

**2017/18 DIRECTORATE CAPITAL MONITORING -
COMMUNITIES**

Scheme	17/18	Third Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
CCTV Systems	45	34	35	1	3	The overall CCTV scheme has progressed well with key installations of systems at Limes Farm (Quarter 1) and Bobbingworth Tip (Quarter 2). The installation of replacement cameras around the Civic offices and a new system to cover the ICT suite has commenced; however, due to unexpected electrical works, the schemes projected commissioning date has been delayed to the end of February. The car park CCTV installation programme has been working in conjunction with the "Invest to Save" LED lighting scheme (see Annex 8) with three car parks in Waltham Abbey identified for installations in 2017/18. The installations at Cornmill and Darby Drive have been commissioned within quarter 3 and are currently awaiting final invoices; whilst the installation at Quaker Drive is expected to be completed in early March. The off-street parking schemes undertaken on Council owned land is jointly funded between the HRA and General Fund. The General Fund proportion of costs will be allocated at year-end. Due to complications outlined in Annex 10 the 2017/18 budgets were revised as part of the Capital Review.
Carpark CCTV Systems	74	56	8	-48	-86	
Housing Estate Parking	40	0	0	0	0	
Total	159	90	43			

**2017/18 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS**

Scheme	17/18	Third Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
EFDC Shopping Park	6,265	6,265	4,701	-1,564	-25	Please see major scheme tab for details on this scheme. This budget refers to the construction works.
Gyln Hopkin Expansion	1,042	1,042	1,042	0	0	As previously reported Glyn Hopkin Ltd (GHL) expressed a desire to surrender their existing lease and obtain a new lease of the whole area of their premises demised by the existing lease which would permit full motor dealership use. A supplementary budget was agreed in the latest Capital Review to retrospectively cover costs of £52,000 relating to legal fees & stamp duty fees which were funded by EFDC after the original Cabinet report was submitted, but were not identified in the original structure of the lease.
Town Mead Depot	15	11	7	-4	-38	The supplementary provision of £100,000 has been made within the Council's Capital Programme to undertake the necessary alteration works to accommodate the Pyrles Lane Nursery and Landscape Service at the Townmead Depot at Waltham Abbey. A further £45,000 was absorbed from Facilities Management, as part of the Capital Review, to undertake the remaining health and safety adaptations following the audit of the Depot (see Annex 9). A large part of the budget was carried forward due to the project being in the early stages of design and consultancy.
Total c/f	7,393	7,372	5,757			

**2017/18 DIRECTORATE CAPITAL MONITORING -
NEIGHBOURHOODS**

Total b/f	7,393	7,372	5,757			
Car Park Schemes	71	53	7	-46	-87	After the changes highlighted in the Capital Review, the car park schemes have reduced from five schemes to four. 1) The installation of new 4G pay and display machines in each of the Council's car parks was completed in the second quarter. 2) Although the Council have purchased the new pay and display machines for the car park in Oakwood Hill, there have been significant delays to this scheme due to land ownership disputes. Solicitors are currently involved over the dispute and a boundary fence will be constructed on the conclusion of the findings. 3) After a change from the original specification of works, Members agreed to increase the budget for the installation of LED lighting around the Council's car parks. This increase was compensated from underspends and savings identified in other car parks schemes as part of the Capital Review in December 2017. After the successful pilot scheme at Trapps Hill, the installations at Darby Drive and Cornmill were completed in quarter 3 with the installation at Quaker Lane anticipated to start before the end of the financial year. 4) The consultancy team appointed to advise the Council on the demolition of garages and design of the Vere Road car park have identified potential additional costs to the scheme. During the survey and design phase, an additional nine parking bays outside the original specification, as well as a potential asbestos warnings with the demolition of the garages, have been highlighted and expected to increase the cost of the scheme. There is currently no reliable estimate of how much these additional works will cost, however a report will follow the procurement process if the costs exceed the current allocation. The demolition of the garages and other works will slip into the next financial year.
Other Schemes	78	60	25	-35	-58	There are 4 schemes within this section. 1) The waste management equipment budget is earmarked for waste and recycling bins provided to new properties around the district and will be recharged at the end of the financial year. 2) The Ground Maintenance vehicle replacement scheme has received delivery of a new mower. As part of the Capital Review, members agreed to bring forward an allocation of £10,000 from the 2018/19 budget to procure a new truck before the end of the financial year. In addition to this, Members also agreed to increase the Grounds Maintenance budget to procure six new ride-on mowers to replace the current fleet. These mowers have now been ordered and are expected to be delivered in the new financial year. 3) Flood alleviation works to replace the failing CCTV systems at the old Bobbingworth Tip has been completed (see Annex 7). An additional allocation of £13,000 was approved after unexpected failures to the main control unit and pumps at Bobbingworth Tip occurred, with the majority of these works falling into the next financial year. The Flood Alleviation team are currently evaluating the potential risks for flood risk assets before submitting a new report to secure future capital funding.
Total	7,542	7,485	5,789			

