

2015/16 DIRECTORATE CAPITAL MONITORING -
COMMUNITIES

ANNEX 7

	15/16 Full Year Budget £'000	Third Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
		Epping Forest District Museum	1,551	1,163	1,385	
CCTV Systems	48	36	27	-9	-24	The CCTV schemes have progressed well; systems at the Museum and at North Weald Airfield, as well as procurement of two covert cameras are now complete. There have been three unexpected additional CCTV requirements recently including essential installations at Town Mead Depot (to address security issues) and Birchview (housing estate), with further procurement of covert equipment to be placed in Nazeing in an attempt to deter and capture rural fly-tippers. All of these extra works are expected to be completed by the end of the financial year and funding will be provided in the form of direct revenue funding and Section 106 contributions. The budget for the system to be installed at Oakwood Hill has been carried forward into 2016/17 as the scheme is fully dependant on ground-work currently progressing at the new depot site. The Roundhills scheme is also subject to a significant delay due to residential privacy issues that need to be addressed. An extensive upgrade of CCTV systems in High Street, Epping has already been moved forward into 2016/17 as has the integration of CCTV and digital lighting in ten pay and display car parks.
2nd Floor Bridgeman Hse W Abbey	0	0	0	0	0	This budget has been carried forward into 2016/17 as it is still unclear whether the council will be able to acquire the area of office space on the second floor of Bridgeman House, above the Museum. The acquisition of this space would facilitate a move for the Community Services team and the budget in place is expected to be sufficient if the purchase goes ahead.
Housing Estate Parking	24	18	0	-18	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 at Paley Gardens and Torrington Drive, following the appointment of a design consultant. Works on both sites were planned to commence early 2016, however the need for extensive arboriculture and landscaping work has delayed the submission of the planning applications.
Total	1,623	1,217	1,412			

2015/16 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS

ANNEX 8

	15/16 Full Year Budget £'000	Third Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Epping Forest Shopping Park	14,658	13,679	12,316	-1,363	-10	Please see comments on the major schemes schedule.
St John's Road Epping Development	6,000	20	11	-9	-46	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 this authority. The £6,000,000 budget shown represents the gross cost of the transactions; while previous reports showed the net position. Approval has been received from the Secretary of State for the land transaction and there has been good progress with regard to the outstanding issue of the overage agreement to protect the County Council's interest in the site in the event that the composition of the development changes. However, negotiations are yet to formally conclude. Due to this delay, it is anticipated that completion of the purchase will now take place early in the next financial year. The costs and budget to date represents management consultants & legal costs.
Sir Winston Churchill Pub House Development	35	26	41	15	56	The scheme is now being taken forward by Epping Forest based developer Higgins Homes. Groundworks and piling have 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. Furthermore, the District Council has appointed a marketing agent to let the retail space on the ground floor. To date, there is an overspend of £6,000 and no further costs are expected to be spent by the council on this scheme.
Oakwood Hill Depot	2,425	1,819	608	-1,211	-67	Work commenced on site in late September with the project scheduled to be completed by the end of April 2016 and service managers moving to the new depot are making preparations to transfer from Langston Road Depot. The new depot has progressed well with the main steel frame, cladding and concrete floor slab completed. A specialist contractor has been appointed to relocate the MOT equipment and achieve accreditation from VOSA for the new MOT depot facilities. In December a carry forward of £200,000 was approved to supplement a small proportion of costs that will fall into 2016/17.
North Weald Airfield	16	15	15	0	0	The £15,000 contribution has been used towards upgrading CCTV; the works which were completed in the summer.
Total c/f	23,134	15,559	12,991			

