

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

Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
2nd Floor Bridgeman House	177	0	0	0	0	The original use of this budget was to purchase office space on the second floor of Bridgeman House, above the Museum, to facilitate relocation of the Community Services team and to use as a new storage facility for the Museum Reserve Collection. Since the budget was set up the purchase of the office space has become unviable, however the Council is still actively seeking another suitable option. From the original budget of £297,000, cabinet agreed to reallocate £120,000 to fund the second phase of the Price Waterhouse Cooper Accommodation Review (see Annex 9).
CCTV Systems	87	11	11	0	0	The installation of the Limes Farm Automated Number Plate Reader (ANPR) at the entrance of the estate for community safety purposes was installed in quarter 1; whilst works to replace the failing CCTV systems at the old Bobbingworth Tip site is expected to be carried out in quarter 2 on behalf of the Flood Alleviation team (see Annex 8). The complex nature of the Epping High Road system, including conservation and signaling issues, has previously caused this scheme to be delayed. However, works are now expected to progress in the latter stages of the financial year with the Council currently awaiting the assessment from the Wi-Fi designer company and the results of the planning application submitted for the erection of columns. The Council is pursuing options to integrate costs for a new system at the Hill House development site into the leisure contract; additional cameras which will cover the shopping parade and Council owned housing estates will be in addition to these costs. There are currently various issues at the development site including antisocial behaviour and this has prompted the use of rapid deploy cameras in the area. However two of these cameras have been stolen with another being vandalised. The Council is currently proceeding with recovery efforts through the insurance company.
Car Park CCTV Systems	54	0	0	0	0	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. Commill and Quaker Drive are ready to tender but will need to be installed after the LED lighting which could cause delays. It is expected that works on surface trenching and the installation at these two sites could be completed in quarter 3, whilst Darby Drive is currently awaiting a planning application for new columns in the car park and will be completed by the end of the financial year. The budget is expected to cover the costs of 3 of the 7 remaining car parks. It is likely that an additional allocation will be sought for the last 4 carparks.
Housing Estate Parking	550	0	0	0	0	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 expenditure is anticipated to be very low therefore the 2017/18 budget will be re-assessed in quarter 3 as part of the Capital Review.
Total	868	11	11			

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

Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
EFDC Shopping Park	6,592	2,197	2,031	-166	-8	Please see major scheme tab for details on this scheme. This budget refers to the construction works. Glyn Hopkin Ltd (GHL) operate a motor car dealership located on the corner of Brooker Road/Cartersfield Road in Waltham Abbey. 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. With the acceptance of the new lease the rent of the premises has increased with 5-yearly upward-only rent reviews. The variance for this scheme includes additional costs relating to legal fees & stamp duty fees which were funded by EFDC after the Cabinet report was submitted, but were not identified in the original structure of the lease.
Glyn Hopkin Expansion	990	990	1,042	52	5	
Hill House Development	130	0	0	0	0	EFDC has entered into a Section 106 agreement to provide compensatory facilities as the development of the new Leisure Centre (as well as the Hill house Centre and Independent Living Scheme) will mean a loss of sports pitches in the area. EFDC are required to undertake a playing pitch strategy to identify the best location for spending the S106 contributions. This strategy is not due for completion until early in the 2018/19 financial year and therefore the budget will be carried forward as part of the Capital Review to be submitted in December 2017.
Car Park Schemes	277	0	0	0	0	This section comprises of 4 different schemes. 1) After adopting the enforcement of the Lea Valley car park, works to install pay and display machines in the car park have been progressing slowly, however a legal agreement will be signed shortly allowing design works to commence. The legal documentation to enforce penalty charges has been published for the Council's three new car parks in Oakwood Hill and Loughton with the enforcing penalty charges notices going live in August. Pay and display machines have been purchased however, the Council is awaiting quotes for the relining and signage works for the car parks. A review of the installation of the pay and display around the district's existing car parks will be undertaken to assess whether any further installations are required. This budget is expected to be underspent and will be reassessed as part of the Capital Review. 2) Traps Hill car park in Loughton has been upgraded with new LED lighting with the next phase of the project, consisting of three car parks in Waltham Abbey, awaiting final quotes for the works before proceeding. 3) A consultancy team have been appointed to advise on the demolition of some garages and designing of the car park to maximise spaces and to assist with the planning. 4) The final scheme relates to the installation of new 4G pay and display machines that allow real-time remote monitoring. This scheme is progressing well with all machines identified likely to be replaced by the end of the financial year.
Other Schemes	96	0	0	0	0	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. 2) Ground Maintenance vehicle replacement scheme is currently awaiting delivery of a new mower whilst quotes for a new truck to replace an ageing fleet are being collected. 3) Flood alleviation works to replace the failing CCTV systems at the old Bobbingworth Tip site is expected to be carried out in quarter 2, whilst other works to flood risk assets are currently being assessed. 4) Finally, the "Invest to Save" scheme to extend the vehicle compound at the North Weald 240 building is currently awaiting planning permission before works on the compound extension can begin.
Total	8,085	3,187	3,073			

