

# Ebbsfleet Development Corporation

<b>Board Meeting Part One</b>
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<b>Date of meeting :</b>	<b>16 November 2016</b>	<b>Paper Number:</b>	<b>EDC 016/090</b>
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<b>Title of paper</b>	<b>Finance and Operations Report – as at 31 October 2016</b>
<b>Presented by</b>	<b>Gerard Whiteman, Director of Finance</b>
<b>Sub-committee</b>	<b>Not applicable</b>

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

<b>Financial impact</b>	As outlined in the report
<b>Legal impact</b>	None
<b>Stakeholder impact</b>	As outlined in the report
<b>Sponsor impact</b>	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 October 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 now 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 October, the forecast underspend of employee salary costs that was reported to the last board meeting remains consistent - £181,230 - having arisen because a number of staff recruited to permanent posts have taken up post later than budgeted. Whilst some of the underspend has been utilised to provide interim cover to those vacancies, it is proposed (subject to DCLG approval) to utilise the remainder for non-pay costs i.e. on project activity that cannot be charged to capital. With most of the permanent EDC staff now in post, although we are now running two vacancies, this underspend position is not likely to increase significantly. One secondee post (former Corporate Programme Manager) has been extended part-time, and one interim post (former Projects Director) has been extended until the end of December for handover and 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 October being £92,421. The Planning team are working on a forecast of what applications (fees) are expected to come through the pipeline to establish a forecast outturn position. The welcome surplus income is largely funding other contracted support, e.g. VAT and Accounting advice, Strategic Transport Planning, and the Single Integrated Development Programme.

## 3 16/17 Project Budget

3.1 In November 2015, the then Chancellor of the Exchequer, George Osborne, announced that £310 million of Government investment would be made available to support the delivery of the Ebbsfleet Garden City.

3.2 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 impact on the anticipated programme spend for 16/17 is a forecast outturn of £15.1m, with discussions regarding the profile for future years still ongoing between the EDC, the DCLG and HMT.

3.3 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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## 3.4 Infrastructure Delivery Plan – Programme Summary

Pillar	DESCRIPTION SUMMARY
<b>Housing Programme</b>	To complement the EDC’s activities in bringing forward developer activity that will deliver additional housing in the garden city at pace.
<b>Commercial Programme</b>	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 Ebbfleet Central.
<b>Utilities Programme</b>	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.
<b>Transport Programme</b>	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.
<b>Green Corridors Programme</b>	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.

## 3.5 The 2016/17 project expenditure to date:

Pillar	Year to Date
	£'000
Housing Programme	121
Commercial Programme	132
Utilities Programme	18
Transport Programme	273
Green Corridors	56
	600

3.6 The bulk of the budgeted project expenditure for 16/17 is forecast to occur in the last quarter (January to March 2017).

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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 October 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 and Governance Lead is a long term secondment from the DCLG.
- 4.3 The role of the Projects Manager (Highways and Transportation) is currently vacant. Recruitment of a replacement will commence shortly.
- 4.4 Simon Newsholme, the new Development Director, started on 17 October.
- 4.5 Paul Boughen, the new Community Building Manager started on 31 October, at which point the interim cover (Lorna Hughes) finished with the EDC and moved full-time (interim) to the Healthy New Towns project.
- 4.6 The Director of Planning position will be vacant from 20 November, and will be covered in-house until a permanent replacement is recruited.
- 4.7 With the appointments and interim arrangements as set out above we are at our full headcount of 28.