2015/16 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS

ANNEX 8

	15/16 Full Year Budget	Third Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget	15/16 Actual	£'000	%	
	£'000	£'000	£'000			
Total b/f	23,134	15,559	12,991			
Waste Management Equipment	40	30	12	-18	-60	Previously, there was a capital allocation of £101,000 in 2015/16 and £30,000 annually thereafter for the replacement of refuse bins and recycling containers. With the introduction of the new waste management contract, revisions to the budget were presented to Cabinet, which reduced the capital allocation and increased the revenue budget to allow the stock to be "topped up" as required. The remaining capital allocation was retained for the procurement of new bins to areas that have previously not been provided for in the district. It is likely that the budget will be used by the end of the financial year as the establishment of new flat recycling sites are constantly taking place.
Parking Schemes	127	95	44	-51	-54	The parking review at Buckhurst Hill has been completed and invoiced, leaving an anticipated saving of £83,000. This is expected to be carried forward to 2016/17 and applied to the next parking scheme at Debden. The commencement of the works at Debden is dependent on the outcome of a working group, established by the portfolio holder to consider the Debden Parking Review. A report is being drafted for Cabinet regarding the appointment of North Essex Parking Partnership to undertake the required work.
Other Schemes	220	165	133	-32	-19	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 early in 2016, with delivery expected by the end of March. The programme to replace all the pay and display machines in the Council's car parks has been completed with a saving in the region of £57,000, although the issue of credit card payments is still outstanding.
Total	23,521	15,849	13,180			

2015/16 DIRECTORATE CAPITAL MONITORING -
RESOURCES

ANNEX 9

	15/16 Full Year Budget £'000	Third Quarter		15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Planned Maintenance Programme	895	671	455	-216	-32	This budget covers all projects undertaken within the Council's Planned Maintenance Programme, except for the solar panel project reported below. The heating pipework on the ground and second floors, the replacement of rainwater goods, the replacement of the air conditioner unit in plant room 3 and the replacement pumps in the boiler house have all been completed on schedule. One of the major schemes within the programme is replacing the external windows in the Civic Offices, which has also been completed and a saving has been identified. Works within the third quarter include the installation of smart metering to reduce energy usage in the Civic complex which is currently ongoing. The rolling programme of the conversion of the lighting to LED is progressing well with the 2015/16 budget expected to be fully utilised by the end of the year. Sound insulation panels at the Limes Farm Centre have been installed on the walls of the large and small halls to improve noise levels. Five projects have been identified as slipping into 2016/17, in addition to the original four projects approved for carry forward in December. Subsequently the re-phasing of these schemes and budgets will be addressed as part of the Planned Maintenance Review.
Upgrade of Industrial Units	151	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 was established that 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 have occurred but agreement was not reached therefore works will not be carried out until this is resolved.
Solar Energy Panels	267	200	233	33	0	This project was started on 17 August 2015 by the Breyer Group, with the replacement of the roof of the Condor building and liquid coating the front elevation of the main building. On completion of this work British Gas Solar installed the photo voltaic solar panels. The installation was combined with essential roofing upgrade works in order to achieve economy of scale savings on the two schemes. The work was completed on the 16 January 2016, 10 weeks later than scheduled. The final account is expected to be agreed soon and it is anticipated that it will be below the tender price.
ICT Projects & Other Equipment	315	236	218	-18	-8	Good progress has been made on most of the ICT schemes, with the Bankers Automated Clearing Service replacement system, telephony upgrade, replacement of host servers, remote management tools, replacement of service desk system, and geographical information system development all complete. In addition completion of the VPN project has delivered secure remote access to corporate systems using Apple and Android devices. The configurations for remote management and service desk systems is still currently on target for a live date of April 2016. The Freedom of Information system is now in place and available internally and externally following final staff training. Work has commenced on the scoping and design of the Northgate mobile working solution, and all uninterruptable power supplies within the Civic Offices are now in place. Despite a small underspend at present, it is still anticipated that all schemes will be completed within the current financial year and the budget will be on target. A carry forward of £89,000 was approved in December to allow for works that were expected to slip into 2016/17.
Total	1,628	1,107	906			