**2017/18 DIRECTORATE CAPITAL MONITORING -
RESOURCES**

Scheme	17/18	Third Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Transformation Projects	120	45	45	0	0	The Accommodation Review has now reached the detailed feasibility stage and a budget of £120,000 has been re-allocated from the Bridgeman House budget to cover these costs. The interim invoice has been paid for within quarter 3 with the remainder to be paid before the end of the financial year.
Active Planned Maintenance Projects	220	165	32	-133	-81	This section includes works on buildings that do not fall under the scope of the Accommodation Review. There has still been limited spend in year due to a combination of delays to projects previously within the scope of the Accommodation Review, projects currently awaiting results of planning applications , or projects being in design stages. The fencing works at Town Mead Depot are nearing completion, with a small segment of the wall needing to be strengthened before the last part of the fencing can be installed. The installation works for the Council's fire detection equipment are expected to start imminently after quotes were received by the Council as part of the procurement process. The removal of asbestos that delayed the re-roofing and chimney works at the Waltham Abbey Museum was completed over the Christmas period, whilst the North Weald Gatehouse window replacement scheme is currently out to tender after the framework was agreed. The works for both of these schemes will slip into the next financial year. The facility management team are still facing delays to start the replacement of overlay on felt roofs at the Broadway shop units as tenants are refusing to allow access to the units. Similarly, there are delays facing the upgrade of trend building services that will allow remote control of heating at careline properties.
ICT General Schemes	158	119	143	24	20	The ICT schemes have now been split to show meaningful management information of the two categories within the ICT section; the ICT strategy implementation as part of the transformation process and the continuing general ICT schemes. The general ICT schemes are currently ahead of schedule. The replacement of the Council's corporate main firewalls and IGELs schemes have been completed as expected, whilst the new cash receipting system and Northgate Aspire mobile working modules are expected to be completed before the end of the financial year.
ICT Strategy Implementation	156	117	98	-19	-16	Although the budget agreed for the ICT strategy implementation has been profiled for the 2018/19 financial year, there were other projects within the original ICT programme that has been adopted under the scope of the strategy implementation. Many of these schemes were completed in quarter 1 and 2 including the OHMS upgrade, licencing for Blackberry "Good" application and the replacement of the reverse proxy. Works have continued to progress within quarter 3 on the outstanding projects.
HR / Payroll System	20	15	5	-10	-66	This budget is a continuation of the 2016/17 budget for the implementation of the Human Resources/Payroll system. Works to scope and build the Human Resources system, including the Employee/Manager Self-Service, health and safety, recruitment and learning elements were rolled out at the beginning of the financial year; the invoices are currently awaiting payment.
Total	674	461	323			