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

Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
On Hold Planned Maintenance Projects	604	0	0	0	0	Many of the schemes in the planned maintenance programme relating to the civic offices have been placed on hold pending the outcome of the Accommodation Review. Expenditure will be limited to some minor design works. This section includes the schemes within on buildings that do not fall under the scope of the accommodation review. During quarter 1 there has been no spend 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. However, after a positive asbestos survey, works on the Waltham Abbey's Museum reroofing & chimney stacks are ready to commence in September. The installation of the amplifier racks for the fire alarm speakers and the new smoke and heat detectors in the civic offices are expected to be completed in quarter 3; as is the replacement windows scheme at North Weald Gatehouse. After receiving the results of a health and safety audit on the Town Mead depot, works to the toilets, fencing and other refurbishment works have been identified. Although the fencing works around the Town Mead depot parameter are expected to commence in quarter 3, the original specification for the works has changed resulting in delays. The software upgrade to the Trend Building services that will allow Facilities Management to remotely control the heating systems of the Civic offices and the sheltered housing around the district will be completed by the end of the financial year. There is a shared responsibility between the HRA and the General Fund for works on roofs and balconies for investment properties that have housing units above them. This year it is expected that the costs recharged to the General Fund is likely to cause some overspends to the current budget in place; this will be addressed as part of the Capital Review.
Active Planned Maintenance Projects	378	0	0	0	0	
ICT Projects	415	82	86	4	5	Overall the ICT schemes are currently progressing well with several schemes being completed in the 1st quarter; however some projects have been delayed or put on-hold awaiting the recommendation of the Accommodation Review. The upgrade of cash receipting system, the extension of the storage area network and the purchase of the SQL server and Blackberry "Good" licenses have all been completed. It is expected that this progress will continue in quarter 2 with works to upgrade to the Gazetteer's corporate address database highlighted after the loss of support and development from Oracle, and the scheme to install a reverse proxy which allows internal systems to connect to the Council's servers securely both expected to be completed. The pilot to upgrade the Citrix server for the use of virtual PC's and desktops has been identified as a potential carry forward as has the mobile working schemes for staff who frequently do site visits. These will be assessed as part of the Capital Programme Review to be submitted in December 2017.
HR/Payroll System	20	0	0	0	0	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 expected to be paid in quarter 2.
Transformation Projects	120	0	0	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 to cover these costs (see Annex 7). No payments are expected before the end of the calendar year.
Total	1,537	82	86			

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

Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Housebuild Phase 1	1,155	693	516	-177	-26	Please see major scheme tab for details on this scheme.
Housebuild Phase 2	8,131	1,478	656	-822	-56	Please see major scheme tab for details on this scheme.
Housebuild Phase 3	4,920	895	423	-472	-53	Please see major scheme tab for details on this scheme.
Other Housebuilding	707	177	54	-123	-69	As a moratorium was in place on the housebuilding programme beyond Phase 3, no budgets were approved in February for Phases 4 to 6. Since then the moratorium has been lifted and allocations will be included in the capital programme as part of the Capital Review in the autumn. The budget of £707,000 shown here represents the remaining allocation in respect of the Barnfield development where hand-over of the 8 affordable rented houses built as part of a S106 development by Linden Homes is due around November. Regarding Phases 4 to 6, planning permission has been granted for 22 sites, which when developed will deliver 58 new homes. Four sites are yet to be granted planning permission, which if approved will deliver a further 34 homes. This leaves 13 sites where planning permission has been refused. The Council House-building Cabinet Committee has yet to decide on what they want to do with these sites, but one option is to sell them on the open market and use the capital receipt to fund the house-building programme.
Housing Conversions	0	0	-27	-27	0	The conversions at Marden Close and Faversham Hall were completed in 2015/16, and retentions totally £27,000 are still outstanding.
North Weald Depot	3,189	0	0	0	0	The previous decision of the Cabinet to build a purpose built a Repairs and Maintenance Hub has been put on hold pending the outcome of a feasibility study into relocating the Housing Repairs Service and the Housing Assets team to the Oakwood Hill Depot. The Cabinet will be considering a report on the outcome of the feasibility study at its meeting in September 2017.
Policy Changes in 17/18						Members approved the change of policy from a modern home standard to a decent home standard starting in the financial year 2017/18. This will reduce the capital spend on HRA projects but will result in increasing revenue expenditure over time as more repair jobs will be done. Subsequently this has caused many of the capital schemes to show underspends to the current budgets and savings will be identified as part of the Capital Review.
Heating / Rewire	3,725	804	445	-360	-45	Gas heating is currently showing the largest underspend of the category; however three installations at Leonard Davies, Frank Bretton and Jessopp Court over the next two quarters are expected to reduce this variance. Similarly the rewiring scheme is also currently showing a large variance, and although more expenditure is anticipated on communal lighting, the full budget is not expected to be spent by the end of the financial year. The winter months are expected to see a spike in costs in the mechanical ventilation and heat recovery (MVHR) installation whilst the electrical heating programme is currently on target.
Windows / Doors / Roofing	2,588	616	189	-427	-69	Fire safety has been highlighted due to recent events at Grenfell Tower with EFDC actively pursuing options with leaseholders to upgrade fire doors within properties around the district. Due to continued problems, the contractor of the double glazing scheme has been notified of termination after the current phase of installations is completed. The resurfacing of balconies and roof replacements are currently showing a large underspend, however it is expected that the expenditure will heavily increase during the winter months as more maintenance will be reported.
Total c/f	24,415	4,663	2,256			

