

**2018/19 DIRECTORATE CAPITAL MONITORING -  
COMMUNITIES**

| Scheme                 | 18/19            | First Quarter |              | 18/19 Variance   |      | Comments   |
|------------------------|------------------|---------------|--------------|------------------|------|--|
|                        | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |      |  |
|                        | £'000            | £'000         | £'000        | £'000            | %    |  |
| CCTV Systems           | 72               | 5             | 1            | -4               | -79  | There are three CCTV schemes planned for 2018/19. excluding those being installed in the Council's car parks. A planning application has been submitted to approve the designs for a replacement CCTV system along Epping High Street. This scheme previously faced major delays due to the complexity of the system; however, all design works have now been completed and the project is scheduled to go out for tender in October and be commissioned by the end of the financial year, if the planning permission is granted. The designs for a new system to cover the Hillhouse leisure centre have now been confirmed and booked for commencement at the end of quarter two. The replacement system at Hillhouse shopping parade will follow the works at the leisure centre with initial cabling is being installed in September; approximately one third of the project covers CCTV for local housing, which will be recharged to the HRA budget. |
| Car Park CCTV Systems  | 46               | 11            | 0            | -11              | -100 | Works have started on a replacement CCTV system at Quaker Lane car park, which will shortly be commissioned. The remaining planned CCTV works at High Beach, Smarts Lane and The Drive car parks, budgeted at £33,000 are likely to be deferred to the next financial year. Two further car parks at Oakwood Hill estate have been identified for potential installations and a further report will be submitted once surveys and consultations have been completed.   |
| Housing Estate Parking | 422              | 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.  |
| <b>Total</b>           | <b>540</b>       | <b>16</b>     | <b>1</b>     |                  |      |  |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
NEIGHBOURHOODS**

| Scheme                   | 18/19            | First Quarter |              | 18/19 Variance   |     | Comments  |
|--------------------------|------------------|---------------|--------------|------------------|-----|---|
|                          | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |     |   |
|                          | £'000            | £'000         | £'000        | £'000            | %   |   |
| Town Mead Depot          | 107              | 0             | -26          | -26              | 0   | Town Mead Depot is required to be functioning by December 2018 to provide staff moving from Pyrles Lane with suitable accommodation. The depot has also been subject to an internal Health and Safety audit which has raised a number of issues which require compliance before the premises can be utilised. Some of the more urgent works, such as fencing, CCTV, ground improvement and drainage works have already been completed to facilitate this. The negative actual figure shown here relates purely to the reversal of a closing creditor at the end of the previous financial year which is yet to be invoiced by the supplier.   |
| Hillhouse Leisure Centre | 4,944            | 1,854         | 1,591        | -263             | -14 | Please see major scheme tab for details on this scheme.   |
| Loughton Leisure Centre  | 2,484            | 207           | 476          | 269              | 130 | Please see major scheme tab for details on this scheme.   |
| Epping Sports Centre     | 164              | 164           | 234          | 70               | 43  | The reconfiguration of the reception area and refurbishment work at Epping Sports Centre (ESC) is soon to be completed. There have been increased costs associated with this centre due to improvements outside the original scope of the specification including: upgraded air conditioning in the virtual spin room; further improvements to the design of the changing rooms; and replacement of the sports hall flooring that was found to be rotten underneath. The effect of these changes has increased cost of works to ESC amounting to £218,000. £93,000 of this was supplemented in 2017/18 by savings made on a new combined heat and power unit at Ongar Leisure Centre, whilst the remaining £125,000 will be requested to be supplemented from savings made at Loughton Leisure Centre. ESC and Ongar Leisure Centre will be subject to a financial risk assessment to determine future liabilities to the building. |
| EFDC Shopping Park       | 459              | 230           | 48           | -182             | -79 | The construction of the Shopping Park was completed in June 2017 and the final three units have been now been let. The budget in 2018/19 relates to the remaining allocation agreed by Members, which is expected to cover all outstanding costs such as letting agents' fees, legal costs for the production of the heads of terms, capital payments to tenants and variations in the final account, some of which have already been paid. An attenuation tank has been installed under the road adjacent to the units in order to collect and safely drain surface water away after it was discovered that many of the drains were blocked or had collapsed.  |
| Hillhouse 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 Hillhouse Centre and Independent Living Scheme) will mean a loss of sports pitches in the area. A preliminary strategy has been produced, which outlines the improvement of pitches at Townmead as a suitable option which also meets statutory requirements. The contribution is expected to be paid by the end of the calendar year with the final figure expected to be £137,000, which includes an adjustment for inflation since the Council entered into the agreement two years ago.   |
| <b>Total c/f</b>         | <b>8,288</b>     | <b>2,455</b>  | <b>2,323</b> |                  |     |   |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
NEIGHBOURHOODS**