**2017/18 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT**

Scheme	17/18	Third Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Housebuild Phase 1	1,724	1,293	1,405	112	9	Please see major scheme tab for details on this scheme.
Housebuild Phase 2	5,358	4,018	2,571	-1,447	-36	Please see major scheme tab for details on this scheme.
Housebuild Phase 3	4,530	3,397	2,746	-652	-19	Please see major scheme tab for details on this scheme.
Other Housebuilding	1,171	878	648	-230	-26	The budgets for the Housebuilding Phases 4 to 6 have been approved as part of the Capital Review after the moratorium was lifted on these phases. Planning permission has been granted for 24 sites, which when developed will deliver 92 new homes. Two sites are yet to be granted planning permission, which if approved will deliver a further 18 homes. This leaves 13 sites where planning permission has been refused or the application was withdrawn. 3 sites have been approved for sale on the open market (Hillyfields and Pyrles Lane Sites A and B) and the capital receipts will be used to fund the house-building programme. The Council House-building Cabinet Committee has yet to decide on what they want to do with the remaining 10 sites. The Barnfield development, where hand-over of the 8 affordable rented houses built as part of a S106 development by Linden Homes, has been delayed from December 2017 to the end of February 2018 after snagging issues were identified.
Housing Conversions	74	56	59	3	6	The conversions at Marden Close and Faversham Hall were completed in 2015/16. The final account is currently being negotiated and is expected to be in the region of £92,000.
Oakwood Hill Depot Extension	5	4	7	3	89	The planning application is currently being prepared for the parking strategy at the Oakwood Hill Depot after the parking study was received in quarter 3. This application is anticipated to be submitted in early March with a 12 week wait for the decision. The rest of works are expected to slip into the new financial year on the condition that the planning application is approved.
Policy Change						Member's approved the change of policy from a modern home standard to decent home standard starting in the financial year 2017/18. Estimates from December's revised Capital Review show a transitional decrease in capital expenditure to the HRA Stock of £1.6million in 2017/18, £1.7 million in 2018/19, and £1.9 million in each of 2019/20, 2020/21, 2021/22 financial years.
Heating and Rewiring	2,887	2,165	2,001	-164	-8	A combination of reductions made in the Capital Review and the progress of several high expenditure schemes in quarter 3 has led to the heating and rewiring category now only showing a minor variance at month 9. All the planned gas heating installations at the sheltered schemes have been completed, whilst the rewiring and communal water tank installations around the Council's properties is progressing well. The Council has commissioned a new fire risk assessment to coincide with their rewiring works scheme in light of the Grenfell Tower events in 2017. This scheme has been accelerated with electrical tests being carried out on electrics when accessing a tenant's property. The Mechanical Ventilation Heat Recover (MVHR) systems are still not attracting any demand with only minor repairs (through revenue budgets) being commissioned; it is likely this budget will stay unspent by the end of the financial year.
Disabled Adaptations	450	338	451	114	34	The two main disabled adaptations works have now been completed at Valley Hill and St. Andrews with the general adaptations continuing ahead of schedule. The full year budget is completely spent at the end of quarter 3 and is expected to be overspent with additional works continuing throughout quarter 4. This overspend will be brought forward from the schemes' 2018/19 budget.
Kitchen & Bathrooms	2,380	1,785	1,446	-339	-19	The kitchen and bathroom category identified £300,000 of savings in 2017/18 as part of the Capital Review due to the policy change agreed by members. The planned maintenance schedule for both schemes is on target to be completed by the end of the financial year depending on resolutions being made with tenants being in arrears or not allowing access to the property.
Total c/f	18,578	13,934	11,334			

