

# Ebbsfleet Development Corporation

<b>Board Meeting Part One</b>
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<b>Date of meeting :</b>	<b>16 Aug 2017</b>	<b>Paper Number:</b>	<b>EDC 017/057</b>
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<b>Title of paper</b>	<b>Finance and Operations Report – as at 31 July 2017</b>
<b>Presented by</b>	<b>Vikki Finneran, Assistant 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 17/18 Business Plan / KPIs to be achieved
<b>Recommendation</b>	<b>FOR INFORMATION</b>  The Board is invited to <b>note</b> the report.
<b>Annexes</b>	<b>Annex A - 2017/18 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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## Introduction

1.1. This paper updates the Board on budgets, workforce and other operational issues for the month of July 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 net operational budget for 17/18 has been approved by DCLG at £3,853,000 which compares to a net 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. Additionally, as part of the net operational budget available to the corporation we are forecasting planning fee income of £297k against a target of £60k for the year. This is subject to several large planning applications coming forward as anticipated.

2.2 Some underspends against the year-to-date budget have accrued within Pay (arising from staff vacancies and delays in recruitment); whilst the majority of this will be reallocated within Pay to the Agency Staff budget to cover the costs of temporary staff required to infill those posts, we will also submit a business case to DCLG to request that any excess savings can be utilised in the Non-Pay budget lines, primarily to fund feasibility and non-capital project costs.

2.3 Within the operational budget, the project feasibility element is constantly being reviewed in order to minimise costs. Where possible the EDC has reduced its forecast spend on feasibility by unlocking resources from other key stakeholders.

## 3 17/18 Project Budget

3.1 The EDC continues to review its programme of investment and has decided to reduce its proposed 2017/18 capital spend. The latest capital forecast is now £28,891k whereas previously it was £41,776k. The reduction relates to two projects (one within the housing pillar and the other in the utilities pillar) and it is intended that the budget reduction be rephased to be used in later years. Discussions have been held with DCLG about re-profiling it to future years and around the total investment over the remainder of the Spending Review period. Given the early notice to Government it is believed that the re-profiling of this reduction from 2017/18 will be acceptable.

3.2 The EDC's overall capital 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
<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. 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.

### 3.4 The 2017/18 project expenditure to date:

Pillar	Year to Date
	£'000
Housing Programme	0
Commercial Programme	52
Utilities Programme	5,778
Transport Programme	118
Green Corridors	157
	6,105

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## **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 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.
- 4.2 As of the end of July 2017, the EDC had 23 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 was delayed by the general election. DCLG and the Chairman are considering the next steps in the process in order to set out a revised timetable. The current post holder has been extended to the end of September 17 to provide cover.
- 4.4 Three successful recruitments have been concluded:
- 4.5 Che Eade, Senior Planner will start on 29th August.
- 4.6 James Richardson, Policy & Performance Manager will start at the beginning of September.
- 4.7 Jennine Andrews, Planning Registrations Officer will start in mid-September.
- 4.8 Interim arrangements have been put in place to deal with some staff vacancies as follows:
- 4.9 A part-time interim candidate has been brought in to provide cover to specifically progress the Springhead Bridge project.
- 4.10 A part time property consultant is progressing the options analysis work relating to Ebbsfleet Central.
- 4.11 The Programme Manager role is being back-filled by a part-time interim. Permanent recruitment to this post is planned for the autumn.
- 4.12 With the appointments and interim arrangements as set out above the headcount as at the 31st July 2017 was 25 FTE.
- 4.13 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 Tailored Review**

- 5.1 As previously notified, DCLG has advised that tailored reviews will be carried out during 17/18 on all of its Arms-Length Bodies (ALBs). EDC's tailored review is due to start in early August. It is anticipated that the review will run until mid – September.