



Gweithio dros Gaerdydd, gweithio gyda'n gilydd  
Working for Cardiff, working together





Audit Committee  
Tuesday, 25<sup>th</sup> June 2019

# Internal Control Environment Economic Development Directorate



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Working for Cardiff, working together

# Internal Control Environment

## Directorate Responsibilities



- **Major Projects** (Central Square, Indoor Arena, ISV, Dumballs Road)
- **City Deal, Cardiff City-Region** (other Strategic Partnerships)
- **Business Support**
- **Inward Investment & City Marketing**
- **City Centre Management & Business Improvement District**
- **Cultural Venues** (Castle / St David's Hall / New Theatre / City Hall / Cardiff Story etc)
- **Major Event logistics** (Volvo Ocean Race etc.)
- **Tourism** (Tourism Network, Tourism Information Centre, Convention Bureau)
- **Parks**
- **Sport & Leisure**
- **Cardiff Harbour Authority**
- **County Estates** (Corporate Landlord including SOP delivery)

# Internal Control Environment

## Directorate Structure



**842 FTE** staff in the directorate.

A variety of **operational sites** including:

- Economic Development - County Hall
- Culture & Tourism - Cardiff Castle, St David's Hall, New Theatre, City Hall, Cardiff Story etc
- Parks, Sport & HA – Queen Alexandra House and Wedal Road Depot

# Internal Control Environment

## Directorate Achievements 2018/19



- Secured over **2,070** new or safeguarded jobs
- Secured £40m contribution towards new **Central Station**
- Secured £10m AHRC **Creative Industries Cluster** funding
- Delivered successful **Creative Cities Convention** in 2018
- Published a new **Economic Strategy**
- **Central Quay** development secured planning permission
- Successful delivery of the **Volvo Ocean Race**
- Developed business case and strategy for a new **Indoor Area**
- Master-planning for the **City Centre and Bay**

# Internal Control Environment

## Directorate Achievements 2018/19



- **22.17 million visitors** to Cardiff (+0.5% on 2017)
- Hosted the **National Eisteddfod 2018** attracting 500,000 visitors
- **Cardiff Story** awarded a Gold Award by Visit Wales
- Flat Holm project awarded **HLF Heritage Grant Scheme**, total grant @ £2m
- Establish a Sport Stakeholder Group to develop the **Sport Strategy**
- **Green Flag** awarded to Heath Park
- Implementing a **Corporate Landlord Property Model**
- On track to meet targets in the **5 year Corporate Property Strategy**
- Continued accreditation to **ISO9001:2015 Standard** (PDD Team)

# Internal Control Environment

## Risk Management



### Good level of risk oversight and mitigation

- **Income:** Vast amount of the directorate expenditure funded by external income therefore subject to market fluctuations
- **Funding:** Limited availability of external funding to unlock investment in the city
- **Achieving Efficiencies:** increase the scope and number of projects / services delivered in collaboration with partners to achieve efficiencies
- **Tourism Market Demand:** The growth in the total number of visitors and the number of staying visitors declined nationally in 2018/19

# Internal Control Environment

## Corporate Risk Mitigation



Corporate engagement on high priority risks identified, eg.

Non completion of **Statutory Building Equipment maintenance** - non domestic building compliance (including schools).

Current Risk Rating: **High Priority**

		Impact			
		1	2	3	4
		Major	Significant	Moderate	Minor
Likelihood	A Very Likely				
	B Likely				
	C Possible				
	D Unlikely				
	E Very Unlikely				

# Internal Control Environment

## Corporate Risk Mitigation



### Controls:

- Implementing **Corporate Landlord Model work streams** reporting to the Capital Ambition Delivery programme & SMT
- Improved **statutory maintenance contracting arrangements**: use of SFG20 specifications
- Completed survey to **better understand land and buildings** in the Estate portfolio to inform decision making
- Implementing **asset management technology** to digitise property data

# Internal Control Environment

## Corporate Risk Mitigation



### Management Actions

We will continue to work with partners in schools and across the Council to implement a programme of work to manage the risk down to a medium priority risk rating during 2019/20.