**2017/18 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT**

Scheme	17/18	Third Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	18,578	13,934	11,334			
Windows, Doors and Roofing	2,194	1,646	1,802	157	10	Fire safety has been highlighted due to recent events at Grenfell Tower with EFDC actively pursuing options with leaseholders to assess and upgrade fire doors within properties around the district. The door replacement schemes within this category are currently ahead of schedule. Due to continued problems, the double-glazing contractor has been notified that the contract will not be renewed after the current phase of installations is completed with a significant part of the budget being carried forward into 2018/19 as part of the Capital Review. The tiled roofing scheme is continuing to progress well, whilst it is expected that the flat roof programme will be overspent at the end of the financial year due to adverse weather conditions damaging the roof at Hornbeam Close; the Council is currently proceeding with recovery efforts through the insurance company.
Other Planned Maintenance	186	140	38	-102	-73	This category includes Norway House improvements, door entry system installations and energy efficiency works. Works to the Norway House chalets and outbuildings to install fire escapes are expected to start before the end of the financial year. The door entry systems continue to show the largest underspend of the category due to issues with tenants not allowing access to the properties or rejecting works. However, an agreement has been made with tenants at the Hill House estate for a new door entry system with works expecting to start in quarter 4.
Garages & Environment Works	336	252	122	-130	-52	After considerable delays to the construction of the off-street parking areas at Torrington Drive and Paley Drive, including the main contractor going out of business, there has been significant progress with the schemes in quarter 3. The scheme at Torrington Drive will be completed after final account and landscaping works are finalised, with the majority of Paley Drive works slipping into 2018/19. The estates environmental works are currently behind due to staff capacity issues with only a small portion of works expected to be completed by the end of the year. The installation of the Limes Farm Yellow Block CCTV system has been completed ahead of schedule in addition to the replacement cameras have been installed on all Careline properties where the cameras have come to the end of life.
Structural Schemes	1,573	1,180	1,045	-134	-11	Although the budgets for the structural works scheme were increased during the Capital Review, there is still a 26% overspend on the year to date on this budget at quarter three. This category has been reporting considerable overspends due to the HRA stock being relatively old, with works to cracks in plaster and walls becoming a big issue. The start on site date for the installation of the lifts at Lime Farm has now been revised to the beginning of April 2018 with only consultants and designs fees to be expensed in the current financial year. The expected completion date for the installations is forecasted for the 20th March 2019.
Other Repairs & Maintenance	235	176	161	-15	-9	With the reduced capital works being undertaken there is a lower demand for asbestos removal works. Feasibility studies have been identified including relocating staff and the workshop from the Epping Depot to the Oakwood Hill Depot.
Service Enhancements	74	56	36	-20	-36	The front door replacement programme for leaseholders is facing the same urgency as the replacement door programmes in the other categories due to fire safety and regulatory issues. However, unlike the above programmes, the leaseholders own 50% of the doors and therefore the Council cannot touch the doors without the leaseholder's permission; large discounts and other options to aid co-operation have been explored which has led to the replacements starting to pick up. The new Smart Store IT system for the repairs service has been implemented as has the new OHMS rent system upgrade. There is potential for a new mobility scooter stores to be constructed at Norway House before the end of March from remaining monies available.
Replacement Housing Vehicles	158	119	121	3	3	A total of 7 vans have been delivered to replace an ageing fleet with another 3 being identified for delivery before the end of the financial year. One of the housing repairs vehicles was stolen at the end of quarter two and will be replaced in 2018/19; the Council is currently proceeding with recovery efforts through the insurance company.
Work On Hra Leasehold Prop	-300	0	0	0	0	This credit budget allows for work undertaken within the above categories on sold Council flats. Once identified, an adjustment will be made at the end of the year.
Total	4,456	3,567	3,325			

**2017/18 DIRECTORATE CAPITAL MONITORING -
REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE (REFCuS) AND CAPITAL LOANS**