| Scheme           | 18/19            | First Quarter |              | 18/19 Variance   |   | Comments   |
|------------------|------------------|---------------|--------------|------------------|---|--|
|                  | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |   |  |
|                  | £'000            | £'000         | £'000        | £'000            | % |  |
| <b>Total b/f</b> | <b>8,288</b>     | <b>2,455</b>  | <b>2,323</b> |                  |   |  |
| Other Schemes    | 241              | 161           | 161          | 0                | 0 | The Grounds Maintenance team have had the delivery of the six new ride-on mowers replacing an ageing fleet that was traded in for £26,500. The team is also intending to purchase a truck for approximately £32,000 before the end of the year and is assessing the need to replace a tractor. During the previous financial year, the Flood Alleviation team had an additional budget allocation approved after there was an unexpected failure of the main control unit and pumps at Bobbingworth Tip. The labour and equipment costs relating to the rectification works are expected to be covered by the £19,000 budget in this financial year. The Flood Alleviation team are actively evaluating any further potential risks elsewhere in the district. The extension of the North Weald 240 Building to accommodate a vehicle compound is still awaiting planning permission, with works not expected to progress until quarter 4 at the earliest.   |
| Car Park Schemes | 184              | 0             | 0            | 0                | 0 | Across the district there are twenty Council owned car parks which are being upgraded to include LED lighting. In addition to the three car parks that received LED lights last year (Cornmill and Darby Drive in Waltham Abbey and Traps Hill in Loughton), work on Quakers Lane is currently progressing and expected to be completed in quarter 2. Three further car parks are scheduled to be completed by the end of the year (Bansons Lane, the Pleasance and Lower Queens Road) at a cost of £46,000. At the Oakwood Hill car park, the land owned by EFDC was identified, fenced off, and all works completed. The additional bays that were planned on land deemed not to be owned by the Council have not been constructed and therefore the unspent budget of £33,000 will be available for consideration by Members as part of the Capital Review. The pay and display equipment that had already been purchased for this scheme will be utilised on other sites. A decision is expected from the Planning department in late August as to whether the project at Vere Road car park can proceed. If successful a tender will be prepared for the demolition of the garages and the designs for the car park layout, drainage and resurfacing can begin. Although these works are expected to be completed by the end of the financial year, there is a risk of rising costs after a potential presence of asbestos in the garages was highlighted, in addition to the design team identifying an extra nine parking bays outside the original specification. The Neighbourhoods team is assessing options to achieve investment growth through development of car parks and will submit a report to Cabinet in September outlining this growth through improvements to the Council's car parks. |
| <b>Total</b>     | <b>8,713</b>     | <b>2,616</b>  | <b>2,484</b> |                  |   |  |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
RESOURCES**