2015/16 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

ANNEX 10

	15/16 Full Year Budget £'000	Third Quarter		15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	£'000	%	
Housing Developments	3,953	2,965	2,226	-739	-25	Housing developments include 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 was completed in November, with all of the new tenancies commencing before 31st December 2015.
Heating/Rewiring /Water Tanks	2,928	2,135	2,165	30	1	This category includes gas and electrical heating, mechanical ventilation and heat recovery (MVHR) installation, electrical rewiring, and communal and individual cold water storage tank replacements. Currently this category is showing a minor underspend. Gas heating is the largest individual budget within this category and planned expenditure is back on target following the completion of the replacement of the gas communal boilers at Jubilee and Parsonage Courts. The budget for MVHR remains on target with some installation works planned for quarter 4. The planned electric heating installation programme has been completed on-time and within budget. The budget for rewiring is split between: electrical testing and upgrades of the communal landlord's electrical supplies; and domestic installations. Rewiring overall is on-target despite increased expenditure on the electrical testing and upgrade programme for the landlord's electrical supplies at council blocks of flats. The domestic programme undertaken is also on-target for 2015/16 despite reductions in the work required to bring domestic properties up to current electrical installation standards. The completion of the communal water-tank programme for 2015/16, includes the replacement of the last large capacity communal water-tanks installed in blocks of flats. With the replacement of all the large capacity communal water-tanks complete, the programme will concentrate on old individual water-tanks installed in flats and houses throughout the District. It is expected that the communal water-tank budget at the end of the financial year will show a slight underspend.
Windows/Doors/Roofing	2,598	1,896	1,252	-645	-34	All budgets in this category with the exception of flat roof coverings are currently underspent. This includes budgets for front entrance door replacement, PVCu window replacement, tiled roofing and balcony resurfacing programmes. Following the appointment of a specialist contractor who has accelerated the front door entrance programme, catch up works are underway, however, the budget is expected to be underspent at the end of the financial year. Works has commenced on the PVCu double glazing window replacements is on flats houses and bungalows. However, the performance of the new contractor has not been up to the required standard, consequently this budget is showing a large underspend. Officers have served an improvement notice on the contractor and have received assurances that installation standards will improve along with an acceleration of the programme but an underspend at 31st March is still anticipated. The flat roofing programme is currently showing an overspend following the identification and re-roofing of properties with flat roof coverings which are beyond economic repair. In contrast, expenditure on the tiled roofing programme is showing a large underspend, mainly due to delays in works at Hoe Lane (restricted access) and Park Square (external live cabling issues). Work has now picked up and the underspend expected to decrease by the year end. The balcony resurfacing programme is also currently showing an underspend and this is expected to stand at 31st March due to delays at Hill House; where the quotations received for the work were higher than estimated.
Total c/f	9,479	6,996	5,643			

