

2018/19 DIRECTORATE CAPITAL MONITORING -
BUSINESS SUPPORT SERVICES

Scheme	18/19	Third Quarter		17/18 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
ICT General Schemes	16	16	9	-7	-44	The ICT schemes have now been split between general ICT schemes and schemes specific to the ICT strategy implementation. The only remaining scheme within this section relates to the upgrade of the Northgate Aspire Mobile Working which will help support the delivery of efficient and effective services including the ability to process live food hygiene reports around the District's restaurants. This scheme has faced considerable delays due to software issues; the unspent budget of £8,000 will be carried forward for completion early in the next financial year.
ICT Strategy Implementation	495	367	319	-48	-13	The schemes within the ICT strategy, which represent the Council's vision of transformation and home working solutions, have progressed throughout the year with so many schemes ongoing there have inevitably a few delays. However, progress has been made with many of the schemes completed including the home use Softphone implementation, the Gazetteer replacement, the purchase of HOTH licence, Sharepoint collaboration, and laptop and android rollout, purchase of desktop equipment and replacement of an AO sized plotter for planning use. The scheme to patch the host servers, which will create more memory and disk space to the current servers has begun, as has the implementation of the portal integration system which will link many systems together and allow the public access to them with a single sign-in. The replacement of the debtor system has been delayed due to the uncertainty surrounding the restructure, whilst the schemes to upgrade the uninterrupted power supply and the procurement of desktop equipment at Oakwood Hill depot to accommodate the Housing Assets team will not be completed in 2018/19 after the move was delayed; final costs will depend on the number of staff requiring accommodation. As reported within the Capital Review, the nature of the current situation with regard to the accommodation review has had significant implications for the rollout of ICT projects previously planned in the ICT Strategy. In order to be prudent and avoid expenditure which in the long term may not be necessary, some projects, which were anticipated to take place during this financial year have been deferred to 2019/20, pending a review. These include Academy portal integration, Remote support tools, OHMS housing system portal, Assure, Academy & Elections Gazetteers, M3 migration and E-mail outsourcing implementation, totalling around £105,000. Many of those schemes may still be deemed necessary, but their feasibility will depend on other projects coming to fruition and the details of the accommodation review.
Total	511	383	328			

2018/19 DIRECTORATE CAPITAL MONITORING -
COMMERCIAL & REGULATORY SERVICES

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
St Johns Road Development	475	0	0	0	0	Since the Council purchased the former junior school site from Essex County Council, it has incurred costs in monitoring the security of the vacant site which has attracted anti-social behaviour and attempted incursions. In order to mitigate these costs and on the assumption that the site will still be developed for an alternative scheme, the development project team agreed that the current unoccupied buildings should be demolished, with the exception of the buildings highlighted as of heritage value within the Local Plan site specific requirements. The demolition will be subject to the necessary planning requirements. In October 2018, Cabinet agreed a budget of £475,000 for these works which would include an outline business case for the development site, consultancy and the actual demolition. Although there are currently various planning issues relating to the listed building status of some of the buildings on the site, it is hoped that demolition will commence in May 2019.
Waltham Abbey SP Development	275	138	0	-138	-100	The old Waltham Abbey Swimming Pool closed when the new site in Hillhouse opened in November 2018. Although there is currently no agreement on the potential sale of the site at Roundhills, the site has been handed over to Essex Homes with demolition of the centre commencing in February and a lead-time of eight weeks.
Epping Forest Shopping Park	482	222	52	-170	-76	The construction of the Shopping Park was completed in June 2017 and all twelve units are successfully let. The remaining allocation, including the supplementary agreed by Members, relates to outstanding costs including letting agent's fees, legal costs for the production of heads of terms, capital payments to tenants and variations in the final account. The variations included installing an attenuation tank after some of the drains were blocked or had collapsed, repairs to the roof of the amenity block, and various other remedial works which are continuing to be highlighted throughout the defect period. The Council is looking at recovering some of these costs from the retention held. The final three units were let earlier in the year; all capital payments have been made to tenants apart from a final payment to the last retailer to take up tenure. There were various complications with the leasing agreements due to S278 delays, costs to ratify the agreement for leasing resulted in an additional legal fee of £18,000 whilst the letting fees, based on 15% of the rental value of the units, has been under budgeted by £19,000 which will result in an overspend on professional fees.
Accommodation Project	25	13	0	-13	-100	A report was submitted to Cabinet in December 2018 on the Accommodation Review when an in-principle decision was made to relocate back office functions to a new building on Council-owned land at North Weald and provide for a mix of alternative uses for the current Civic Offices. An allocation of £425,000, phased £25,000 within the 2018/19 financial year and £400,000 in 2019/20, was approved to proceed to full design and build specifications for the proposed new offices at North Weald; it was met from existing budgets within the on-hold facilities management programme. However it is unlikely that all initial research and planning costs anticipated in 2018/19 will proceed as expected therefore any unspent balances will be carried forward into the next financial year.
Oakwood Hill Depot	0	0	4	4	0	Following the completion of building works at Oakwood Hill depot in 2017, there have been unanticipated additional legal costs of £4,200 which represented 3% of the difference between the estimated and final actual costs of development.
North Weald Airfield	16	16	16	0	0	After planning permission was refused for an extension of the North Weald 240 Building to accommodate a vehicle compound, the budget was utilised to install an automated gate at the Airfield after concerns were expressed regarding safety and security due to instances of unauthorised access.
Total c/f	1,273	389	72			

