

2012/13 DIRECTORATE CAPITAL MONITORING -
CORPORATE SUPPORT SERVICE

ANNEX 10

	12/13	First Quarter		12/13		<u>Comments</u>
	Full Year	12/13	12/13	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Civic Office Works	719	48	39	-9	-19	This covers all projects being undertaken at the civic offices within the Planned Maintenance Programme, including energy efficiency schemes. Schemes include the upgrade of the toilets, including the ventilation, replacing the main boilers, automatic opening doors, new lighting and ceiling service, fire detection, roof access and fall arresting equipment. Work has already commenced on several schemes and it is anticipated that the majority of the planned work will be completed within the financial year; any changes will be identified within the Five Year Planned Maintenance Review.
Other Planned Maintenance	128	17	16	-1	-6	Work on Epping Sports Centre roof is now complete and all expenditure has been processed with the exception of a small amount of staff time which has yet to be recharged. Work on the roof at Waltham Abbey Swimming Pool has ben delayed pending a structural survey; this is subject to a report to cabinet. With regard to the Upshire Shop Improvements, work will begin once consultations are complete and it is anticipated that the scheme will be finished by the year-end.
Other Capital Investments	92	59	58	-1	-2	This includes three budgets brought forward from 2011/12: £24,000 for the purchase of a new vehicle lift to increase the capacity for undertaking MoT Tests; £21,000 for the purchase of a strip of land in Pyrles Lane; and £47,000 for feasibility works on the Langston Road Redevelopment project. The work on the vehicle lift is now complete and all payments have been made. With regard to the Langston Road Redevelopment project one payment of £36,000 has already been paid and another one is due; a report will be presented to Cabinet in September to consider the budgetary implications.
Total	939	124	113			

2012/13 DIRECTORATE CAPITAL MONITORING -
FINANCE & ICT.

	12/13 Full Year Budget £'000	First Quarter		12/13 Variance Budget v Actual		<u>Comments</u>
		12/13 Budget £'000	12/13 Actual £'000	£'000	%	
		ICT Projects	433	41	33	
Total	433	41	33			

	12/13 Full Year Budget	First Quarter		12/13 Variance Budget v Actual		<u>Comments</u>
		12/13 Budget	12/13 Actual	£'000	%	
	£'000	£'000	£'000	£'000		
Waste Management Equipment & Vehicles	1,192	31	19	(12)	0	This includes an original budget of £1,000,000 plus a brought forward sum of £70,000 from 2011/12 to replace 7 vehicles consisting of 5 freighters and 2 sweepers. All 7 vehicles are expected to be delivered by the end of October 2012. The remaining £122,000 budget was brought forward from 2011/12 and is the sum remaining for the purchase of new waste and recycling containers.
Bobbingworth Tip	27	0	0	0	0	The Bobbingworth Tip restoration and remediation works at the site are complete and the budget remaining of £27,000 was carried forward to 2012/13. The best allocation of these funds is yet to be determined and will be addressed within the Capital Review.
Parking Reviews	398	0	(12)	(12)	0	Epping parking review is now finished and a balance of £7,000 has been carried forward to 2012/13. The Buckhurst Hill parking scheme, which has a budget of £192,000, is currently under review by Essex County Council in liaison with this Council. The parking scheme in Loughton will follow pending the decision with regards to the Buckhurst Hill scheme.
North Weald Airfield	137	10	2	(8)	(80)	A schedule of capital improvement works to be carried out at North Weald Airfield has been jointly agreed with the market operators. Some of the works were completed in 2011/12 however £53,000 was carried forward at the end of the financial year to add to £84,000 already in the budget.
Other Environmental works	72	18	-3	-21	(117)	The negative actual expenditure relates to an ongoing sundry creditor. The budget of £72,000 has been approved for work associated with flood alleviation schemes and plans are currently in hand to purchase a vehicle with specialist equipment. Other capital works relating to flood alleviation are also being assessed and additional financing may be requested if funds become available as a result of savings on other schemes.
Grounds Maintenance Vehicles	154	0	0	0	0	The majority of this budget relates to £124,000 approved by Cabinet in June 2012 for the purchase of 5 Ransomes Highway mowers and 2 sweepers. In addition to this there is £30,000 for the annual grounds maintenance programme, most of which will be used to purchase a new tractor.
Total	1,980	59	6			