2015/16 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

ANNEX 10

	15/16	Third Quarter		15/16		Comments
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	9,479	6,996	5,643			
Other Planned Maintenance	421	301	97	-203	-68	This category includes Norway House improvements, door entry system installations and energy efficiency works. Norway House improvements and energy efficiency works are currently showing an underspend while the door entry system installations show a small overspend. Planned Norway House improvements include works to convert 2 flats into 3 flats and the splitting of a communal bathroom, both of which are due to commence by March 2016. A limited programme of door entry system installations has been completed with the budget showing a small overspend. The budget for energy efficiency work is showing the largest underspend; the only energy efficiency work that currently attracts substantial Government grant funding is the Domestic Renewable Heat Incentive (DRHI) which is repaid over a 7-year term following the installation of air source heating systems. Officers have continued with the accelerated programme of air source heating installation, which commenced in summer. However difficulties in gaining access to properties to complete the work is being experienced which may result in an underspend at the end of the financial year. As at 31st December, DRHI income totalled £32,000 with the forecast income over the 7-year term for registered installations expected to reach £350,000 providing there are no changes to the existing terms.
Kitchen Replacements	809	582	554	-28	-5	Kitchen and bathroom replacements are mostly undertaken as part of planned programmes of work but some are carried out on an ad hoc basis while properties are void (see comments in voids section). The planned kitchen replacement programme currently shows a proportionally small underspend due to no-access and on-hold properties; it is anticipated that this will still be the case at 31 March 2016. A 4-year planned bathroom upgrade programme of the flats located in the blocks at Copperfield is now complete, with works on the other planned programme of bathroom upgrades on target. The budget for bathroom replacements is expected to be overspent.
Bathroom Replacements	1,173	869	1,124	255	29	
Void Refurbishments & Other Small Works	3,251	2,453	1,208	-1,245	-51	The nature of void works is largely demand led and therefore it is difficult to predict expenditure outcomes. Although the budget is heavily underspent at 31st December 2015, expenditure is expected to increase until the end of the financial year. Expenditure on capital work void properties has recently been identified to specific budgets including gas heating, structural works, rewiring, water-tanks, kitchen and bathroom replacements. Expenditure on the rewiring is on target, but the number of domestic properties identified for a full rewire has reduced and, if this trend continues a slight underspend at 31st March is expected. Kitchen and bathroom replacements on void properties are only undertaken if necessary. As many void properties have already had a replacement under the planned programme, works on voids has reduced. Based on current expenditure it is thought that the budget overall will be underspend at 31st March 2016.
Council Estate Parking, Garages & Other Environmental Works	991	723	544	-179	-25	This category includes garages, fencing, off-street parking, estate environmental works, external lighting schemes and gas pipe-work replacement programmes. The largest project within this category is the off-street parking; it also represents the largest underspend of the category. The off-street parking schemes are jointly funded between the HRA and General Fund. Currently the off-street parking schemes for Paley Gardens and Torrington Drive have been fully designed, however the submission of the planning applications has been delayed. Torrington Drive was delayed due to the extensive arboriculture and landscaping works required; and with the submission of a planning application is expected in early February. The scheme at Paley Gardens was delayed due to limited public surface water sewer capabilities and is still subject to site investigations, the submission of a planning application is expected in early March. The work and expenditure for both of these sites is committed along with the completion of resident consultation on the design options for the sites in Phase 6. However, it is likely that the off-street parking budget will be underspent in 2015/16. The programme for the gas pipe-work replacement is progressing well. The blocks in Waltham Abbey have now been completed, with the commencement for the last phase of the scheme in Loughton ahead of schedule. It is anticipated that the 2015/16 budget will be fully spent by the end of the financial year. The programme for 2016/17 will only contain 4 blocks, Hedgers Close, The Spinney, Longcroft Rise and Highwood Lane. The budget for external lighting schemes has been increased for 2015/16 with works completed at Jessopp Court and a number of other projects. The works identified following the electrical testing were not as extensive as expected and the external lighting scheme budget is expected to be underspent for this financial year. The garage budget is currently underspent, but works are ongoing; the fencing budget is on target to be spent by the 31st March.
Total c/f	16,124	11,924	9,170			