**2018/19 DIRECTORATE CAPITAL MONITORING -
COMMERCIAL & REGULATORY SERVICES**

Scheme	18/19	Third Quarter		18/19 Variance			Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual			
	£'000	£'000	£'000	£'000		%	
Total b/f	1,273	389	72				
Landmark Building Development	140	134	55	-79		-59	The Council entered into a 153-year lease with a private developer, Higgins, to provide a mixed-use development of retail, food and drink units on the ground floor with sixty-four residential units over the six floors above on the former Sir Winston Churchill public house site. The five investment units on the ground floor have now been handed over and the Council is incurring costs to modify the units and let them to potential tenants. Currently, one unit has been let with another being close to signing. Expenditure of £55,000 so far has related to legal, surveys, consultancy fees and initial works. The remaining costs are allocated to let the remaining units, build separation walls and pillars, and all other works to bring the units into operation. There have been some changes to internal specifications, including two units being swapped to accommodate the their services needs. It is anticipated that only one tenant will begin trading in the development by the end of the financial year.
Hillhouse S106 Contribution	137	0	0	0		0	The Council entered into a Section 106 agreement along with Essex County Council to provide compensatory facilities as the development of the new Leisure Centre and Independent Living Scheme at Hillhouse meant a loss of sports pitches within the area. The preliminary strategy identified the improvement of pitches at Town Mead as a suitable option for meeting the statutory requirements. However, it is likely that it will take a further three months to obtain planning permission for the alternative facility, and therefore the budget will be carried forward into the next financial year.
Total	1,550	523	127				

COMMUNITY & PARTNERSHIP SERVICES

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
CCTV Systems	41	20	27	7	35	Progress has been made on three CCTV schemes planned for implementation within the financial year. Following lengthy delays due to the complexity of the designs, planning permission was granted in August for the replacement and extension of the current nine camera system along Epping High Street which will provide an additional twenty one cameras to previously unmonitored zones. The invitation to tender has been rescheduled for February and incorporates a strategy to decrease the current street furniture by amalgamating the CCTV columns with road signs. The commissioning date for this system is likely to slip into the 2019/20 financial year in which case the allocation will be carried forward. The new CCTV system covering Hillhouse Leisure Centre and the adjoining car parking area is now operational; however, a small overspend was reported due to the original columns not meeting specifications to hold the system. A further new system at Hillhouse which overlooks the Hillhouse shopping parade and housing estate was also commission in quarter three with approximately a third of the CCTV cameras being recharged into the relevant HRA budget.
Car Park CCTV Systems	24	16	14	-2	-14	The new system at Quaker Lane car park was commissioned in August at a final cost of £13,600. The installation of CCTV cameras at Bakers Lane and Cottis Lane car parks are scheduled to take place during the fourth quarter of the financial year, however the combined budget of £10,000 has proved inadequate as tenders for both amounted to £24,000, resulting in an anticipated overspend of around £14,000.
Total	65	36	41			