| Scheme                               | 18/19            | First Quarter |              | 18/19 Variance   |      | Comments  |
|--------------------------------------|------------------|---------------|--------------|------------------|------|---|
|                                      | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |      |   |
|                                      | £'000            | £'000         | £'000        | £'000            | %    |   |
| Transformation Projects              | 11               | 0             | 0            | 0                | 0    | A small budget has been set aside for future feasibility works relating to the Council's Accommodation Review. The improvement works to the investment property at 16 The Broadway, which included putting a waterproof liquid membrane over the existing felt, was completed as budgeted in quarter 1 but is yet to be invoiced. The remaining budget (£25,000) is a provision for costs where investment properties share common roofing with housing. However, it is expected that the General Fund element for these works will exceed £70,000 if all works were to go ahead; this will be addressed as part of the Capital Review.   |
| Works On Investment Properties       | 30               | 5             | 0            | -5               | -100 |   |
| Active Planned Maintenance Projects  | 317              | 0             | 4            | 4                | 0    |   |
| On-Hold Planned Maintenance Projects | 1,196            | 0             | 0            | 0                | 0    | There have been no works planned in the first quarter of the year, and only limited spend on preliminary works and building regulations to date; however, there are various schemes for Planned Maintenance taking place this financial year across the Council's assets. Within the civic offices new distribution boards have been purchased and the fire detection and warning system is being extended to parts of the main civic building which do not currently have cover. Preparatory works have been carried out for a communications software upgrade, allowing remote control of heating services at a number of sheltered housing properties, and an additional major upgrade which will facilitate improvements to the access control system at the Council's offices in light of the General Data Protection Regulations (GDPR) that have come into place. Works are currently proceeding at Homefield House to renew the electrical and data installation whilst works to replace new windows at the Gatehouse at North Weald have also commenced; both are expected to be completed in quarter 2. Waltham Abbey Museum will benefit from reroofing with works also being carried out on chimneys and stacks, which are scheduled for late this financial year. All other works planned are still expected to be completed by the end of the financial year.   |
| ICT General Schemes                  | 16               | 0             | -1           | -1               | 0    |   |
| ICT Strategy Implementation          | 736              | 443           | 232          | -211             | -48  | 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. 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. There only remaining scheme within this category, Northgate Aspire mobile working modules, is on schedule to be completed in quarter 3. Some progress has been made on works scheduled to take place during the first quarter of this financial year. The rollout of new laptops is almost complete with 399 of 408 laptops purchased, with a further 10 high specification laptops currently being assessed for financial viability; some of this budget relates to expenditure has been re-classified as revenue and the budgetary amendments will be addressed as part of the Capital Review. Work has started to link the portal integration academy system, primarily used by the Revenues and Benefits team, to the customer relation management system; whilst the Council are awaiting the invoice for works to replace the gazetteer system which went live in July. ICT equipment has been purchased to equip the housing assets team when it relocates to Oakwood Hill depot however, due to the deferral of the move, the equipment will be stored until required. The rollout of the Hoth system licenses to give access to the Housing IT department has been delayed due to capacity issues, whilst the Windows OS server and host upgrades has been placed on hold awaiting the recommendation of the accommodation review to determine whether physical or cloud servers are needed for the scheme. |
| <b>Total</b>                         | <b>2,306</b>     | <b>448</b>    | <b>235</b>   |                  |      |   |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
HOUSING REVENUE ACCOUNT**

| Scheme              | 18/19            | First Quarter |              | 18/19 Variance   |      | Comments   |
|---------------------|------------------|---------------|--------------|------------------|------|--|
|                     | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |      |  |
|                     | £'000            | £'000         | £'000        | £'000            | %    |  |
| Housebuild Phase 1  | 6                | 2             | 0            | -2               | -100 | The Council took possession of 23 properties across four sites in Waltham Abbey in November 2017; these properties are currently in the defects liability period lasting two years. The £6,000 budget for 2018/19 represents the remaining budget from the anticipated outturn agreed by Members; however, the Council have been issued with an interim certificate of the final account for works amounting to £40,000. Inspections are currently being organised to identify any defects to the properties and consequently further costs may be generated; the Council are expected to receive the final account figure in August once these investigations have taken place. The latest estimate of the final account for the P.A. Finlay contract is £3,614,912.96.   |
| Housebuild Phase 2  | 4,631            | 1,158         | 1,248        | 90               | 8    | Please see major scheme tab for details on this scheme.  |
| Housebuild Phase 3  | 2,724            | 681           | 556          | -125             | -18  | Please see major scheme tab for details on this scheme.  |
| Other Housebuilding | 5,983            | 1,496         | 68           | -1,428           | -95  | Following the decision made by East Thames to terminate its contract after 4-years as the Council's Development Agent, a new approach was developed to deliver phases 4 to 6 of the house-building programme, which will deliver a more efficient service and de-risk some of the aspects of the programme that have so far resulted in additional costs across schemes that are on site. The new approach included building a Framework of Consultants, who have now been selected, with contracts currently close to being signed.<br>Once signed, the schedule of work will proceed on the sites that have current planning approval. The pre-tender works such as site investigations, remediation works and demolitions will begin before the end of quarter 3 with the tenders being sent out once these works have been completed. The start on site date will be determined on receiving suitable tenders, but the Council are expected to commence works by June 2019 with an 18-24 months construction period for these sites. The schemes that have had planning permission rejected previously have been given authority to be resubmitted; with decisions on these sites still pending, works will start a later date to those approved.<br>On the 18th May 2018 Linden Homes transferred the possession of 8 properties at Barnfields to the Council. This scheme faced delays and failed to meet the initial handover date due to various defects and snagging issues; tenants have now been moved into these properties but are still finding issues which are being dealt with by the EFDC repairs team. The final account for this site is expected to be submitted in May 2019, with the current budget for this scheme is showing a slight overspend of £14,000 due to additional works outside the original specification. Finally, there have been delays during the Norway House Pods pre-construction process, largely in part down to the architects' specification and re-design process. Tenders have been submitted and work on the site is anticipated to commence in October with a six to nine month construction phase. There is a caveat to the planning permission approved for these pods which means a further application for renewal will need to be submitted for the development after a 10-year period. |
| Kitchen & Bathrooms | 1,751            | 438           | 536          | 98               | 22   | The kitchen & bathroom replacement schemes have progressed quickly and are currently ahead of schedule with works expected to continue in this fashion until September when the current contract runs out. The housing assets team are currently in the process of tendering for a new contractor, with the possibility of one contract for both bathroom and kitchen replacements being investigated.   |
| <b>Total c/f</b>    | <b>15,095</b>    | <b>3,775</b>  | <b>2,408</b> |                  |      |  |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
HOUSING REVENUE ACCOUNT**

