

Ebbsfleet Development Corporation

Board Meeting Part One

Date of meeting :	16 September 2020	Paper Number:	EDC 020/090
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Title of paper	Finance and Operations Report – as at 31 August 2020
Presented by	Gerard Whiteman, Director of Finance
Sub-committee	Not applicable

Purpose of Paper and Executive Summary	
To inform the Board of the EDC 20/21 EDC budget, workforce and other operational issues.	
EDC business plan and KPIs	Operational and capital activities to enable the EDC 20/21 Business Plan / KPIs to be achieved.
Recommendation	FOR INFORMATION – The Board is invited to NOTE the report.
Annexes	Annex A - 2020/21 Operational Budget.
Delegation	
Financial impact	As outlined in the report.
Legal impact	
Stakeholder impact	As outlined in the report.
Sponsor impact	Revenue budget funding for 20/21 now formally confirmed by MHCLG.

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Highlights

- Increase in number of staff starting to safely use the office in daily 'bubbles' under a carefully managed return phase.
- Total Admin & Programme Revenue spend for August is £506k.
- Programme Capital spend for August is £889k.
- Formal notification of 2021/21 budget received from MHCLG.
- Spending Review submission being refined and submitted for future years programme funding.

Introduction

1. This paper updates the Board on the current 20/21 budget position, workforce and other operational issues for the month of August 2020.

20/21 Operational Budget.

2. The EDC has now received formal notification that the revenue funding allocation from MHCLG for 2020/21 is £5,821,000 (19/20 - £5,743,000).
3. Following the Office for National Statistics (ONS) classification change, the EDC's RDEL funding allocation from MHCLG for 20/21 onwards will no longer be formally split between Pay, Non Pay and Programme (as the EDC will receive a single RDEL funding amount), however, for consistency, the reporting of the 20/21 revenue budget continues to be presented across those headings.
4. The single revenue funding allocation is presented 'net' and is not reliant on a budget requirement for Income/ Receipts. No income target has been agreed with MHCLG.
5. Revenue receipts are currently being generated via planning fee income, and from rental income from EDC owned land / sites. For the YTD, £382k income has been received. Approval to retain/ utilise these receipts has been sought from MHCLG.

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6. The EDC's revenue pay budget included various assumptions around making additions to the EDC staffing complement during the year and recruitment has continued to take place wherever possible over the COVID-19 period. Most of the new roles were budgeted for the whole year, hence some vacancy savings against Pay budgets have accumulated, but these will slow down as the new incumbents take up their posts.
7. The Year-to-Date actuals shown on Annex A reflect underspends against office, staff training, and travel-related budget lines, as would be expected with staff having to work from home for the past few months. These underspends, together with the vacancy savings arising from Pay as set out above, can and will be redirected to support further feasibility and other project-planning work for the capital programme, as well as expenditure required in other areas of the organisation.
8. The arrangements for some EDC staff to return to work from the office is now moving to the next phase of a carefully managed plan, whereby staff can, if they wish, be allocated to a 'bubble' who then work in the office on a specific day of the week. This opportunity to return to the office on a limited basis has been well taken up by staff.

20/21 Capital Budget

9. The original capital spending budget for 20/21 was £41m. The forecast has now been slightly downscaled to £38m - £40m as the government approval to progress the Stewardship project has been delayed. The position remains under regular review, with the mid-year supplementary budget process due imminently.
10. The EDC's overall capital programme of investment has previously been organised around five sub-programmes (pillars). Given EDC's recent land acquisitions, the investment programme is now being monitored under six activity headings. These are listed below along with the current forecast of how the £38m -£40m will be invested during 20/21.

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20/21 Capital forecast:

	Full Year Budget/ Forecast Outturn £ m	Year To Date Actual £m
Central Area	1.5	0.264
Northfleet Riverside	1.7	1.619
Thames Way Development Area	1.5	0.039
Civic	7.3	0
Transport	22.0	21.429
Utilities	5.0	0
Other	0	0.285
Total	39.0	23.636

Staffing Structure and Recruitment

11. The EDC manages its own headcount within its total budget allocation.
12. The Chief Executive is on secondment from Homes England until March 2021. Recruitment to the permanent position is at interview stage.
13. Several external Project Managers are in post leading work on Transport, Parks & Open Spaces, Green Corridors, Civic Buildings, Stewardship, Procurement & Utilities.
14. Three external staff continue to provide professional services to the Springhead Bridge project during the closing stages of the construction phase (Project Manager, Quantity Surveyor, and EDC Site Supervisor).
15. The Assistant Programme Manager vacancy has now been recruited to.
16. A Senior Development Surveyor to support the Ebbsfleet Central Team has now been recruited.
17. A new Planning Officer has also been recruited.
18. With the appointments and interim arrangements as set out above the headcount as at the 31st August 2020 was 40.8 FTE.

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Board and Recruitment

19. Ministers have agreed to extend the closing date for applications for the Chair role until the 19th September.