2018/19 DIRECTORATE CAPITAL MONITORING -
CONTRACT & TECHNICAL SERVICES

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Epping Sports Centre	313	313	289	-24	-8	The works to renovate the Epping Sports Centre which included the conversion of two squash courts into a movement studio, the extension of the fitness suite, and the changing room refurbishment is now complete with only the replacement sports hall floor and remedial works outstanding. Further issues have been identified after the roof started leaking; a temporary measure of flooding the roof with resin bond will extend the building's use until the proposed opening date of the new leisure centre, however if that scheme does not proceed, a more permanent solution will need to be implemented. These, and any further, unexpected costs could be covered by a contribution the Council is expecting to receive in relation the leisure contract.
Hillhouse Leisure	5,078	3,826	5,186	1,360	36	Please see the major scheme tab for details of this scheme.
Loughton Leisure	2,412	1,838	1,583	-255	-14	Please see the major scheme tab for details of this scheme.
NW Gymnasium Redevelopment	90	0	0	0	0	The Gymnastics Centre located at North Weald Airfield was established in 1986 for the purpose of providing a centre of excellence for gymnastics, catering for children and young people from the district and surrounding area. It is now in a poor state of repair and investment is needed to undertake essential building works and replace the ageing equipment. Due to the lack of investment and commitment to developing gymnastics by the previous tenant, notice was given to vacate the premises when their lease came up for renewal in December 2018. Members approved a bid to invest £240,000 in the facility, phased across 2018/19 and 2019/20; however, due to delays on the scheme the allocation held will not be spent by the end of the financial year. The Council are continuing the efforts to find a new tenant with expressions of interest in the facility currently being sought from gymnastics clubs.
Other Schemes	213	164	161	-3	-2	Earlier in the financial year, the grounds maintenance team took delivery of six new ride-on mowers to replace an ageing fleet which was traded in for £26,500. The remaining budget is being utilised to purchase a new truck at an anticipated cost of £32,000. At the old Bobbingworth tip site, works commenced during the third quarter to replace the main control unit and pumps after an unanticipated failure. The Council is currently awaiting the invoice for the costs of equipment and labour for the rectification works which fell inside the allocated budget.
Car Park Schemes	35	15	15	0	0	Across the District there are twenty Council-owned car parks which are being upgraded to include LED lighting. Last year the car parks at Cornmill, Darby Drive and Traps Hill were all completed followed by Quakers Lane car park this financial year. However, the scheme has encountered delays in delivering LED lighting to the remaining car parks due to the difficulty finding a contractor who will both source and supply the LED equipment and carry out the installations. To rectify the situation, a Cabinet report was approved by the Safer, Greener and Transport portfolio holder in November requesting further capital investment to appoint a consultant who will see the project through to its conclusion; the tender process for this scheme is likely to slip into the next financial year. Two separate planning applications were approved to demolish a small enclosed area and twenty-two garages to extend Vere Road car park by forty-one parking bays. Within the original specification only thirty spaces were identified and therefore the works for the additional eleven bays were not originally budgeted for. The budget was revised within the Capital Review to reflect the need for additional resources for these works, including the anticipated additional costs relating to asbestos found within the garages. The Council is currently in discussions with the Corporation of London to mitigate any potential increases in the levels of emission within the area; the scheme is now on-hold until a resolution can be made and the demolition works are now likely to slip in 2019/20.
Total	8,141	6,156	7,234			