| Scheme                       | 18/19            | First Quarter |              | 18/19 Variance   |      | Comments   |
|------------------------------|------------------|---------------|--------------|------------------|------|--|
|                              | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |      |  |
|                              | £'000            | £'000         | £'000        | £'000            | %    |  |
| <b>Total b/f</b>             | <b>15,095</b>    | <b>3775</b>   | <b>2408</b>  |                  |      |  |
| Oakwood Hill Depot Extension | 1,075            | 269           | 1            | -268             | -100 | The expansion of the depot located at Oakwood Hill to accommodate the Welfare, DLO and Grounds Maintenance teams are continuing to progress. The consultants have now completed the concept designs of the Oakwood Hill Depot extension and are now progressing with a cost plan and technical designs for the build. A few variations to the original specification, including a new fence, gates and new electronic barriers, have been adopted within these designs due to multiple break-ins and security issues at the depot. Subject to planning permission being granted the provisional start date for these works will be January 2019. Planning permission has also been submitted for the construction of a new car park to facilitate the increased numbers of employees at the depot. The Council have received objections from Natural England, Town Council, and the public; however EFDC are actively communicating with all parties to agree a compromise that would benefit everyone. If planning permission is approved the earliest start date for these works will be October 2018. |
| Heating & Rewire             | 2,484            | 621           | 306          | -315             | -51  | Gas heating is showing the largest variance of the category. Although there is a large scheme at Hemnall House expected to start in quarter 2, this scheme is likely to stay largely underspent throughout the year as most of the major installations around the Council blocks have been completed. The rewiring scheme is also showing a large underspend due to the Section 20 notices being sent out to tenants later than planned. This delay, coupled with the tenders for an additional rewiring contractor, has seen the scheme fall behind. The Mechanical Ventilation Heat Recover (MVHR) and communal water tanks schemes are both coming to an end, and therefore showing limited spend in quarter 1. These schemes will be reassessed, with the other underspends in the category, as part of the Capital Review in December.  |
| Windows, Doors & Roofing     | 2,721            | 680           | 259          | -421             | -62  | The repair works on tiled roofs for the Council's HRA properties is showing an underspend for the quarter of approximately £160,000 due to slow progress from the contractor. However, there are larger repairs scheduled in to blocks at Hillhouse and Cobdens that should put the progress of the scheme back on target. The housing assets team are currently working on a tender for a new double glazing contractor and therefore works will continue until this is in place. The installation of replacement front doors have been delayed after the FD30 specification was amended by the manufacturer; however, works orders have now been issued for the installations and are likely to complete within the next quarter. The balcony resurfacing scheme is currently on target with a large scheme at Borders Lane expected to be completed in the next quarter, whilst a joint tender with flat roofing currently is being prepared for the blocks at Ninefields for later in the year. There are  |
| Other Repairs & Maintenance  | 223              | 56            | 56           | 0                | 0    | Feasibility studies were performed on two properties in Waltham Abbey and Loughton which are showing signs of structural movement, whilst a third report has been issued for a property in Waltham Abbey after cracks and structural damage have appeared due to close proximity of trees. The asbestos removal budget is on currently on target.  |
| Replacement Housing Vehicles | 68               | 17            | 1            | -16              | -94  | Four replacement vans are on order to replace their ageing fleet, and are awaiting a delivery date that is expected to be towards the end of this calendar year.   |
| Other Planned Maintenance    | 140              | 35            | 32           | -3               | -9   | This category includes Norway House improvements, door entry system installations and energy efficiency works. Norway House improvements are ahead schedule with the installation of a new intruder alarm, bathroom improvements and new CCTV equipment (see Garages & Environment Works). The remaining budget is expected to be used in quarter 2 to replace a communal bathroom within the facility and install finger guard production units on all the communal doors. Door entry improvements works at Hillhouse have just commenced; whilst consultation with leaseholders and tenants in two further blocks are progressing. The energy efficiency scheme will be reassessed as part of the Capital Review with most of the cavity walls installations completed earlier in the programme.   |
| <b>Total c/f</b>             | <b>21,806</b>    | <b>5,453</b>  | <b>3,063</b> |                  |      |  |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
HOUSING REVENUE ACCOUNT**

