

Ebbfleet Development Corporation

Board Meeting Part	One
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Date of meeting :	21 June 2017	Paper Number:	EDC 017/042
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Title of paper	Finance and Operations Report – as at 31 May 2017
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 17/18 Business Plan / KPIs to be achieved
Recommendation	FOR INFORMATION The Board is invited to NOTE the report.
Annexes	Annex A - 2017/18 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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Introduction

1.1. This paper updates the Board on budgets, workforce and other operational issues for the month of May 2017 and the 2017/18 forecast outturn.

2. 17/18 Operational Budget.

2.1 The detail of the budget is shown at **Annex A**. The operational budget for 17/18 has been approved by DCLG at £3,853,000 which compares to a budget of £3,744,000 for 2016/17. The Pay element of the budget has been reduced since last year to reflect a reduced need for temporary/ agency staff.

2.2 Any underspends accruing in year within the Pay budget (e.g. arising from staff vacancies) will be reallocated to the Agency Staff budget to cover the costs of any temporary/interim staff required to infill those posts.

2.3 Income from Planning Fees to the end of May is £76,748 against the previously agreed target of £60,000 for the whole year. The latest full year forecast for planning fees now includes a further £220,000 from 7 large planning applications which are anticipated (although not guaranteed) to be submitted in this financial year.

2.4 The lease extension for the existing office space at the North Kent Police Station has recently been approved by the Government Property Unit. This extension covers the 12 month period until mid-June 2018.

3 17/18 Project Budget

3.1 The EDC continues to review its programme of investment, with £41,776k of spend currently planned for 2017/18. The agreement between the EDC and UKPN for forward-funding of electricity infrastructure has now been concluded with the initial deposit payment scheduled to occur in June. Discussions regarding the spend profile and the total investment over the remainder of the Spending Review period between the EDC and DCLG remain ongoing.

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.

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.

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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 2017/18 project expenditure to date:

Pillar	Year to Date
	£'000
Housing Programme	0
Commercial Programme	40
Utilities Programme	0
Transport Programme	50
Green Corridors	0
	90

4. Staffing Structure and Recruitment

- 4.1 The EDC has delegated authority to manage its own headcount in 17/18 as long as the costs of doing so can be accommodated within the EDC's budget allocation for pay. With several projects now firmly in delivery mode, EDC staff salaries (and those of external contractors) will be capitalised when it is legitimate to do so, hence maximising the revenue budget available.

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- 4.2 As of the end of May 2017, the EDC had 25 FTE permanent appointments in post.
- 4.3 The Chief Executive post continues to be covered on an interim basis. The recruitment to the permanent role has been slightly delayed by the general election, and DCLG and the Board will consider the next steps in the process in order to set out a revised timetable. The current post holder has indicated his ability to extend his tenure to the end of September 17 to provide cover.
- 4.4 Claire Smith started her new role as Development Monitoring Officer (Planning) on the 22nd May. The EDC is currently recruiting to Claire's previous role of Planning Registrations Officer with interviews scheduled for mid-June.
- 4.5 The new Project Manager (Utilities), Nicola Coppen joined the EDC on the 5th June, with the temporary interim project manager for that post handing over at that point.
- 4.6 With the appointments and interim arrangements as set out above the headcount as at the 31st May 2017 was 27 FTE.
- 4.7 Interviews took place recently with appointments being made for a Senior Planning Officer and a Policy & Performance Manager. Both new members of staff will be joining the EDC over the summer.
- 4.8 Two members of EDC staff (Commercial Director and the Programme Manager) have handed in their notice and are due to leave at the end of June. Interim temporary staffing arrangements are being put in place to cover both of these roles in the short term which is reflected in the increased budget forecast for Temporary/Agency staff.
- 4.9 The request for a 1% inflationary uplift to pay (relating to April 2016 base pay rates) for eligible Senior Civil Service-equivalent staff is still awaiting approval by DCLG.

5 Board appointments

- 5.1 Recruitment to the vacant Board Member position has been delayed due to the General Election.
- 5.2 The temporary appointment to the Board of Cllr David Turner, as the representative of Gravesham Borough Council, was approved by the DCLG Secretary of State; however, the formalities of his permanent appointment in his capacity as Leader of the Council have been delayed due to the General Election.

6 Tailored Review

- 6.1 DCLG has advised that tailored reviews will be carried out during 17/18 on all of its Arms-Length Bodies (ALBs) including the EDC. No date has yet been set for the EDC's review.