<u>REFCuS Scheme</u>	17/18	Third Quarter		17/18 Variance		<u>Comments</u>
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
EFDC Shopping Park	3,192	3,192	2,852	-340	-11	Please see major scheme tab for details on this scheme. This budget refers to the S278 works. After designs were completed and advertised at the end of 2016/17 by North Essex Parking Partnership, Phase 1 of the Loughton Parking review went live in August. Phase 1 consists of 14 on-street parking schemes located around Loughton including Oakwood Hill, Rectory Lane and Langston Road. A meeting to discuss the designs and potential locations around Debden Station for Phase 2 was held in early quarter 3. Costs in 2017/18 will consist of further public consultation, design and advertising with the rest of the works slipping into the next financial year.
Parking & Traffic Schemes	30	23	0	-23	-100	
Total	3,222	3,214	2,852			

<u>Capital Loan Scheme</u>	17/18	Third Quarter		17/18 Variance		<u>Comments</u>
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Private Sector Housing Loans	150	113	46	-67	-59	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. Up to the end of quarter 3, £46,000 has been spent with an additional £58,000 approved cases where works are either on site or to go on site and be completed.
Total	150	113	46			

**2017/18 DIRECTORATE CAPITAL MONITORING -
MAJOR SCHEMES**

HOUSE BUILDING PHASE 1										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast £'000 (A)	Updates £'000 (B)	Revised Approved Budget £'000 (C)	Actual Expenditure to Date £'000 (D)	Anticipated Outturn £'000 (E)	Variance Anticipated Outturn to Approved Budget £'000 (E-C)/Cx100	Approved Budget Unspent to Date £'000 (C-D)
Apr-14	Jun-15	Oct-14	Nov-17	3,948	2,456	6,404	5,978	6,404	0%	426

Work started on phase 1 of the Council's Housebuilding Programme in October 2014 to construct 23 new homes for rent. This included 14 houses and 9 flats on four different sites in Waltham Abbey. However, the works did not progress in line with the original contract period, which had a completion date of 13 November 2015. A certificate of non-completion was served on the contractor Broadway Construction Ltd, and liquidated and ascertained damages were deducted from each payment at a rate of around £10,200 per week thereafter. These damages were set to reflect the loss of rent for the properties and the cost of employing consultants to continue to manage the contract.

On 1 June 2016, with approximately two-thirds of the value of works completed, the Council terminated the contract with Broadway Construction Ltd (BCL) as they were not regularly and diligently progressing with the works. In September, the Council House-building Cabinet Committee agreed the appointment of P A Finlay & Co Ltd for the recovery phase of the construction works at Phase 1 in the negotiated contract sum of £2,674,335. At the time, an additional contingency sum of £267,400 was included in the budget to allow for any unforeseen works.

In March 2017, the Council and BCL concluded an adjudication involving a dispute regarding the sum of £74,494.02 withheld by the Council under the terms of the contract. The adjudicator found in favour of the Council on three of the four points. However, on the fourth he found in favour of BCL, namely that the Council was not entitled to serve more than one pay less notice in relation to a payment notice. As a consequence, the Council had to pay over to BCL the sum of £74,494.02 plus interest amounting to £2,986.

The Council has now taken possession of all 23 properties with the final 2 homes at the Red Cross B site being handed over in November. The final account for the recovery works undertaken by P A Finlay & Co Ltd is anticipated to be £3,423,888, which is unchanged from the figure previously reported. This sum represents an increase of 16% above the original budget estimate due to unforeseen ground contamination remediation works, drainage alterations, brickwork and window remediation, additional retaining structure and alterations required to the balconies. The total anticipated outturn figure for Phase 1, including all construction costs, fees and site security costs, was increased to £6,404,000 in the quarter 1 report. No changes have been made to this estimate at present although the Council's development agent, East Thames has served notice in accordance with the contract to end the relationship, following a merger with London & Quadrant, and a 6-month hand-over period has been agreed to allow the Council to put in place alternative contractual arrangements. The approved budget has been amended as part of the Capital Review. As shown above, actual expenditure incurred to 31 December 2017 was £5,978,000 which includes outstanding retentions of £27,000.

