

# Ebbsfleet Development Corporation

<b>Board Meeting Part</b>	<b>One</b>
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<b>Date of meeting :</b>	<b>22 April 2020</b>	<b>Paper Number:</b>	<b>EDC 020/036</b>
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<b>Title of paper</b>	<b>Finance and Operations Report – as at 31 March 2020</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 the draft EDC outturn for the financial year, workforce and other operational issues.	
<b>EDC business plan and KPIs</b>	Operational and capital activities to enable the EDC 19/20 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</b> - 2019/20 Operational Budget & draft forecast outturn
<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 for 19/20 formally confirmed by MHCLG

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## Highlights

- Draft Outturn (subject to audit) for CDEL programme expenditure 19/20 - £55.5m
- Draft Outturn (subject to audit) for RDEL Admin & Programme Revenue expenditure 19/20 - £5.66m (Underspend of £82k /1.4%)
- Confirmation of budgets for 20/21 still awaited

## Introduction

1.1 This paper updates the Board on budgets, workforce and other operational issues for the month of March 2020 and the draft 2019/20 forecast outturn position.

### 2. 19/20 Operational Budget.

2.1 The detail of the budget is shown at **Annex A**. The net operational revenue budget for 19/20 was £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.

The draft forecast outturn position, subject to audit, shows an underspend of just under £83k (1.4%) against the net budget, which includes the utilisation of the additional planning fee and rental income as set out below.

As part of the net operational budget, the corporation generated planning fee income, which was originally budgeted at £75k for 19/20. As at the end of the year (subject to audit), actual receipts from Planning Fees (and Planning Officer contributions from developers) were £331k. MHCLG confirmed that any planning fee income generated in excess of budget could be utilised by the EDC to fund the additional resource requirements of the Planning Team in managing those planning applications, and also to support further programme revenue and feasibility expenditure and other activities.

Temporary rental income of £318k for 19/20 has been generated from both the acquisition of the Central Area and a site at Grove Road, and MHCLG also confirmed that these receipts could be utilised in-year to fund further EDC activities.

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2.2 The Pay budget covered the full budgeted staffing complement, together with Board member pay, and Agency/ Temporary staff. Throughout the year there were several planned vacancies in the organogram that resulted in ongoing savings against the Pay budget; in the Projects Team specifically the underspend against vacant posts was mainly utilised to fund external Project Management resources.

### 3. **19/20 Capital Budget**

3.1 The original forecast position for 19/20 was a capital spending requirement of up to £66m for the year. As indicated last month, the latest forecast outturn was revised to £55m, and the draft actual spend for the year is £55.5m (subject to audit).

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
<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 Ebbsfleet 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.

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<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.
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3.4 2019/20 programme draft capital outturn (subject to audit) as at 31<sup>st</sup> March:

Pillar	Full Year Forecast Outturn £000	Comments
Housing	2,340	Acquired sites
Commercial	36,290	Central Area
Utilities	4,340	Electricity
Transport	12,235	Springhead Bridge & A2 Junctions
Green Corridors and Signage	295	Green Corridors
<b>Total</b>	<b>55,500</b>	

## 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 secondment from Homes England until March 2021.
- 4.3 Several external Project Managers have been recruited to lead work on Transport, Parks & Open Spaces, Green Corridors, Stewardship, Procurement & Utilities.
- 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).

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- 4.5 Two Project Managers have been appointed to lead work on the proposed HEIQ, and Health & Wellbeing Hub projects – the HEIQ candidate is now in post.
- 4.6 An Asset/ Facilities Manager role is being advertised in order to provide an in-house resource to manage the EDC's growing portfolio of assets.
- 4.7 The Programme Manager role is being covered in-house on a temporary basis, with backfill being provided by other team members.
- 4.8 With the appointments and interim arrangements as set out above the headcount as at the 31<sup>st</sup> March 2020 was 41.2 FTE.

## **5. Board and Recruitment**

- 5.1 There is no further progress to report this month regarding the recruitment of two new Board members by MHCLG.