2015/16 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

ANNEX 10

	15/16	Third Quarter		15/16		Comments
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	16,124	11,924	9,170			
Structural & Other Works	395	275	324	49	18	Currently structural repairs expenditure is ahead of programme due to the advanced programme of capital works. With additional ad hoc work the miscellaneous structural works budget is expected to be overspent at 31st March.
Disabled Adaptations	442	313	372	59	19	Expenditure on the disabled adaptations and welfare heating budget is currently ahead of programme due to a number of large projects and an increase in demand for disabled adaptations. It is anticipated that the budget will be fully spent before the end of the financial year and a number of disabled adaptation requests will have to be put on hold until the next financial year
Other Repairs and Maintenance	103	62	76	14	23	This category includes feasibilities, asbestos removal and the contingency budget. The largest programme within this category is asbestos removal which is demand led and currently shows an overspend. It is anticipated that expenditure on feasibilities will be underspent at the end of the financial year.
North Weald Depot	300	225	0	0	0	This budget has been set aside to fund the building of a new depot at North Weald for the housing maintenance team, which replace the facility at St John's Road, Epping. Advice has been received from external solicitors regarding the appointment of a contractor in the light of the procurement requirements of letting a "concessionary" contract of this potential nature. Work has commenced on drafting an outline specification in accordance with the key principles agreed by Members.
Capital Service Enhancements	242	182	103	-79	-43	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 store designs at sheltered schemes. Phase 2 of the refurbishment of sheltered housing schemes communal kitchens has been completed slightly over budget due to additional work on lift and door entry equipment. After completing the provision of electric scooter stores at two schemes in 2014/15, a review of demand for scooter stores was undertaken and a small budget made available for 2015/16 for design works on currently on-hold schemes. The results of the review undertaken on the pilot schemes at Chapel Road and Parsonage Court are inconclusive as one scheme had a good take up, while the other had a poor take up. Following a recent fire associated with the electrical charging of a mobility scooter at Buckhurst Court, a scooter store is planned for 2016/17. The front entrance fire door replacement project on leasehold properties is currently underspent. These works are demand led and although they are increasing, an underspend is still expected at 31st March. 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. A carry forward is likely to be requested as part of the Capital Outturn Report.
Housing DLO Vehicles	0	0	0	0	0	Due to the need to replace some council owned tipper vehicles in 2016/17, the budget had been carried forward to accommodate these more expensive vehicles in 2016/17.
Total	17,606	12,981	10,045			

REFCuS	15/16	Third Quarter		15/16		<u>Comments</u>
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Disabled Facilities Grants	500	375	451	76	20	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. Expenditure on DFGs is nearing the full year budget however, measures employed to control expenditure in the second half of the year are proving successful. The number of referrals has risen significantly since 2014/15 and continues to do so. As a result the impending demand it is likely to have significant bearing upon DFG budgets in 2016/17 and 2017/18 at the very least. To cater for this trend the Council agreed to a supplementary estimate of £120,000 for 2015/16 and capital growth bids of £120,000 for the following 3 years until 2018/19.
Other Private Sector Housing Grants	12	9	10	1	N/A	This expenditure covers outstanding private sector housing grants, approved in 2013, under the previous system of non-repayable grants for decent homes, small works and thermal comfort assistance. Financial assistance in the form of repayable loans instead of grants has now been introduced and progress on this scheme is reported separately in the capital loans section below.
Superfast Broadband Programme	84	84	84	0	0	Following the award of the Superfast Broadband (Phase 2b Rural Challenge Project) contract to Gigaclear, work has commenced on building of the network. Progress has been made in the Bobbingworth and Moreton areas of the district and a second fibre cabinet has been built just outside Fyfield. Works to connect up this cabinet to the wider network have also begun. The first customer of the Gigaclear ultrafast network was connected and went live just before Christmas. The next cabinet planned for the network will be located in the Norton Heath area. As part of the drive to generate more business take-up of the wider offer, Superfast Essex will shortly be running a series of digital workshops, one of which will be hosted in Ongar on 3rd March. It is planned to promote these workshops and a digital toolkit in the next edition of this Council's magazine for businesses.
HRA Leaseholders	150	0	0	N/A	N/A	These costs relate to capital works on sold Council flats, 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	746	468	545			