| Scheme                           | 18/19            | First Quarter |              | 18/19 Variance   |     | Comments  |
|----------------------------------|------------------|---------------|--------------|------------------|-----|---|
|                                  | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |     |   |
|                                  | £'000            | £'000         | £'000        | £'000            | %   |   |
| <b>Total b/f</b>                 | <b>21,806</b>    | <b>5453</b>   | <b>3063</b>  |                  |     |   |
| Garages & Environmental Works    | 624              | 138           | 195          | 57               | 41  | The off-street parking schemes at Torrington Road and Paley Gardens are now complete providing a combined total of 33 spaces to local residents. However, due to a lack of take up in permits around several street parking sites, the housing assets team will submit a viability report to Cabinet detailing whether any more sites should be identified for parking; until a decision has been made, there will be no further works. The budget for major repairs to garages has seen a decline in recent years due to the Council's garages across the district being identified for potential housebuilding sites. In 2018/19 there has been no spend on any garage repairs as many of the sites are expected to be demolished and converted into development land; therefore it is not viable for the Council to spend on these repairs. All costs relating to demolishing and securing the sites will continue to be charged to the housebuilding schemes as per the CIPFA guidance. Although works are expected to progress in the following months, there has also not been any spend on the fencing or external lighting schemes as no works were identified within the quarter. The installation of new and replacement cameras around HRA properties have progressed well with the replacement of an existing system at Norway House completed in the first quarter. This system has also been extended from 28 cameras to 58 to provide more external coverage of the sheltered properties as well as provide more security inside key areas. The systems at Limes Farm Red Block, including the lifts, are currently at the design stage and will be installed in line with the new installations of the new lifts in the estate. |
| Structural Schemes               | 2,475            | 619           | 466          | -153             | -25 | The Council are currently tendering for a second contractor to assist with the increased structural works to the Council's housing stock. The Council has seen a rise in expenditure over the past 3 years due to the properties becoming old, with works to cracks in plaster and walls becoming an issue. Although the current budget for these works (£1,533,000) seems sufficient, with a 12% buffer showing against the profiled budget, the housing assets and accounts team will continue to monitor the costs throughout the year. The installation of new lifts at Limes Farm and Copperfield are scheduled for practical completion by March 2019.  |
| Disabled Adaptations             | 487              | 122           | 50           | -72              | -59 | There has been limited spend and a subsequent back log of disabled adaptations due to a combination of staffing capacity and tendering for two new contractors to assist with the increasing volume of disabled adaptations and extensions. The Council are currently recruiting for a new Disabled Adaptations Officer whilst the tenders for extensions and bathroom adaptations to Council properties are both due back in July. These delays has caused a reduction in expenditure for quarter one however, once the recruitment and tendering process has been completed, the scheme is likely to be accelerated through the rest of the year.   |
| Service Enhancements             | 349              | 87            | 6            | -81              | -93 | This budget covers the front door replacement programme including leaseholder properties, Oakwood Hill enhancements and mobility scooter stores. The door replacement programme for leaseholders is facing the same delays as the door replacement schemes in other categories. After consultation with members of the Oakwood Hill Estate Residents' Association (OHERA) it was agreed that the best use of the £400,000 funding (shared by EDFC and ECC) is to repair and resurface the whole footpath on the estate with slurry sealing rather than a full reconstruction on 25% of the estate; some of which are the responsibility of the District Council (un-adopted footpaths) and some the responsibility of the County Council (adopted footpaths). The designs & pre-works have been completed whilst the restoration works are expected to be completed by October. The housing assets team had identified Pelly Court as a potential site for the construction of a new Scooter Store, however the scheme became unviable after consultations with the residents with limited take up of the   |
| Work on HRA Leasehold Properties | -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.   |
| <b>Total</b>                     | <b>25,441</b>    | <b>6,419</b>  | <b>3,780</b> |                  |     |   |

