

Ebbsfleet Development Corporation

Board Meeting Part One

Date of meeting :	23 January 2019	Paper Number:	EDC 018/005
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Title of paper	Finance and Operations Report – as at 31 December 2018
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 18/19 Business Plan / KPIs to be achieved
Recommendation	FOR INFORMATION The Board is invited to NOTE the report.
Annexes	Annex A - 2018/19 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 MHCLG

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Highlights

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| <ul style="list-style-type: none">• CDEL programme expenditure in December 18 - £2.865m. Forecast outturn for year remains at £24.5m.• RDEL admin expenditure in December 18 - £380,452. Budget (and forecast outturn) for year - £3.892m plus £2m RDEL Programme Revenue Budget |
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Introduction

1.1. This paper updates the Board on budgets, workforce and other operational issues for the month of December 2018 and the 2018/19 year-to-date/ forecast outturn position.

2. 18/19 Operational Budget.

2.1 The detail of the budget is shown at **Annex A**. The net operational revenue budget for 18/19 was approved by MHCLG at £3,892,000 (compared to a net budget of £3,853,000 for 2017/18) with an additional £2m of revenue support specifically for programme expenditure.

As part of the net operational budget, the corporation generates planning fee income, which is budgeted at £75k for 18/19. After the first three quarters of the year just over £58k has been received. Forecasts indicate that the budget could be exceeded by the year end, depending on the timing of one or two large planning applications.

2.2 The Pay budget covers the full budgeted headcount complement, together with Board member pay, and Agency/ Temporary staff. There are currently a number of planned vacancies in the organogram that result in savings against the Pay budget; in the Projects Team specifically the underspend accruing against vacant posts is being utilised to fund external Project Management resources, and other commissions supporting the current strategy work.

3 18/19 Capital Budget

3.1 The original budget position for 18/19 reflected a capital spending requirement of up to £40m for the year, with full spend dependent on potential property/ land acquisitions and other project activities. Whilst submitting the Supplementary Estimates in November, the EDC revised the forecast outturn to £24.5m for the year, requesting that the unspent budget be rolled forward into the programme for future years.

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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.

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. 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.

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3.4 2018/19 programme capital expenditure as at 31st December:

Pillar	Full Year Budget £000	YTD Actual £000	Comments
Housing Commercial Utilities Transport Green Corridors and Signage	1,000 18,521 907	750 11,672 177	Spend on Electricity & other utilities Spend on Springhead Bridge, A2 and Fastrack Spend on Green Corridors 1, Green Corridors 2 and Signage.
Sub-Total	20,428	12,599	Represents spend on projects in delivery
Additional Projects in Development	4,072	-	Potential project activity to 31 st March 2019
Total	24,500	12,599	

4. Staffing Structure and Recruitment

- 4.1 The EDC has delegated authority to manage its own headcount in 18/19 as long as the costs of doing so can be accommodated within the EDC's total budget allocation for pay.
- 4.2 The Chief Executive is on an 18 month secondment from Homes England, due to end in September 2019.
- 4.3 External Project Managers have been recruited to lead work on Transport, Parks & Open Spaces, and Stewardship.
- 4.4 Three external staff are providing professional services to the Springhead Bridge project during the construction phase (Project Manager, Quantity Surveyor, and EDC Site Supervisor).
- 4.5 The Assistant Project Manager vacancy is being covered by an interim external incumbent.
- 4.6 A new role of Major Projects Development Manager is currently being advertised to support the work around the Central Area.
- 4.7 A Business Support Officer post to support the Projects Team is being re-advertised.
- 4.8 Maternity cover for the Finance Officer role is being provided by a fixed-term appointment to the end of May 2019, supported by a part-time agency candidate.
- 4.9 With the appointments and interim arrangements as set out above the headcount as at the 31st December 2018 was 34.7 FTE.

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5. Board and Recruitment

- 5.1 MHCLG has obtained approval to advertise/ use recruitment consultants to facilitate the recruitment of two new Board members. The appointments are hoped to be finalised by late Spring 2019.