

Ebbsfleet Development Corporation

Board Meeting Part	One
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Date of meeting :	17 July 2019	Paper Number:	EDC 019/055
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Title of paper	Finance and Operations Report – as at 30 June 2019
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.
- Review of refreshed Code of Conduct for Board Members

EDC business plan and KPIs	Operational and capital activities to enable the EDC 19/20 Business Plan / KPIs to be achieved
Recommendation	<p>FOR INFORMATION – The Board is invited to NOTE the report, and:</p> <p>FOR APPROVAL The Board is asked to APPROVE the following recommendations: The refreshed Code of Conduct for Board members (Annex B).</p>
Annexes	<p>Annex A - 2019/20 Operational Budget</p> <p>Annex B –Code of Conduct for Board Members</p> <p>Annex C - New Cabinet Office code of practice for Board members of public bodies</p>
Delegation	Not Applicable
Financial impact	As outlined in the report
Legal impact	None
Stakeholder impact	As outlined in the report
Sponsor impact	Budgets now formally confirmed by MHCLG

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Highlights

- CDEL programme expenditure in June 19 - £772k
- RDEL Admin & Programme Revenue expenditure in June 19 - £421k
- NAO signed off 18/19 Annual Report & Accounts on 27th June 2019 – to be laid before Parliament prior to summer recess
- Formal confirmation of budget received from MHCLG on 1st July 2019

Introduction

1.1. This paper updates the Board on budgets, workforce and other operational issues for the month of June 2019 and the 2019/20 forecast outturn position.

2. 19/20 Operational Budget.

2.1 The detail of the budget is shown at **Annex A**. The indicative net operational revenue budget for 19/20, which has been formally confirmed this month by MHCLG, is £3,743,000 (compared to a net budget of £3,892,000 for 2018/19) 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 19/20. It is expected that several applications that were planned for submission during 18/19 will be lodged in 19/20 and that actual income at the year end from Planning Fees may exceed budget. As at the end of June 19, the actual receipts from Planning Fees were £13k.

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

3 19/20 Capital Budget

3.1 The original forecast position for 19/20 is a capital spending requirement of up to £66m for the year.

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
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 Ebbfleet 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.

3.4 2019/20 programme capital expenditure as at 30th June:

Pillar	Full Year Budget £000	Year to Date Spend £000	Comments
Housing	TBC	32	Acquired sites Springhead Bridge Green Corridors
Commercial	TBC	0	
Utilities	TBC	0	
Transport	TBC	1,288	
Green Corridors and Signage	TBC	16	
Total	66,000	1,336	

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4. Staffing Structure and Recruitment

- 4.1 The EDC has delegated authority to manage its own headcount 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 Several external Project Managers have been recruited to lead work on Transport, Parks & Open Spaces, Green Corridors 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 The newly recruited Major Projects Development Manager will start in September.
- 4.7 Maternity cover for the Finance Officer role is being provided by a part-time agency appointment. Plans to recruit additional Finance staff are being finalised.
- 4.8 With the appointments and interim arrangements as set out above the headcount as at the 30th June 2019 was 38.35 FTE

5. Board and Recruitment

- 5.1 MHCLG is progressing the recruitment of two new Board members. The appointments should be finalised by Autumn 2019.
- 5.2 Councillor John Burden has been nominated by Gravesham Borough Council as the council's representative on the EDC Board – the relevant paperwork is still awaiting approval by MHCLG.
- 5.3 Cllr. Dr. Lauren Sullivan is the nominated representative for Gravesham BC on the Planning Committee, with Cllr Harold Crask as nominated substitute. These appointments are also awaiting official confirmation from MHCLG.

6. Board Members Code of Conduct

- 6.1 The EDC Board Members Code of Conduct was agreed by Board in April 2015. A refreshed version of the Code is attached at Annex B that makes minor updates, for example ensuring that references to the sponsor Department are current and which also includes a new section on social media. The refreshed Code also references the new Cabinet Office code of practice for Board members of public bodies (included at Annex C). Board is asked to approve the refreshed Code of Practice.