	12/13 Full Year Budget £'000	First Quarter		12/13 Variance Budget v Actual		<u>Comments</u>
		12/13 Budget £'000	12/13 Actual £'000	£'000	%	
Limes Farm Hall Development	1	1	1	1	69	See comments on major schemes schedule.
Waltham Abbey All Weather Pitch	495	18	8	(10)	-56	Construction of the new astroturf pitch at Waltham Abbey has now been signed off by the Environment Agency and a pre-commencement meeting is due to take place between the construction company and this Council on 30 August 2012. Work is expected to start in September and should take around 16 weeks to complete; it is therefore anticipated to be completed in the current financial year.
Waltham Abbey Regeneration	107	34	0	(34)	-100	The Regeneration Initiative consists of a number of projects managed and procured by Waltham Abbey Town Council. Two projects were completed in 2011/12 and one more has been completed so far this financial year; this being the renovation of the toilet block at Quaker Lane. The cost of this latest project was £30,000 and the payment was made in July 2012, which will put expenditure more in line with budget expectations. The remaining schemes are expected to be completed by the end of the financial year.
Total	603	53	9			

	12/13	First Quarter		12/13		<u>Comments</u>
	Full Year	12/13	12/13	Variance		
	Budget	Budget	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	%	
Loughton Broadway Works TCE	10	0	0	0	0	The work on the Loughton Broadway Town Centre Enhancement Scheme is complete and the 12 month defect period has come to an end. The £10,000 budget brought forward from 2011/12 represents the unspent sum remaining. This underspend will be addressed as part of the Capital Review.
Loughton Broadway CCTV	97	41	40	(1)	(2)	The works for the installation of new CCTV systems and the enhancement of existing systems is complete, however not all payments have been processed to date. Installation started in April 2012 and the budget is expected to come in underspent by around £10,000.
Total	107	41	40			

	12/13 Full Year Budget	First Quarter		12/13 Variance Budget v Actual		<u>Comments</u>
		12/13 Budget	12/13 Actual	£'000	%	
	£'000	£'000	£'000			
Home Ownership Schemes	724	107	107	0	0	The Open Market Shared Ownership Scheme currently consists of two phases: a pilot scheme which was allocated a budget of £435,000 to facilitate the purchase of 8 properties by applicants on the open market; and phase 2 which has an allocation of £350,000 to facilitate the purchase of 6 more properties by applicants on the open market. The pilot scheme has been very successful with one payment of £61,000 having been processed last year (2011/12) and two more payments, totalling £107,000, having been processed to date in the current financial year. The remaining 5 payments within the pilot scheme are expected to be completed this year: 2 applicants are awaiting exchange of contracts and the final 3 are actively searching for properties after being approved for the scheme. A report has recently been drafted by the Director of Housing recommending that phase 2 go ahead this year with a few changes to some of the scheme's criteria. The financial position will be monitored closely and any changes will be reported as necessary.
Contributions to Affordable Housing	372	0	0	0	0	This allocation was brought forward from 2011/12 having originally been allocated to Contributions to Affordable Housing. However, it could possibly be used to extend the Open Market Shared Ownership Scheme further. This will depend on the outcome of the review of phase 2 of this scheme which will take place on its completion or in 9 months time, whichever is earlier. As a consequence it is likely that this budget will be recommended to be carried forward as part of the Capital Review.
Disabled Facilities Grants	476	119	9	(110)	(92)	Expenditure has been low in the first quarter of 2012/13, which reflects the low number of referrals received at the end of 2011/12. However referrals from occupational therapists have increased in the following quarter and will impact positively in approvals and thus expenditure over the remaining 3 quarters. In the pipeline for approval are 5 large DFG's that should be approved in the region of £25,000 each. It is anticipated that these grants will be completed within this financial year. In addition there are the regular jobs that will be approved and completed within the current financial year. The number and size of these grants are monitored regularly and if any changes are considered necessary to the budget, this will be reported as part of the Capital Review.
Other Private Sector Grants	387	97	50	(47)	(48)	The new Housing Assistance policy came into effect from 1 July 2012. The major conditional change is that all discretionary financial assistance is now repayable upon the sale or transfer of property. The impact of this condition has filtered to new applicants who are understandably apprehensive in the first instance. The realisation that there are no more grants and that financial assistance is effectively a form of long term interest free 'repayable' loan has stunted the drive to make a formal application. Therefore first quarter expenditure has been down but is expected to increase over the next 3 quarters. Increased publicity and positive communication of the benefits of the assistance is expected to provide a positive outturn by year end.
Housing Estate Off Street Parking	1,027	0	0	0	0	Off street parking schemes on council housing estates are jointly funded between the General Fund and the HRA. Although work has commenced on the second phase of three parking schemes, no expenditure has been incurred to date. A report is due to be presented to Cabinet later this year to seek approval for future schemes.
Total	2,986	323	166			