**2018/19 DIRECTORATE CAPITAL MONITORING -  
REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE (REFCuS) AND CAPITAL LOANS**

| <u>REFCuS Scheme</u>      | 18/19            | First Quarter |              | 18/19 Variance   |   | <u>Comments</u>   |
|---------------------------|------------------|---------------|--------------|------------------|---|---|
|                           | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |   |   |
|                           | £'000            | £'000         | £'000        | £'000            | % |   |
| Parking & Traffic Schemes | 272              | 0             | 0            | 0                | 0 | The first phase review, which selected as its focus twelve roads in Loughton, is complete. The second phase of the review covers the larger Debden area and is due to take place during this financial year. A meeting was held last year to discuss the designs and potential locations around Debden Station. The consultation and Traffic Road Order (TRO) is being conducted by NEP in the second quarter of this financial year, which encompasses various marketing strategies including press notices. Time scales will depend on the quantity and severity of objections. As road lining does not normally take place between November and April due to weather constraints, it will depend on how soon the review is complete as to whether the works will proceed in this or the next financial year. Whilst the cost of the first phase was around £50,000, it is likely that the second phase may cost in the region of £150,000 to £200,000 as the area covered by the Debden review is much larger. |
| <b>Total</b>              | <b>272</b>       | <b>0</b>      | <b>0</b>     |                  |   |   |

| <u>Capital Loan Scheme</u>   | 18/19            | First Quarter |              | 18/19 Variance   |     | <u>Comments</u>  |
|------------------------------|------------------|---------------|--------------|------------------|-----|--|
|                              | Full Year Budget | 18/19 Budget  | 18/19 Actual | Budget Vs Actual |     |  |
|                              | £'000            | £'000         | £'000        | £'000            | %   |  |
| Private Sector Housing Loans | 217              | 54            | 1            | -53              | -98 | This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. Up to the end of quarter 1, £1,000 has been spent, although £9,500 are works were actually completed but yet to be invoiced; there is an additional £80,000 of approved cases where works are either on site or to go on site and be completed. |
| <b>Total</b>                 | <b>217</b>       | <b>54</b>     | <b>1</b>     |                  |     |  |



**2018/19 DIRECTORATE CAPITAL MONITORING -  
MAJOR SCHEMES**

| Housebuilding 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 Underspent to Date |
|                             |                      |                           |                      | £'000                        | £'000   | £'000           | £'000                      | £'000               | %   | £'000                              |
|                             |                      |                           |                      | (A)                          | (B)     | (C)             | (D)                        | (E)                 | (E-C)/Cx100                                     | (C-D)                              |
| Feb-16                      | Mar-18               | Mar-16                    | Jan-19               | 9,110                        | 2,465   | 11,575          | 8,586                      | 11,575              | 0%  | 2,989                              |

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 ; the contract commencing in March 2016 had a pre-tender forecast figure of £9,110,000 and was adjusted to a 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.

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, and other costings, were evaluated by Pellings, the Council's Employers Agents, and the variations the adjusted tender sum (£9,847,179) were agreed by Cabinet in April 2018 which included £680,000 for extension of time, £238,000 for numerous utilities and cable disconnections and reconnections, and further incidental variations amounting to £94,000.

The contractor has since verbally forecasted a further 20-week delay onto to contract time resulting in a new proposed finish date of January 2019. Pellings are currently evaluating any further liabilities that the Council may face, or any LADs that could be claimed if formalised.