CAPITAL LOANS	15/16	Third Quarter		15/16		<u>Comments</u>
	Full Year	15/16	15/16	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Home Ownership Schemes	146	146	146	0	0	The Open Market Shared Ownership Scheme provided interest-free loans to B3Living to enable first time buyers to purchase properties on the open market on a shared ownership basis. Phases 1 and 2 have been successfully completed and in December 2015, Cabinet agreed not to fund any more phases. Although there will be no further expenditure, income will be received in the future, as and when shared owners purchase additional equity in the properties. The Council will recover the original loans, plus any uplift in the value of the properties.
Repayable Private Sector Housing Loans	160	120	89	-31	-26	The Council currently offers discretionary financial assistance in the form of repayable loans for private sector housing improvements. Although uptake was slow when the scheme was first introduced on 1st July 2015, demand has since increased and the level of current commitments suggest that expenditure in this year will be in the region of £130,000; this is almost double the £65,000 advanced last year. The Council intends to continue in accordance with the amended Housing Assistance Policy 2015-2017, which was effective from April 2016.
Total	306	266	235			

HOUSE BUILDING PHASE 1											
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast	Updates	Approved Budget	Actual Expenditure To 31 Dec 2015	Anticipated Outturn	Variance Anticipated Outturn to Approved Budget	Approved Budget Unspent To Date	
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	% ((E-C)/Cx100)	£'000 (C-D)	
Apr-14	Jun-15	Oct-14	Jul-16	3,948	-429	3,519	1,964	3,519	0%	1,555	

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. From the contract completion date, a certificate of non-completion was served on the contractor Broadway Construction Ltd, with liquidated and ascertained damages (LAD's) being deducted from each payment at a rate of around £10,200 per week. These damages are set to reflect the loss of rent for the properties and the cost of employing consultants to continue to manage the contract.

As at 19 January 2016, approximately 50% of the value of works was completed. The latest estimate suggests that the contractor is behind programme by between 5 and 8 months based on a 12-month contract. The contractor continues to report that 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 now submitted a formal request for an extension of time, which was received in mid December 2015. The claim is being considered in accordance with the contract, which allows the Council 12-weeks to respond.

Future Phases: Since obtaining planning permission for Phase 2 in September 2015 to build 51 homes at Burton Road, tenders were received based on a "Design and Build" contract and considered by the Cabinet Committee on 19 January 2016. The tender submitted by Mullalley & Co Ltd in the sum of £9,847,179 was accepted. It is anticipated that possession will be given on 23 February 2016, with work starting on site in August 2016. Completion is anticipated in March 2018.

Planning approval has been granted on 8 sites that make up Phase 3 of the house-building Programme, which centres on Epping, Coopersale and North Weald. At its meeting on 19 January 2016, the Cabinet Committee agreed to let these sites as 7 contracts using a mix of contract types including Design and Build as well as more traditional design contracts. Planning applications have been submitted for 10 sites in Loughton, which makes up Phase 4 and applications are being prepared for Phase 5 in Buckhurst Hill and Ongar.

EPPING FOREST DISTRICT MUSEUM											
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Actual Finish Date	Original Pre-Tender Forecast	Updates	Approved Budget	Actual Expenditure To 31 Dec 2015	Anticipated Outturn	Variance Anticipated Outturn to Approved Budget	Approved Budget Unspent To Date	
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	% ((E-C)/Cx100)	£'000 (C-D)	
Feb-14	Jan-15	Apr-15	Dec-15	1,750	433	2,183	2,017	2,183	0%	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 this Council 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 set out to 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.

Coniston Ltd were awarded the contract 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 were a number of events which 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.

The additional building work resulted in a delay of over 8 weeks and the Council took practical completion of the museum building in December 2015. A report was submitted to Cabinet in December 2015 to consider the extension of time required for the main building contract. The report informed Members that total cost of variations to the original contract price had been just under £158,000, but that officers had worked closely with the project architects and Coniston to reduce costs on a range of items. This resulted in a significant reduction in costs, such that nearly £70,000 of the additional work was covered within the contract sum and contingency. Cabinet approved additional funding to finance the remaining £88,000, which covers the increased building costs and also increased professional fees from Hawkins Brown, the project architects and contract administrators. The additional funding represents an uplift of around 6% on the building contract and officers approached the Heritage Lottery Fund in an attempt to secure an increase in their grant contribution towards the project but unfortunately this was not forthcoming.