2018/19 DIRECTORATE CAPITAL MONITORING -
HOUSING & PROPERTY SERVICES

Scheme	18/19	Third 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	54	17	-37	-69	The relocation of staff into Town Mead depot has been delayed due to the ongoing discussions around the sale of the Pyrles Lane site. The original plan of erecting two steel sheds with installation of amenities eventually proved too expensive at over £100,000; therefore, the plan has been amended to refurbish the existing property, using the facilities management team to carry out the refurbishment as opposed to external contractors. A planning application was approved for modification works and extensions to the existing building and works are now progressing well and are expected to be complete in time for the relocation.
Works On Investment Properties	166	59	49	-10	-17	The roof improvement works to an investment property in the Broadway and the replacement gutters and drainage works at Oakwood Hill have all been completed within budget. A substation is being installed at North Weald Airfield to accommodate the additional electrical supply needs of the National Police Air Service (NPAS) and Essex & Herts Air Ambulance, as the current infrastructure provisions are inadequate. Complications have been identified relating to the cabling works and an additional cost of around £8,500 is anticipated to reroute the cabling for the substation. The overspend here could be offset by savings made within the planned maintenance category, whilst under the lease agreements and heads of terms two thirds of the substation cost will be recovered from the tenants.
Active Planned Maintenance	241	142	125	-17	-12	There have been various schemes for planned maintenance taking place this financial year across the Council's assets that do not fall under the Accommodation Review. Within the Civic Offices, new distribution boards and a fire detection warning system have been procured and are continuing to be installed across the offices. The Council has completed the conversion works to the former VAEF location into meeting rooms, the window replacement at the North Weald Gatehouse and installed electric vehicles stations within the Civic Office car park. The project to re-roof and refurbish chimneys and stacks at Waltham Abbey Museum is also complete despite presenting challenges relating to asbestos and the listing of the property; further savings to those reported in the Capital Review have been made on this scheme due to a competitive tendering process. The upgrade to the new Sateon system, which controls access to the civic office building, is now complete which also provides a more secure and automated method of recording external visitors. However, trials to test the effectiveness of heating controls for sheltered accommodation from the Council offices have not been successful and are under review.
Housing Estate Parking	19	9	19	10	111	The off-street parking schemes undertaken on Council-owned land is jointly funded between the HRA and General Fund. The scheme is currently under review with more information provided within appendix (14C).
Total	533	264	210			

2018/19 DIRECTORATE CAPITAL MONITORING -
HOUSING REVENUE ACCOUNT

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year	18/19	18/19	Budget Vs Actual		
	Budget	Budget	Actual			
	£'000	£'000	£'000	£'000	%	
Housebuild Phase 1	-26	-26	-26	0	0	Council took possession of twenty-three properties across four sites in Waltham Abbey in November 2017; these properties are currently in the defects liability period lasting two years. The minus £26,000 budget represents the savings the Council forecasted within the Capital Review as a result of receiving a payment of £66,000 from Broadway Construction's administrators after the company went into liquidation. However, it has become apparent since approving this budget that there has been a miscommunication relating to the final retention payments of £116,000 which have not taken into account and therefore an overspend will be reported in the outturn statement. The latest estimate of the final account for the P.A. Finlay contract is £3,572,732. The full twenty-four-month defect period comes to an end in October 2019 with the Council were holding a retention of £116,000 as at 31st December 2018; £71,000 will be released within quarter 4.
Housebuild Phase 2	4,308	3,231	2,992	-239	-7	Please see major scheme tab for details on this scheme.
Housebuild Phase 3	2,410	1,808	1,386	-422	-23	Please see major scheme tab for details on this scheme.
Other Housebuilding	920	690	197	-493	-71	Following the decision made by East Thames to terminate its contract after four-years as the Council's Development Agent, a new approach of creating a framework of consultants was developed to deliver phases 4 to 6 of the house-building programme, which will provide 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 schedules of works are now proceeding on the sites that have current planning approval. The pre-tender works such as site investigations, remediation works and demolitions have now begun, with the tenders being sent out after these works have been completed. The start on site date will be determined on receiving suitable tenders, but the Council is expected to commence works by September 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 at a later date to those approved. On the 18th May 2018 Linden Homes transferred the possession of eight 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. Linden Homes' low performance in customer care has led to EDFC looking to take on the defect works and recovering some, but not all, of the costs from the retention held. The final account for this site is expected to be submitted in May 2019, with the budget for this scheme being revised as part of the Capital Review to reflect the overspends due to additional works outside the original specification and the defects mentioned. Finally, TSG has been selected as the contractor for the installation of the Norway House Pods project. All pre-construction works infrastructure works, including ground and drainage works have been completed whilst the delivery of pods is expected in late February. Once the pods have been delivered, the connection and snagging works will proceed; it is now anticipated that the pods will be operational by the end of the financial year if no major issues are reported on delivery.
Kitchen & Bathrooms	1,551	1,163	1,069	-94	-8	A new contractor has been appointed for the combined kitchen & bathroom replacement schemes. However, the schemes are still showing an 8% overall variance due to reoccurring issues with tenants being in arrears; this trend is expected to continue and is anticipated to be underspent at the end of the financial year.
Total c/f	9,163	6,866	5,618			