The costs and dates highlighted in the report reflect the delays to the construction contract and an extension of time has been granted under the contract. Actual expenditure incurred to 30 June 2018 was £8,586,000, which includes an outstanding retention of £395,000.

| Housebuilding Phase 3       |                      |                           |                      |                              |         |                 |                            |                     |   |                                    |
|-----------------------------|----------------------|---------------------------|----------------------|------------------------------|---------|-----------------|----------------------------|---------------------|---|------------------------------------|
| 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 Underspent to Date |
|                             |                      |                           |                      | £'000                        | £'000   | £'000           | £'000                      | £'000               | %   | £'000                              |
|                             |                      |                           |                      | (A)                          | (B)     | (C)             | (D)                        | (E)                 | (E-C)/Cx100                                     | (C-D)                              |
| May-17                      | Sep-19               | Apr-18                    | May-20               | 7,502                        | 46      | 7,548           | 5,589                      | 8,301               | 10%   | 1,959                              |

Works across each of the Phase 3 house-building development sites commenced, based on the following:

| Scheme                       | Original Contract Sum | Anticipated Final Account | Variation % | Start Date | Duration | Initial Estimated Completion Date | Revised Estimate Completion Date |
|------------------------------|-----------------------|---------------------------|-------------|------------|----------|-----------------------------------|----------------------------------|
| Bluemans End                 | £753,034              | £815,826                  | 8.34%       | 02/05/2017 | 36 Weeks | 06/03/2018                        | Completed<br>26/03/2018          |
| Parklands                    | £716,757              | £765,241                  | 6.76%       | 18/04/2017 | 56 Weeks | 24/05/2018                        | 15/09/2018                       |
| Springfields & Centre Avenue | £1,408,126            | £1,596,043                | 13.35%      | 18/04/2017 | 60 Weeks | 21/06/2018                        | 15/09/2018                       |
| Stewards Green               | £752,340              | £861,643                  | 14.53%      | 22/05/2017 | 34 Weeks | 07/03/2018                        | 15/09/2018                       |
| London Road                  | £235,695              | £257,642                  | 9.31%       | 19/06/2017 | 36 Weeks | 07/03/2018                        | Completed<br>07/03/2018          |
| Centre Drive                 | £300,285              | £366,285                  | 21.98%      | 09/10/2017 | 36 Weeks | 13/06/2018                        | 30/09/2018                       |
| Queens Road                  | £2,320,493            | £2,692,776                | 16.04%      | 15/10/2018 | 82 Weeks | 11/05/2020                        | 11/05/2020                       |

The properties at Bluemans End and London Road were both completed in March 2018 providing 5 affordable housing units; the final account figure for both schemes will be produced half way through the defects liability period, in March 2019. The scheme at London Road has had increased costs in excess of the budget amounting to £17,406 due to the additional works, including additional fencing and landscaping works, and a provision of a photovoltaic system to assist in the heating of water, which ensured the property met the Sustainable Homes Level 4 code.

An agreement has now been put in place regarding the lease needed to divert power cables and reposition the electrical sub-station at the Queens Road site. However, the Council has recently received confirmation of asbestos which indicates further delays and costs to the scheme. The works to remove this asbestos will be instructed to take place before the contract with the developer is agreed; if there are no further delays, the start on site date for the construction works will commence in mid-October with a 82 week construction period.

The site at Stewards Green Road has also had delays due to the discovery of asbestos, cross contamination of the original site, and drainage issues. The cost implications for these works are not yet known as the works could be small in nature or may need a completely remediation of the site which could cause considerable delays and costs. Each of the sites at Parklands, Centre Avenue, Centre Drive and Springfields have had extensions of time certificate granted for their respective works. The estimated completion dates for all the sites date have been revised to September 2018. Actual expenditure incurred to 30 June 2018 was £5,589,000, which includes outstanding retentions of £159,000 and outstanding contract sums of £168,000.