	12/13 Full Year Budget £'000	First Quarter		12/13 Variance Budget v Actual		<u>Comments</u>
		12/13 Budget £'000	12/13 Actual £'000	£'000	%	
Windows/Roofing / Asbestos / Water Tanks	2,936	645	357	-288	-45	Several of the budgets in this category are currently underspent. Although the roofing programmes are progressing well and on target, not all payments have been processed to date. Furthermore, it has been difficult to identify properties for inclusion on the PVCu window replacement programme and this work has been scaled back this year. However, a programme of new properties to be included in the replacement programme is being compiled in order to address the problem of difficult-to-maintain windows which are costly to repair. Expenditure is also increasing as result of the installation of 30-minute fire doors as part of the front entrance door replacement programme following implementation of the Regulatory Reform (Fire Safety) Order 2005. Work on asbestos removal, which is demand led, is expected to be fully spent by the year end as is balcony resurfacing works. Currently, expenditure on water-tank replacements are very low as they are being carried out on an adhoc basis but a new programme of communal and domestic water-tank replacement is due to be tendered this year.
Heating/Rewiring	2,683	671	523	-148	-22	Overall, expenditure in this category is slightly lower than expected. The main reason for this is that the electrical testing undertaken so far this year has generally resulted in minor electrical capital works being undertaken rather than complete rewires. The consequent reduction in expenditure is being monitored and, if any changes to the budget are deemed necessary, appropriate recommendations will be made as part of the Capital Review. On the other hand, new heating upgrades are on target and the programme to replace open flued appliances with room sealed boilers is well underway.
House Building	128	5	3	-2	-49	With regard to the new house building programme, expenditure to date is limited to the procurement fees associated with the tender process to appoint a development agent. The development agent is expected to be in place by January 2013 when work will commence on the housebuilding strategy, feasibility study and the Homes & Communities Agency partnership status application on behalf of the Council. This is subject to tender, so the budget position is an estimate at this stage.
Pyrles Lane	239	0	0	0	0	This budget was brought forward from 2011/12 for a potential development in Pyrles Lane.
Other Planned Maintenance	616	128	37	-91	-71	This category includes communal TV upgrades, energy efficiency measures, door entry systems, Norway House improvements and Works Unit vehicle replacements. Although, the communal TV upgrade programme has now been completed, the other budgets are underspent. The largest and most significant underspend relates to energy efficiency measures. This is because the initial works have already been completed and the pilot programme of external wall insulation on rural properties has only recently got underway as has the installation of new renewable energy heating systems. It is likely that this budget will be underspent by the year end. The door entry budget is also likely to be underspent and a report to Cabinet on a 5-year programme is due this financial year.

Total Planned Maintenance c/f	6,602	1,449	920			
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	12/13 Full Year Budget £'000	First Quarter		12/13 Variance Budget v Actual		Comments
		12/13 Budget £'000	12/13 Actual £'000	£'000	%	
Total Planned Maintenance b/f	6,602	1,449	920			
Kitchen Replacements	2,815	704	226	-477	-68	Properties requiring kitchen replacements have generally been identified from the stock condition surveys which were carried out following the Decent Homes Initiative completed in 2010. The volume of work required this financial year has been lower than anticipated and, as a consequence, many kitchen due for replacement in future years, have been brought forward for completion in this financial year. In order to identify more properties for future kitchen replacement programmes, a new schedule of Stock Condition Surveys has been drawn up for an estimated 1,500 properties. The impact of these changes is currently being assessed and any changes to the budgetary position considered appropriate will be presented to Members as part of the Capital Review.
Bathroom Replacements	1,355	339	8	-331	-98	Bathroom replacements are also identified from the stock condition surveys carried out on each property and, again, a significant reduction in workload has been experienced so far this year. To counter this, a planned programme of non-standard bathroom replacements to properties on the Limes Farm estate has been undertaken but, despite this, it is anticipated that there will be a large underspend by the year-end. This will be addressed as part of the Capital Review.
Council Estate Parking & Other Environmental Works	1,334	123	27	-96	-78	The largest project in this category is the off street parking schemes on council housing estates. Work has commenced on the second phase of three parking schemes and a report is to go to the Cabinet later in the year seeking authority to progress with future schemes.
Void Refurbishments	887	222	149	-72	-33	Void workload is demand led and predicting the quantity and condition of void properties is notoriously difficult. Although expenditure is low at the moment, a rise is expected because a number of affordable housing developments are due to be completed shortly which is likely to result in an increase in void Council properties.
Structural & Other Works	740	196	77	-118	-61	The Council is monitoring a number of properties that are suffering with significant structural movement. Since the Council does not insure for subsidence, it is anticipated that expenditure will pick up against this budget.
Disabled Adaptations	414	104	111	8	8	Expenditure on disabled adaptations in council dwellings is in line with budget, unlike expenditure on disabled facility grants used to finance adaptations in private dwellings which has been very low so far this year. There are a number of possible reasons for this. Whilst referrals from occupational therapists are classed as "recommended" for works in council dwellings, they do not have to meet the more stringent criteria of being "necessary and appropriate" as is the case for works in private dwellings. Furthermore, council tenants are not subject to means testing and it is possible that private occupiers may be more reluctant to approach the Council for financial assistance.
Garages	42	11	0	-11	-100	Works to garage blocks are currently on-hold awaiting the outcome of the Potential Development Site Report recently put before the Cabinet.
Total HRA	14,189	3,134	1,518			

