

Ebbfleet Development Corporation

Board Meeting Part One

Date of meeting :	14 December 2016	Paper Number:	EDC 016/100
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Title of paper	Finance and Operations Report – as at 30 November 2016
Presented by	Gerard Whiteman, Director of Finance
Sub-committee	Not applicable

Purpose of Paper and Executive Summary	
An update on EDC budgets, workforce and other operational issues.	
EDC business plan and KPIs	Operational and capital activities to enable the EDC 16/17 Business Plan / KPIs to be achieved
Recommendation	FOR INFORMATION The Board is invited to note the update.
Annexes	ANNEX A - 2016/17 Operational Budget
Delegation	Not applicable

Financial impact	As outlined in the report
Legal impact	None
Stakeholder impact	As outlined in the report
Sponsor impact	Budgets confirmed by DCLG

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1. Introduction

1.1. This paper updates the Board on budgets, workforce and other operational issues for the month of November 2016 and the 2016/17 year to date.

2. 16/17 Operational Budget.

2.1 The detail of the budget is shown at **Annex A**. The operational budget for 16/17 has been formally approved by DCLG at £3,744,000 which compares to a budget £3,430,000 for 2015/16 (part-year from 20 April 2015). The increase reflects the full year impact of the cost of 28 FTE permanent staff.

2.2 As at the end of November, the forecast year end underspend of employee salary costs that was reported to previous board meetings has slightly increased to £199,626, reflecting an anticipated reduction in the estimated recharge to the EDC by the DCLG HR & Payroll service. DCLG are considering the EDC's business case to utilise the pay underspend (that amount in excess of the cost of providing interim cover where necessary) for non-pay costs i.e. on project-related costs that cannot be charged to capital. One interim post (former Projects Director) has been extended until the end of January to provide additional support to project delivery.

2.3 Income from Planning Fees continues to exceed the original budget (£25,000) for the year, with the actual income as at the end of November being £128,286. The Planning team have forecast the year end outturn position at £337,000 dependent on several large schemes being submitted as expected, including a one-off sum from a novated S106 agreement in relation to Borough Officer fees. This surplus income is largely funding external professional support in other areas of the corporation, e.g. VAT and Accounting advice, Strategic Transport Planning, and the Single Integrated Development Programme.

3 16/17 Project Budget

3.1 The EDC has reviewed its five year programme of investment and submitted a revised expenditure profile to the DCLG and HMT for their consideration. The latest forecast of capital programme spend for 16/17 is £11m. Discussions regarding the spend profile and the total investment over the remainder of the Spending Review period is still ongoing between the EDC, the DCLG and HMT.

3.2 The EDC programme of investment is organised around five sub-programmes (pillars) that focus on specific projects that can be delivered at pace and that demonstrate value for money.

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3.3 Infrastructure Delivery Plan – Programme Summary

Pillar	DESCRIPTION SUMMARY
Housing Programme	To complement the EDC’s activities in bringing forward developer activity that will deliver additional housing in the garden city at pace.
Commercial Programme	Working with landowners and investors to provide commercial space and employment opportunities fostering both local and inward investment whilst capitalising on the Enterprise Zone status and unlocking the development of Ebbsfleet Central.
Utilities Programme	To provide a co-ordinated strategic utility network across the Garden City focusing on opportunities for collaborative working and best practice. Establishing shared utility corridors and advancing the provision of strategic infrastructure.
Transport Programme	To enable safe and integrated highway systems, investment in strategic highways infrastructure and local road improvements including the Springhead Bridge, and proposals to upgrade the Fastrack bus service.
Green Corridors Programme	Improving connectivity between the existing and new communities and creating “green corridor” routes for pedestrians and cyclists to minimise car travel within the garden city. To also include the provision of additional green public realm space.

3.4 The 2016/17 project expenditure to date:

Pillar	Year to Date
	£'000
Housing Programme	0
Commercial Programme	107
Utilities Programme	0
Transport Programme	545
Green Corridors	101
	753

Some of the expenditure previously reported within this section (which related to project feasibility and other pre-mobilisation costs) has now been reallocated to the revenue budget.

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4 Staffing Structure and Recruitment

- 4.1 The EDC has an approved headcount of 28 FTE staff. As of the end of November 2016, the EDC had 25 FTE permanent appointments in post.
- 4.2 Additionally, the Chief Executive post continues to be covered on an interim basis, and the Corporate & Governance Lead is a long term secondment from the DCLG.
- 4.3 The role of the Projects Manager (Highways and Transportation) is currently being recruited to – in the meantime a temporary replacement is in place on a 0.6 FTE basis.
- 4.4 The vacant Director of Planning position is being recruited to and will be covered in-house until a permanent replacement is in post.
- 4.5 A fixed-term, part-time Finance Manager is being recruited, as approved by the Remuneration Committee.
- 4.6 With the appointments and interim arrangements as set out above we are just under our full headcount at 27.5 FTE.