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

Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	24,415	4,663	2,256			
Other Planned Maintenance	358	90	5	-85	-95	This category includes Norway House improvements, door entry system installations and energy efficiency works. Works to the door entry systems on leasehold properties may need to be enforced due to the fire safety matters highlighted in the previous category. The energy efficiency budget will be re-assessed as part of the Capital Review in light of the lack of demand for loft and wall cavity insulations.
Kitchen & Bathrooms	2,680	670	336	-334	-50	Many of the planned maintenance schemes for the installation of kitchens and bathrooms are currently on hold due to tenants being in rent arrears. These schemes have also been significantly reduced due to the policy to change from modern to decent homes.
Garages & Environment Works	1,289	62	2	-60	-97	The construction of the 8 off-street parking areas in Torrington Drive has experienced complications throughout with works being redesigned after drainage tests failed causing significant delays. To add to this the main contractor (Wedge) has also gone out of business and although another contractor has been identified and it is expected that the scheme will not recommence at Torrington Drive until quarter 3. Wedge is also the main construction company on the estate environmental scheme which is also showing an underspend. The housing CCTV schemes will begin in quarter 2 with a new system being installed at Limes Farm Yellow Block, whilst a replacement system being installed at Norway House in quarter 4.
Structural Schemes	1,593	161	311	150	-22	The year to date budget for miscellaneous structural works is considerably overspent due to the HRA stock being relatively old, with works to cracks in plaster and walls being a significant issue. Design specifications for the replacement of 9 lifts in Limes Farm estate is currently progressing with works not expected to start on site until quarter 3.
Disabled Adaptations	450	113	98	-15	-13	Disabled adaptations works are progressing well and the budget is currently expected to be fully spent by the end of the year.
Other Repairs & Maintenance	250	59	35	-24	-40	Feasibility studies have been identified including moving the staff and workshop from Epping Depot to the Oakwood Hill Depot. With reduced capital works being undertaken due to a change in policy there is a lower demand for asbestos removal works.
Service Enhancements	455	114	4	-110	-96	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 are currently being explored. There has been no progression with the Oakwood Hill enhancement programme and the scheme is expected to be carried forward as part of the Capital Review. The demand for the mobility scooter stores is still very low although there is potential for a store to be constructed at Norway House.
Replacement Housing Vehicles	158	107	107	0	0	A total of 7 vans have been delivered to replace an ageing fleet with another 2 being identified for delivery later in the year.
Work On Hra Leasehold Prop (Cr)	-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	31,348	6,037	3,154			