On the 22nd November 2017 the Council received a notice of adjudication, which was referred by Broadway Ltd (BCL). The dispute concerned the termination of the contract by the Council on the 1st June BCL maintained and claimed that the termination was wrongful and constituted a repudiatory breach of contract. In April 2016, the Council served a default notice on BCL claiming that BCL was not proceeding with the contract works regularly and diligently. Later on 1 June terminated the Contract on the ground that BCL had continued with the default specified in its notice served in April 2016. BCL asserted that this is contrary to the true facts and progress of the works on the Project, and that they did not accept the validity of the default notice or the termination of the Contract. BCL were seeking the following relief and decision from the Adjudicator:

- That the Council wrongfully terminated the Contract;
- That the Council was liable for repudiatory breach of contract;
- That the Council was liable to pay Broadway the costs, damages and expenses that are proven to have been incurred by Broadway as a result of the wrongful termination of the Contract and repudiatory breach of contract;
- That the Council had no entitlement to retain or withhold liquidated damages improperly withheld prior to and following the termination of the Contract because no demand for payment of liquidated damages had been made in accordance with the Contract; and
- That the Council should pay the Adjudicator's costs and expenses incurred in this adjudication.
- The Council appointed Trowers and Hamlins as its expert Solicitors to defend the adjudication. The Adjudicator, in his hearing of the 2nd February 2018, found in favour of EFDC and advised BCL that EFDC were within their rights to terminate the contract and are now able to pursue BCL for costs relating to the works undertaken to complete the works by P.A.Finlay. The expectation is that BCL will be unable to pay these costs with EFDC likely to have to rely on the performance bond taken out by BCL in advance of the contract.

**2017/18 DIRECTORATE CAPITAL MONITORING -
MAJOR SCHEMES**

HOUSE BUILDING PHASE 2										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast	Updates	Revised 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 (E-C)/Cx100	£'000 (C-D)
Feb-16	Mar-18	Mar-16	Sep-18	9,110	2,465	11,575	5,465	11,575	0%	6,110
Phase 2 of the Housebuilding Programme achieved planning permission in September 2015 for 51 new affordable homes at Burton Road Loughton. The Contract was awarded to Mullalley & Co Ltd following a competitive tendering exercise in November 2015 in line with the Council's Contract Standing Orders based on price and quality. Interviews were also undertaken as part of this evaluation, attended by the Housing Portfolio Holder. The contract commenced in March 2016 in the adjusted tender sum of £9,847,179 based on a design and build contract with a contract period of 105 weeks. This compared to a pre-tender estimate of £8,125,000, which was based on rates in the second quarter of 2015, without any inflationary uplift. The lowest tender as originally received was around 16% above the estimated cost and it was the view of Pellings LLP that this was due to a number of inflationary pressures affecting the construction sector. The pre-tender forecast figure of £9,110,000 in the table above includes fees and other costs.										
Mullalley & Co Ltd took possession of the site in March 2016 with work commencing in July 2016, having discharged the planning conditions and completing the detailed designs. In order to satisfy the planning conditions around ground contamination, trial excavations revealed contaminated ground below the garages and the forecourt slabs. As a result of this, additional works were required and delays of around 23-weeks have been claimed by the Contractor. Their entitlement is currently being evaluated by Pellings, the Council's Employers Agents and the additional costs for the works are estimated to be around £500,000, which excludes any loss and expense claims. Until the claim has been evaluated for entitlement the final account cannot be updated to reflect any loss and expense. Furthermore, new fee arrangements will need to be agreed as a result of East Thames ending their contract as the Council's development agent. The anticipated outturn figure has been revised accordingly and the approved sum will be updated as part of the Capital Review.										
The anticipated completion date in the table above has been changed to 30 September 2018 to reflect the delays to the construction contract and an extension of time has been granted under the contract. Actual expenditure incurred to 31 December 2017 was £5,465,000, which includes an outstanding retention of £256,000.										
HOUSE BUILDING PHASE 3										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast	Updates	Revised 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 (E-C)/Cx100	£'000 (C-D)
Feb-17	Feb-18	Apr-17	TBC	7,502	330	7,832	3,741	7,832	0%	4,091
Works across each of the Phase 3 house-building development sites commenced, based on the following:										
Scheme	Contract Sum	Start Date	Duration	Completion Date						
Bluemans End	£753,034	02/05/2017	36 Weeks	06/03/2018						
Parklands	£716,757	18/04/2017	56 Weeks	24/05/2018						
Springfields & Centre Avenue	£1,408,126	18/04/2017	60 Weeks	21/06/2018						
Stewards Green	£752,340	22/05/2017	34 Weeks	07/03/2018						
London Road	£235,695	19/06/2017	36 Weeks	07/03/2018						
Centre Drive	£300,285	09/10/2017	36 Weeks	13/06/2018						
Queens Road	£2,320,493	TBC	82 Weeks	TBC						
Work has commenced and is well underway on seven of the eight sites. Completion is expected on three of the sites in early March at Bluemans End, 79 London Road and Stewards Green. However, the development at Queens Road was delayed pending an agreement with UK Power Network (UKPN) over the lease needed to divert power cables and reposition the electrical sub-station. The agreement between UKPN, North Weald Parish Council and EFDC has been entered into and enabling works have commenced on site. These should be completed by the end of April 2018 when the build contract can commence. The contractor has requested an increase in the contract sum and the implications of this are currently being considered. Additional costs will also be incurred at the Stewards Green site as a result of the need to rebuild a retaining wall near to the sub-station.										
The total anticipated outturn figure for phase 3 will be updated in the light of these revised costs and will also reflect any amendments resulting from new consultancy arrangements following East Thames' decision to serve notice as the Council's development agent. Actual expenditure incurred to 31 December 2017 was £3,741,000, including outstanding retentions of £110,000.										