Members will be delighted by the completed museum, which is a flagship design for Essex County Museums and, one of only a few museums in the East of England that has an innovative, 'open storage display', which can be seen through a series of floor to ceiling viewing windows. This allows for visitors to see a much greater amount of the museum collection, which can be easily changed over, so that there is always something new to see on display. The new facility also includes a community room for educational work, talks, presentations and functions, and a first rate temporary exhibition space, which will be available for hire, as well as the museums own exhibitions. All of these attractions make the museum a place to visit for a much longer period of time and it is hoped will draw visitors from further afield than the district itself. Members are invited to the 'Private View' opening event, which is being held on 17 March 2016, or at any time that the museum is open following the public launch on 19 March.

EPPING FOREST SHOPPING PARK											
Proposed Start on Site Date	Proposed Finish Date	Actual Start on Site Date	Actual Finish Date	Original Tender	Pre-Forecast	Updates	Approved Budget	Actual Expenditure To 31 March 2015	Anticipated Outturn	Variance Anticipated Outturn to Approved Budget	Approved Budget Unspent To Date
				£'000 (A)	£'000 (B)	£'000 (C)	£'000 (D)	£'000 (E)	£'000 (E)	% ((E-C)/Cx100)	£'000 (C-D)
Jun-16	Feb-17	N/A	N/A	31,161	0	31,161	12,681	31,161	0%	18,480	

From the inception of the Shopping Park Development, external consultancy advice has been obtained with respect to the various technical roles and responsibilities involved in managing a project of this scale and complexity. These consultants have been working together in a Project Team, with co-ordination provided by a specialist project manager from White Young and Green. A number of the consultants were originally engaged by Polofind and all costs were split evenly between the Council and Polofind until the Council acquired the sole interest. The Council's external solicitors, DAC Beachcroft have been transferring the consultant's appointments to the Council and a number of the revised contacts have now been completed, with the remainder to be concluded by the end of October 2015.

The Asset Management and Economic Development Cabinet Committee has responsibility for the detailed monitoring of the scheme and a report was presented to the meeting in October 2015, which outlined how this would be achieved in practice.

The project budget includes the initial budgets approved for all preliminary costs incurred since 2010/11 plus the supplementary capital estimate of £30,636,000, which was approved by Cabinet in June 2015. This supplementary sum covers the purchase of Polofind's interest in the Epping Forest Shopping Park and the development of the site at Langston Road by the Council as sole owner developers. It also includes an estimate for S278 Highways Works and professional fees relating to letting agents, some of which will constitute revenue expenditure.

The purchase of Polofind's interest was completed on the 3rd July 2015 and the tenders, for both the S278 Highways Works and the main construction contract for the Epping Forest Retail Park were issued to perspective tenderers. At the Cabinet Meeting of the 11 January 2016 the Section 278 highways work contract was awarded to Walkers Construction Ltd at a tendered sum of £2,070,000. However progress has been hampered by some very restrictive traffic management constraints imposed by Essex County Council after the tenders were submitted. A new design has now been agreed to re-position a large foul drain on the grass verge and a contingency sum of £180,000 has been set aside to cover the costs of any variations required by Thames Water. These costs, plus the cost of the work undertaken by BT, other utility companies, Essex County Council and professional consultants, combine to give a total estimated cost in the region of £3,600,000 for the Section 278 works.

With regard to the main contract, no tenders were returned when the contract was first let under an open OJEU procedure. However, it has now been re-tendered under the restricted process and tenders are due to be returned on the 1 April 2016. This delay has required the target opening date for the shopping park to be moved to Easter 2017 and there is an associated slippage in costs; it is anticipated that approximately £1,600,000 of the 2015/16 estimate will be required to be carried forward to 2016/17. Progress is being made and negotiations are well advanced with anchor tenants with interest in the shopping park remaining high as it is currently the only retail park under construction within the M25.