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

REFCuS Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
EFDC Shopping Park	1,938	646	642	-4	-1	Please see major scheme tab for details on this scheme. This budget refers to the S278 works.
Parking & Traffic Schemes	262	0	0	0	0	After designs and maps were completed and advertised at the end of 2016/17 by North Essex Parking Partnership, Phase 1 of the Loughton Parking review is due to go 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 of Phase 2 will be held in October and will allow time to evaluate the resident's response to Phase 1 as well as pinpoint potential locations in and around Debden Station.
Disabled Facilities Grants	630	158	97	-61	-39	The Council has a legal duty to provide Disabled Facility Grants (DFGs) to all residents who meet the eligibility criteria. These grants are used for disabled adaptation works such as stair lifts, disabled entry solutions and bathroom renovations and will be fully funded by the Better Care Fund. The expenditure in quarter 1 amounted to £97,000 with additional commitments of £297,000 until the end of the financial year, although commitments will continue to rise over the year as additional grants are approved.
Hra Leasehold Prop (Dr)	300	0	0	0	0	These costs relate to capital works on sold council flats, currently shown on the HRA capital programme. They will be identified once the works are complete and reported at the end of the financial year.
Total	3,130	804	739			

Capital Loan Scheme	17/18	First Quarter		17/18 Variance		Comments
	Full Year Budget	17/18 Budget	17/18 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Private Sector Housing Loans	150	38	22	-16	-41	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. During quarter 1 £22,000 has been spent with an additional £98,000 currently either in application or approval stage.
Total	150	38	22			

**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	Updates	Original 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)
Apr-14	Jun-15	Oct-14	Sep-17	3,948	1,887	5,835	5,316	6,404	10%	519
<p>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.</p> <p>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.</p> <p>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 £2,985.88.</p> <p>P A Finlay & Co Ltd have progressed the works and as of the end of June 2017 the Council took possession of the first seven 3-bed houses across two of the four sites. Hand-over of the remaining homes are still on schedule for July (site 7) and September (Harveyfields and Red Cross B). The anticipated final account for the works package has now been revised to £3,423,888, which represents an increase of 16% above the original budget estimate. This increase is as a result of unforeseen ground contamination remediation works, drainage alterations, brickwork and window remediation, additional retaining structure and alterations required to the balconies. This leads to an overall increase in the anticipated outturn figure of £485,000 for Phase 1, including all construction costs, fees and site security costs. The actual expenditure figure to 30 June 2017 of £5,316,000 reported above includes outstanding retentions of £120,000 .</p>										

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	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	Apr-18	9,110	1723	10,833	3,763	11,216	4%	7,070
<p>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.</p> <p>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 are required and delays of around 23-weeks have been claimed by the Contractor. Their entitlement is currently being evaluated by Pellings, who are the Council's Employers Agents. 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. Once agreed, the anticipated outturn figure will be revised accordingly. Likewise, the contract completion date remains at April 2018 until the claim has been determined. The actual expenditure figure to 30 June 2017 of £3,763,000 reported above includes an outstanding contract sum of £302,400 and a retention of £163,700.</p>										

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

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	Original 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	0	7,502	1,408	7,397	-1%	6,094

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	17/01/2018
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	24/01/2018
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

The development at Queens Road has taken longer to commence due to delays in reaching an agreement with UK Power Network (UKPN) over the lease needed to divert the underground power cables and reposition the electrical sub-station. The three-way agreement between UKPN, North Weald Parish Council and Epping Forest District Council was agreed in August 2017, which will enable the developer to start planning the works.

EPPING FOREST SHOPPING PARK

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 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)
Mar-16	Oct-16	Sep-16	Sep-17	31,161	0	31,161	25,304	31,161	0%	5,857

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 as well as 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 (Mar-16 and Oct-16 respectively). The original sum for the main construction contractor, McGlaughlin 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 last contract payment for McGlaughlin and Harvey is expected to be paid in quarter 2 with a deduction for the retention.

Several tenants are currently fitting out their units, including Smyths Toys, Pets at Home, TK Maxx and Aldi, with Next taking possession in late August. Hobbycraft opened for business on 3rd August whilst several of the others are expected to open at the beginning of September. The anchor tenants have been secured and agreements for leases have been signed whilst several further units are currently under offer with the remainder continuing to be marketed. The Shopping Park will open on an ad-hoc basis from August 2017 with the expectation of being fully operational by December 2017. Capital payments to anchor stores are expected to be paid over the next two quarters; half being paid on access to the units with the other half payable on opening. The latest development appraisal still indicates a good return from the Council's investment.

Throughout the project, the Section 278 road improvement works have represented a major risk to the scheme with delays attributable to changing requirements from the Highways Authority. The main variations to the original design have come from the restrictions on working in the carriageway, revised drainage requirements, the re-location of the high pressure gas main and enhanced road repairs. These numerous variations have resulted in substantial additional costs with the final contract sum expected in the region of £3,900,000 to £4,200,000, although a small element of this will be recoverable from Essex County Council. These works are not expected to finish until late August 2017.