**2018/19 DIRECTORATE CAPITAL MONITORING -  
MAJOR SCHEMES**

| <b>Hillhouse Leisure Centre</b>   |                      |                           |                      |                              |         |                 |                            |                     |   |                                    |
|---|----------------------|---------------------------|----------------------|------------------------------|---------|-----------------|----------------------------|---------------------|---|------------------------------------|
| 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 Underspent to Date |
|   |                      |                           |                      | £'000                        | £'000   | £'000           | £'000                      | £'000               | £'000   | £'000                              |
|   |                      |                           |                      | (A)                          | (B)     | (C)             | (D)                        | (E)                 | (E-C)/Cx100                                     | (C-D)                              |
| Jul-17  | Nov-18               | Jul-17                    | Nov-18               | 9,818                        | 0       | 9,818           | 6,465                      | 10,007              | 0   | 3,353                              |
| <p>In December 2014, the Council adopted a new Leisure and Cultural Strategy, which identified future need and the role that the District Council should play in the provision of opportunities for people to lead healthier lives, contribute to community wellbeing and provide social cohesion. At that time, leisure provision by the District Council primarily focused on four Sports/Leisure Centres at Ongar, Epping, Waltham Abbey and Loughton.</p> <p>The Council decided to replace the Waltham Abbey swimming pool, which had exceed its design life. A project team involving representatives from the District Council, Essex County Council and NHS England developed designs for a new community hub, comprising of a new leisure centre, health centre and independent living scheme for the elderly at Hillhouse. Outline planning permission for the whole community hub was granted on 30th November 2016 and in December 2016, Cabinet agreed to award Places for People Leisure Management Ltd preferred bidder status with an approved contract sum of £9,818,000.</p> <p>The facility specification included 80 station gym &amp; work out studios, a 6 lane x 25m main pool and teaching pool and a community room (including a café and pooling viewing area). The contract commencement date was 17th July 2017 with a contract period of 70 weeks. The building works at the new centre is on schedule despite lost days due to severe winter weather, utility supplier issues and multiple changes to the original specifications. The anticipated opening date for the centre remains as 20th November 2018. The additional works and changes to the specification, including the construction of a steam room and sauna, improvement works in the public realm, electric vehicle charging points, digital marketing screens and enhanced CCTV coverage, have meant that costs are expected to increase. A report will be submitted to Cabinet in October outlining the need for an additional £189,300 to supplement the scope changes and other unforeseen expenses.</p>   |                      |                           |                      |                              |         |                 |                            |                     |   |                                    |
| <b>Loughton Leisure Centre</b>  |                      |                           |                      |                              |         |                 |                            |                     |   |                                    |
| 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 Underspent to Date |
|   |                      |                           |                      | £'000                        | £'000   | £'000           | £'000                      | £'000               | £'000   | £'000                              |
|   |                      |                           |                      | (A)                          | (B)     | (C)             | (D)                        | (E)                 | (E-C)/Cx100                                     | (C-D)                              |
| Jan-18  | Aug-18               | Jan-18                    | Aug-18               | 3,018                        | 0       | 3,018           | 1,010                      | 2,947               | 0   | 2,008                              |
| <p>As part of the new Leisure and Cultural Strategy, improvement works to Epping, Ongar and Loughton leisure centres were also approved by Members. Improvement works to the Loughton leisure centre commenced on 19th January 2018 and included developing a brand new two-story, 150-station gym area; renovating the changing village; demolishing the crèche area "Octagon" building; re-designing the original gym into two studios, and re-designing the reception and customer viewing areas.</p> <p>Works commenced on 12th February 2018 with the demolition of the "Octagon" building. There were initial difficulties with live power cables discovered beneath the 'Octagon' building however, these were resolved without delaying the work. The refurbishment to the changing village started on 23rd April and took approximately 16 weeks to complete. The scope of the work to the changing village included more family changing cubicles, new lockers, better disabled facilities, new LED lighting and a new-and-improved shower area. The replacement of the changing village was phased to minimise disruptions to the centre users and to continue to access the pool facilities. Inevitably this led to an increase in complaints about cleaning but the contractor has revised the cleaning schedules to keep the problem to a minimum.</p> <p>The planned works within the original scope at Loughton Leisure Centre (LLC) progressed according to schedule and are expected to ultimately show a saving of £125,000. There are however additional costs from works outside the original specification amounting to £53,500, including additional security measures to combat a rise in criminal incidents and an air conditioning upgrade. A report will be submitted to Cabinet detailing these costs with a recommendation that the net effect of this (£71,500) is reduced from the current budget at LLC and transferred to cover the additional costs relating to Epping Leisure Centre (ELC) as indicated in Annex 8.</p> <p>The refurbished centre re-opened on 16th August 2018 with a formal opening ceremony scheduled for Saturday 8th September 2018 at the time of writing.</p> |                      |                           |                      |                              |         |                 |                            |                     |   |                                    |