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

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year	18/19	18/19	Budget Vs Actual		
	Budget	Budget	Actual			
	£'000	£'000	£'000	£'000	%	
Total b/f	9,163	6,866	5,618			
Oakwood Hill Depot Extension	545	272	17	-255	-94	The expansion of the depot located at Oakwood Hill to accommodate the Welfare, DLO and Grounds Maintenance teams is continuing to progress. The Oakwood Hill depot extension works are now out to tender after the consultants completed the concept designs and issued a pre-tender estimate for the build. The construction works will provide an additional office, material store, canteen facilities and external storage facilities, with the detailed plan also adapting variations to the original specification including electronic barriers due to break-ins and security issues at the depot. The estimated completion dates for these works is now October 2019, but is also subject to planning permission being granted for the construction of a new car park to facilitate the increased number of employees at the depot. The amended planning application for this car park will be presented at full Council after the original application was rejected at Plan South and DDMC. In light of the feedback received some changes to the application have been made to include a reduction of two parking bays, provide a grasscrete construction, electric charging bays, the inclusion of three additional trees to be planted and suitable lighting added.
Heating & Rewiring	1,887	1,415	1,364	-51	-4	During the Capital Review, which was approved by Cabinet in December 2018, all housing schemes were assessed and revised in line with expected spend to the end of the 2018/19 financial year. The heating and rewiring category is now showing a minor 4% variance after a reduction of £472,000 within the review. The rewiring scheme is showing the biggest variance of the category with the electric testing and rewiring contract currently awaiting portfolio approval. The planned work within the year for gas heating on the Council's sheltered housing schemes was completed in quarter three, whilst an additional contractor has been appointed for the adhoc heating works and is likely to increase the amount of gas heating works across the Council's properties in 2019/20 and going forward. The planned electric heating installations have now come to an end with a slight overspend showing against the expected budget. Although this scheme has been completed, approximately forty properties declined the installations and decided to remain with the old electric storage or radiators; these works will be commissioned when the properties become void.
Windows, Doors & Roofing	2,305	1,729	1,408	-321	-19	The tiled and flat roofing work to the Council's HRA properties is showing a major variance within the category due to a combination of tendering delays and outstanding invoices. After completing the works to the flat block at the Cobdens in the last quarter, a large area of houses in Pancroft have been identified and works are expected to start within the next quarter. The double glazing contract tender process has been completed but authorisation has been delayed until April Cabinet; to combat any delays within the programme, the current contractor is continuing with the planned works until this decision has been made. All replacement door schemes have been delayed due to issues around manufacturers compliance with FD30 regulations. Although this does not affect the Council's properties directly, the manufacturers are not currently producing composite doors for installation; the Council is purchasing the more expensive wooden core FD30 where necessary, however the planned programme has been put on hold until the situation is resolved.
Structural Schemes	2,475	1,856	1,633	-223	-12	The Council has seen a rise in structural works expenditure over the past three years due to the properties becoming old, problems with trees, subsidence and cracks in plaster and walls becoming an issue. Although an underspend of 23% was reported within the quarter two Members' report, £574,000 has been spent on works carried out in quarter 3 and the budget variance has now swung to showing an 8% overspend at month 9. The installation of new lifts at Limes Farm and Copperfield are progressing well, with four of scheme now operational. It is likely that one of the schemes will slip into the next financial year, with a revised practical completion date set for April 2019.
Total c/f	16,375	12,138	10,040			