2012/13 LIMES FARM HALL DEVELOPMENT										
Original Start Date	Original Finish Date	Actual Start Date	Actual Finish Date	Original Project Cost	Supplementary Estimates	Approved Budget	Actual Exp To Date	Anticipated Outturn	Variance to Original Cost	Variance to Approved Budget
				£'000	£'000	£'000	£'000	£'000	%	%
Mar-11	Aug-11	Apr-11	Feb-12	1,062	0	1,062	1,061	1,062	0%	0%
<p>Limes Farm Hall dates back to the 1970s and is located in the centre of the Limes Farm Estate in Chigwell. The Council owns the hall and has managed it since 1 April 2009 following 11 years of management by Chigwell Parish Council. At the time the hall was transferred back to EFDC, it was functional but was in need of significant investment to modernise and improve it both internally and externally. It also required a complete roof replacement. Having consulted with local residents and a range of partners it was agreed that Limes Farm would benefit from the provision of centralised multi-agency services.</p> <p>Once the consultation exercise was completed, meetings were held on a regular basis with the partners to discuss potential future provision as a multi-agency hub both in terms of delivery at the site and outreach delivery across the estate. This resulted in a firm commitment from West Essex PCT (now known as SEPT - South Essex Partnership Trust) who were keen to transfer their clinic services to the central location from elsewhere on the estate and Essex County Council who were interested in extending their existing Children's Centre activity. It was agreed that the Council's Housing Service would transfer from a converted flat to the new facility and that the Housing Benefits Service would open a new service from Limes Farm to meet external Audit recommendations to improve access. Other partners involved in the development of the plans include the Limes Farm Community Association, Chigwell Parish Council, Limes Farm Infant and Junior Schools, East Potential and the Grange Farm Trust.</p> <p>Following a development period of several months, a feasibility study was commissioned to produce a range of options and Cabinet agreed on a scheme to refurbish the existing hall and extend to the front and rear, which would double the size of the building. Following the tender process the building contract was awarded to Beardwell Construction in March 2011 and initial project meeting commenced immediately. At the beginning of the construction a delay of three weeks was experienced due to issues with asbestos removal from the site and then further delays were due to issues with steelwork fabrication and the installation of new electrical power cables by UK Power Network. The works were however complete by February 2012 and the Hall opened for business on 20th February.</p> <p>The new building is of a high level specification and the construction works are seen as good value for money based on the final price of the contract. However, a significant amount of snagging still remains which has been held up due to the Council seeking Counsel's advice in respect of a legal challenge to the project management consultants responsible for the development. Final payments amounting to £26,000 have been held by the Council during this time, which were accounted for in 2011/12 by way of sundry creditors. It is expected that the snagging work will commence in September and be completed within 1 month at which time a payment of £23,500 will be paid to the main contractor Beardwell's Ltd. The remaining £2,500 is due to be paid to Norfolk Property Services Group, the project management consultants, on completion of the outstanding snagging works. It is expected that the final account and report will be presented to Cabinet on 4 February 2013.</p> <p>With regard to funding, a competitive application to the Essex County Council Extended Schools fund was successful which secured a financial grant of £270,000 towards the project. This grant has now been applied in full to the capital works and the Council is financing the shortfall.</p>										