and the Council. It is anticipated that no further delays will be encountered. Although the majority of the cost in relation to the EOT can be met through the project contingency budget, a report will be presented to Cabinet on 3 December 2015, seeking authority to utilise £88,000 of the remaining capital budget currently allocated to the purchase of the second floor of Bridgeman House. This is to cover the additional building costs and also increased professional fees from Hawkins Brown who are the project architects and contract administrators. Their costs in relation to the project have increased due to the extended period that they have needed to work on the project and a range of additional fees linked to architectural work and cost of the overall project.