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

Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	16,375	12,138	10,040			
Other Planned Maintenance	135	101	79	-22	-22	This category includes Norway House improvements, door entry system installations and energy efficiency works. Norway House improvements are ahead of schedule with the installation of a new intruder alarm, bathroom improvements and new CCTV equipment. Door entry improvements works at Hillhouse and Neal Court have been completed; however, works for new entry systems were rejected after consultation with tenants at Hilltop Courts. Two works orders for Etheridge Road and Paley Gardens have been issued, whilst upgrades to all Council owned sheltered housing locations have been identified to allow quick access to the fire service; all works are expected to proceed within the next quarter.
Garages & Environment Works	532	391	366	-25	-6	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 only been limited spend on garages relating to reinforcing walls and garage doors outside the scope of development land. All costs relating to demolishing and securing the sites will continue to be charged to the housebuilding schemes as per the CIPFA guidance. The budget for estate environmental works scheme was revised as part of the Capital Review to reflect the costs arising from changes to bin requirements. With these changes the Council are continuing to construct new bin stores and also add ramps to others. The replacement CCTV system at Norway House was completed earlier than anticipated with a significant increase in the number of cameras and equipment utilised at the site, amid security concerns. The tender for the replacement system at Limes Farm Red Block has been advertised after the design works were completed, it is expected that works will be complete by the end of the financial year although slightly over budget. The CCTV installations planned for the lifts in the three blocks in Limes Farm sites have been phased when the lifts themselves become operational (see Structural Schemes); the majority of the installations should be completed by the end of the financial year, apart from one shaft that will not be installed until the lift becomes operational in April.
Disabled Adaptations	487	365	332	-33	-9	Council has recruited a Disabled Adaptations Officer whilst the contractors for extensions and bathroom adaptations to Council properties have both been appointed. Although the vacancy and tendering process delayed the scheme in the first half of the year, works have been accelerated and the scheme is now only showing a 9% variance at month 9 compared to a 32% variance reported in quarter 2.
Other Repairs & Maint	315	236	214	-22	-9	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 budget for asbestos detection and removal was revised as part of the Capital Review to reflect the increasing levels of expenditure. The cause of this rise has been linked to the increased structural repairs the Council are currently experiencing and has led to additional costs to remove asbestos when found in Council properties.
Total c/f	17,844	13,231	11,031			

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	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Total b/f	17,844	13,231	11,031			
Service Enhancements	229	29	62	34	119	This budget covers the front door replacement programme including leaseholder properties, Oakwood Hill enhancements and mobility scooter stores. The door replacement programme for leaseholders has been put on hold for the reasons indicated in the Windows, Doors and Roofing category. 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 EFDC 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). These works were completed in October, however ECC have not yet invoiced the Council. The procurement of new investment appraisal software which will enable the detailed management of financing of the housebuilding programme was purchased within quarter three.
Replacement Housing Vehicles	68	68	60	-8	-12	Four replacement housing repairs vans were delivered within quarter 3 to replace an aging fleet. A contribution will be paid in quarter 4 to procure a new Handyperson van after their vehicle became unviable.
Work On Hra Leasehold Prop (Cr)	-76	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	18,065	13,328	11,153			

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

REFCuS Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Biffa Recycling Facility	200	200	200	0	0	The Council entered into a ten-year contract with Biffa in November 2014, which can be extended by another ten years. At the April Cabinet, Members considered a report from the Environment Portfolio setting out the difficulties arising from the Chinese Government decision to ban the import of paper produced by Material Recycling Facilities (MRF) in the U.K. This decision forced Biffa into improving their Edmonton MRF where Epping Forest recycles materials. As part of these works, Biffa requested the Council contribute to these costs of £841,000 based on the level of recycling within the contract and based on the remaining six years of the contract. To avoid the recycling wastes around the District ending up in landfill and putting further significant financial pressures on Biffa, Members agreed to a compromised contribution of £500,000 consisting of a one off capital payment of £200,000 and six yearly instalments of £50,000 to ensure stability of the waste management contract and guarantee end use of recycling materials collected in the District. The capital contribution was made in November 2018.
Jack Silley Pavillion	210	210	210	0	0	In 2013, Members agreed a Section 106 contribution of £225,000 to be used to improve and redevelop sports and leisure facilities at Stonards Recreation ground in Epping. The contribution arose as a result of the development of the new secondary school in Epping to compensate for the loss of playing fields and was to be used to develop new or improved existing facilities within Epping. Improvement works to the Jack Silley Pavilion was identified with extensive works carried out including reroofing, changing room refurbishment and a café extension. The contributions across the 2017/18 and 2018/19 financial years have amounted to £233,000, an increase of £8,000, due to inflation since the contribution was agreed, which was fully financed from S106 monies.
Parking & Traffic Schemes	60	0	0	0	0	Having completed phase one of the parking review in the Loughton area in 2017/18, the review has now moved on to phase two within the Debden area, larger both geographically and by population. Resident's responses are being collated by NEPP after the Traffic Road Orders (TRO) were advertised late in 2018. Any arising issues from these consultations will be evaluated by Members and consideration given to whether any amendments to the parking review are required. Due to the complexity and time-consuming nature of the consultations, it is expected that all signing and lining works will be carried out by the end of autumn 2019, weather permitting.
Total	470	410	410			

