

Ebbsfleet Development Corporation

Board Meeting Part	One
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Date of meeting :	16/12/15	Agenda item :	EDC 015 / 63
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Title of paper	Finance and Operations Report – as at 30 November 2015
Presented by	Gerard Whiteman, Director of Finance
Sub-committee	Not applicable

Purpose of paper	To provide an update on Budget, Workforce, Premises and other operational issues as at 30 November 2015
Recommendation	<p>To approve the overall report and to note the following:</p> <ul style="list-style-type: none"> • The total forecast expenditure for the year remains the same as last month at c£3.4 million. • To date, this financial year 15/16 shows a cumulative underspend of £69,422 which equates to 4.3% (£67,588 ,4.9% in October), mainly arising from reduced IT and telephony charges. • The forecast outturn for the year end is an underspend of £27,531 being 0.8% (forecast as £12,500 ,0.4% in October). • Various business cases have been submitted whilst others are being worked up (see appendix A).
Delegation	Not applicable
Financial impact	Some items of spend to be capitalised (e.g. planning system)
Legal impact	There are no legal implications associated with this paper
Stakeholder impact	Discussions with DCLG have taken place, in relation to the various business case submissions (submitted and pending) and the need for a minor 15/16 capital budget
Sponsor impact	The latest financial position is to be discussed with DCLG as part of the routine monthly meetings

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1. Introduction

This paper briefly updates the Board on budget, workforce and other operational issues for the month of November.

2. Budget

The financial performance of the Corporation at the end of October now shows a cumulative underspend of £69,422, 4.3% of budget base (compared to £67,588 4.9% of budget base reported for October) of the budget to date (including approved business cases).

IT charges and telephony expenditure is lower than originally budgeted, specifically:

- The IT budget was based on an annual charge with a full headcount in place whereas the actual charge reflects the actual staff in post.
- The telephony budget assumed a full independent system would be in place from May 2015; however the delivery of this system has been delayed.

The forecast year-end position shows a predicted underspend of £27,531, 0.8% of budget base (reported as £12,500, 0.4% of budget base (including approved business cases) in October). This assumes full spend of c£820k of non-core budget.

Around £45k's worth of 15/16 expenditure will be capitalised. Most of this relates to the one off costs associated with the new EDC planning system. The expenditure is currently included within the attached report. Discussions have been had with DCLG over obtaining a capital budget to cover this.

The detail of the financial report and forecast is shown at appendix A.

3. Staffing Structure and Recruitment

The timing of planned recruitment is reflected in the year end forecast within appendix A.

The following appointments are in progress for the next few months:

Simon Harrison started as Head of Design on the 17 November.

Jennifer Hunt started as the Environment and Infrastructure Lead on 25 November, whilst Nikola Floodgate started as Highways and Transportation Lead on the 9 December.

Caroline Barker started as Senior Planner also on 9 December.

Kevin McGeough will join as Head of Placemaking on 25 January 2016.

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The Head of Communications has been appointed and will start on 4 February 2016.

EDC are currently recruiting for a Planning Registrations Officer role. Interviews are planned to be held before Christmas.

The EDC has submitted a proposal for a six month placement through the civil service fast stream programme for project / commercial officer. If successful this role will start in April and be a free resource

Work is ongoing with DCLG to obtain approval for a permanent EDC establishment. The EDC has current approval for 20 permanent FTE's.

4. Premises

The current lease on North Kent Police Station office space has been extended for a further 6 months, to the 18th June 2016. Any future extensions or new lease arrangements at any alternative locations will need DCLG approval before the lease / licence can be entered into.

The planned Garden City pod structure within the station forecourt area at Ebbsfleet International Station is being progressed and a business case has been submitted to DCLG.

5. Finance and Payroll Systems

The finance system, "Sage One" has been set-up and is now operational. Work is ongoing to review how the system can be utilised to manage the increased spend and activity that will arise in 16/17 and beyond.

A significant number of payroll recharges are awaited from DCLG and these will be entered onto the system once received. Receipt of these recharges has been assumed in the financial report.

It is anticipated that the EDC payroll will be fully operational by the end of January 2016.

6. Pension Arrangements

As previously notified, EDC's application to join the Local Government Pension Scheme (LGPS) was approved by the KCC Superannuation Fund Committee. Payments into the fund can commence once the EDC payroll is up and running.

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7. Banking Arrangements

Banking arrangements are provided by Handelsbanken. The EDC has one business current account from which payments are being made and to which money is being received. The Corporation intends to open an account with the Government Banking Service (GBS) in early 2016.

8. IT and Telephony

The proposal to provide EDC with landline telephones via the internet is being progressed and is anticipated to be operational in early January.

9. Finance and Operational Performance as at 30 November 2015

The summary performance report for November is as follows noting the colour convention as follows;

- Blue = complete or significantly ahead of target
- Green = to target
- Yellow = behind target but will be to target at year end
- Red = behind target with risk of non-delivery in year

Ref	Indicator / Milestone	Performance	Direction of Travel	Note
1	Corporation operational		=	Operated at planned date with first Board meeting within a few days
2	Business and support systems in place and operational		↓	Payroll and Pension activities to be implemented
3	Interim premises occupied		=	North Kent Police Station from 22 June 2015

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4	Infrastructure review contract let and completed		=	
5	Masterplan phase 2 contract let		=	
6	Planning system operational		=	Planning support functions e.g. legal support to be procured
7	Staff recruitment to plan		=	Plans reviewed at September Board
8	Operate within headcount limit		=	32 formal headcount target due to be confirmed by DCLG
9	Operate within budget limit		=	
10	No reportable DCLG or statutory "events"		=	Nil