2017/18 DIRECTORATE CAPITAL MONITORING -
MAJOR SCHEMES

EPPING FOREST SHOPPING PARK											
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast £'000 (A)	Updates £'000 (B)	Revised Approved Budget £'000 (C)	Actual Expenditure to Date £'000 (D)	Anticipated Outturn £'000 (E)	Variance Approved Budget £'000 (E-C)/Cx100	Anticipated Outturn to Approved Budget	Approved Budget Unspent to Date £'000 (C-D)
Mar-16	Oct-16	Sep-16	Sep-17	31,161	741	31,902	30,071	31,902	0%		1,831

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 approved by Cabinet in June 2015. It covers the purchase of Polofind's interest in July 2015, the development of the site at Langston Road by the Council as a sole owner, the costs allocated for Section 278 Highways Works, consultancy and other professional fees.

The construction of the Shopping Park commenced in September 2016 and was completed in June 2017; a substantial delay on the original proposed dates (March 2016 and October 2016 respectively). The contract sum for the main works, carried out by McLaughlin and Harvey, was £10,300,000; however this figure has risen due to various variations and tenant improvement works to a final contract sum of £10,405,000. The remaining 2.5% of retention monies will be paid 12 months after completion, all other payments have been paid.

As at 31st December 2017, 9 of the 12 units were trading with the two of the vacant units continuing to be marketed and remaining one in the hands of the solicitors. All capital payments have been paid. The current development appraisal still indicates a good return on the Council's investment.

The Section 278 road improvement works have been problematic with substantial delays attributable to changing requirements from ECC and numerous utility clashes on drainage routes. These variations have resulted in substantial additional costs and an extended contract period. The final contract sum has been agreed at £4,250,000 with £165,000 being recovered from Essex County Council. The road improvement works were completed in December 2017, however EFDC are currently holding the retention subject to a number of items outstanding and additional works required under the recent Stage 3 Road Safety Audit.

The anticipated outturn figure has been revised to £31,902,000 based on the latest information and includes a contingency sum for capital incentives which may be requested.