Capital Loan Scheme	18/19	Third Quarter		18/19 Variance		Comments
	Full Year Budget	18/19 Budget	18/19 Actual	Budget Vs Actual		
	£'000	£'000	£'000	£'000	%	
Private Sector Housing Loans	120	90	57	-33	-37	This scheme offers discretionary loans to provide financial assistance for improving private sector housing stock. After amendments were made to the Housing Assistance Policy, which forms part of the overall Housing Strategy 2017-2022, applications for private sector housing loans have reduced. Up to the end of quarter three, £57,000 has been spent on repayable assistance, with an additional £44,000 of approved cases where works are either on site or to shortly go on site.
Total	120	90	57			

2018/19 DIRECTORATE CAPITAL MONITORING -

MAJOR SCHEMES

Hillhouse Leisure Centre										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Actual Opening Date	Original Pre-Tender Forecast £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget	Approved Budget Underspent to Date £'000
				(A)	(B)	(C)	(D)	(E)	(E-C)/Cx100)	(C-D)
Jul-17	Nov-18	Jul-17	Nov-18	9,818	134	9,952	10,060	10,082	1.31%	-108
<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. 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. The facility specification included eighty station gym & work out studios, a six lane x 25m main pool and teaching pool and a community room (including a café and pool viewing area). The contract commencement date was 17th July 2017 with a contract period of seventy weeks. 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 resulted in increased costs, partly covered by compensatory savings but a remaining requirement for £148,000 was approved by Cabinet in November 2018 to supplement the scope changes; £14,000 has been used to increase the CCTV budgets in Community & Partnership . The expenditure in excess of the budget that was not covered by supplementary allocation is expected to be covered by savings identified at Loughton Leisure Centre. The remaining minor works for new railings, landscaping and reorganisation of the plant room are expected to cost in the region of £15,000. The centre opened on schedule in November 2018 and is proving popular with customers. With around 450 more memberships than anticipated, the Council could benefit from a surplus share clause that triggers in the third year of operating should this trend continue.</p>										

Loughton Leisure Centre										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Actual Opening Date	Original Pre-Tender Forecast £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget	Approved Budget Underspent to Date £'000
				(A)	(B)	(C)	(D)	(E)	(E-C)/Cx100	(C-D)
Jan-18	Aug-18	Jan-18	Aug-18	3,018	-72	2,946	2,117	2,816	-4.41%	829
<p>As part of the new Leisure and Cultural Strategy, improvement works to Epping Sports Centre (ESC), Ongar and Loughton Leisure Centres (LLC) were also approved by Members. Improvement works to the LLC 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 sixteen 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 LLC progressed according to schedule were originally forecasting a saving of £125,000. There were 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 to the Leisure and Community Services portfolio was submitted detailing these costs with the result that the net effect that £71,500 was reduced from the Loughton Leisure Centre budget and transferred to cover the additional costs relating to Epping Sports Centre; later anticipated savings on this scheme will be used to cover the additional costs at Hillhouse.</p> <p>The refurbished centre re-opened to the public in August 2018 with a formal opening ceremony in September. Works will continue post opening the centre including the extension to the front of the centre, improvements to the reception area, replacement flooring and plans to install a new Combined Heat & Power (CHP) to allow the centre to become more energy efficient. Whilst building designs for the installation of the CHP are being drawn up and other works are currently being planned, it is unlikely that the majority of these works will slip into the new financial year.</p>										

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 £'000	Updates £'000	Approved Budget £'000	Actual Expenditure to Date £'000	Anticipated Outturn £'000	Variance Anticipated Outturn to Approved Budget	Approved Budget Underspent to Date £'000
				(A)	(B)	(C)	(D)	(E)	(E-C)/Cx100	(C-D)
Feb-16	Mar-18	Mar-16	Jul-19	9,110	2,617	11,727	10,427	11,728	0.00%	1,300
<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; 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.</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 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 an extension of time was granted taking the completion date to 25 June 2018 and the anticipated contract sum to £10,534,355. The extension of time included a loss and expense sum of £680,000 comprising of: £443,000 for the contamination remediation works; and £237,000 for numerous utilities and cable reconnections.</p> <p>The contractor subsequently forecasted a further 20-week delay onto the contract time with a new proposed finish date of January 2019 and a further increase in the contractor's sum to £10,851,761 for works relating to the service utility costs, offsite work and contaminated material and remediation due to the extent of the works being greater than first expected. This brings the total anticipated expenditure, including fees, to £11,728,000 which was included in the figures agreed as part of the December 2018 Capital Review.</p> <p>On the 17th August an equipment failure led to hot tar overheating and catching fire; the fire began on the third-floor roof of the four story block of 19 apartments before spreading and was contained in the third and fourth story. The site was still being constructed and none of the units had tenants living in them. The main damage was to the windows and doors of the third and fourth stories, none of the utility installations had any damage to them. Although it was anticipated that there would be no further delay to the 17 town houses and the block of 15 apartments that were not affected by the fire, the contractors have advised the Council the handover of these units will be delayed until the first weeks of April due to delays in connecting the statutory services; although this date is dependant on the service providers' performance. The electrical impact of not having the connections is having a direct influence upon the houses due to the drainage pumps still requiring electrical connection. The block of 19 apartments with fire damage will fall behind schedule and is likely to be ready for handover in July 2019. The liability of this damage lies with the contractor and the Council are not expecting any further costs relating to this damage. The costs and dates highlighted in the report reflect the delays to the construction contract and an extension of time that has been granted under the contract. Actual expenditure incurred to 31st December 2018 was £10,427,000 which includes an outstanding retention of £456,000 and committed costs of £7,000 for professional fees.</p>										

2018/19 DIRECTORATE CAPITAL MONITORING - MAJOR SCHEMES

Housebuilding Phase 3										
Original Start on Site Date	Original Finish Date	Actual Start on Site Date	Proposed Finish Date	Original Pre-Tender Forecast £'000 (A)	Updates £'000 (B)	Approved Budget £'000 (C)	Actual Expenditure to Date £'000 (D)	Anticipated Outturn £'000 (E)	Variance Anticipated Outturn to Approved Budget (E-C)/Cx100	Approved Budget Underspent to Date £'000 (C-D)
May-17	Sep-19	Apr-18	May-20	7,502	606	8,435	6,365	8,475	0.5%	2,070

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	£890,000	18.19%	02/05/2017	36 Weeks	06/03/2018	Completed 26/03/2018
Parklands	£716,757	£766,349	6.92%	18/04/2017	56 Weeks	24/05/2018	Completed 10/10/2018
Springfields & Centre Avenue	£1,408,126	£1,650,655	17.22%	18/04/2017	60 Weeks	21/06/2018	Completed Centre Avenue - 26/11/2018 Springfield 07/01/2019
Stewards Green	£752,340	£852,921	13.37%	22/05/2017	34 Weeks	07/03/2018	Completed 13/12/2018
London Road	£235,695	£262,508	11.38%	19/06/2017	36 Weeks	07/03/2018	Completed 07/03/2018
Centre Drive	£300,285	£374,613	24.75%	09/10/2017	36 Weeks	13/06/2018	Completed 08/11/2018
Queens Road	£2,320,493	£2,723,115	17.35%	15/10/2018	82 Weeks	11/05/2020	06/07/2020

The properties at Bluemans End and London Road were both completed in March 2018 providing five affordable housing units; the final account figure for both schemes will be produced half way through the defects liability period, in March 2019. The budget for the scheme at London Road had been revised in the Capital Review due to 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.

The scheme at Queens Road has seen multiple delays and increased costs due relating to diversions of power cables, repositioning election sub-stations and identification of asbestos contaminated grounds. Works on the substructures and foundations have, however, commenced in quarter three after all ground remediation works were completed; furthermore the main contracted works will begin in January with a 18-month build expected. The site at Stewards Green Road has been completed but had also faced delays due to the discovery of asbestos, cross contamination of the original site, and drainage issues. After completing soil tests, results indicated that any asbestos found within the gardens was within the tolerable limits and therefore full remediation works within the gardens were not needed; saving the Council around £100,000 work of additional works and allowing the Council to proceed with the handover of the units. The Council have been handed over twenty-five new properties from all schemes within Phase 3, barring Queens Road, in 2018/19. Actual expenditure incurred to 31 December 2018 on all sites within Phase 3 was £6,365,000, which includes outstanding retentions of £151,000 and committed costs of £122,000.