Target Risk Rating: **Medium Priority**

		Impact			
		1	2	3	4
		Major	Significant	Moderate	Minor
Likelihood	A Very Likely				
	B Likely				
	C Possible				
	D Unlikely				
	E Very Unlikely				

# Internal Control Environment

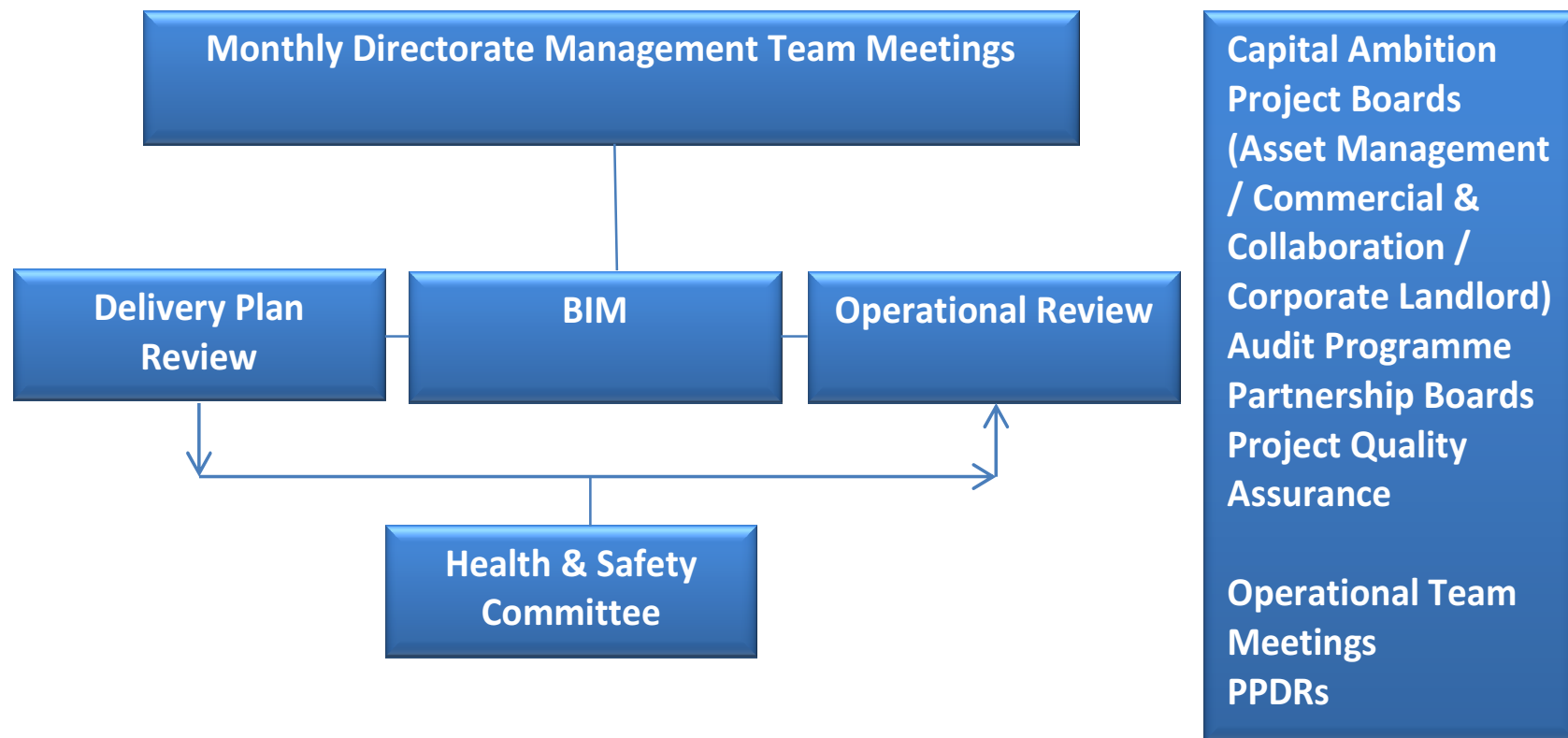
## Control Environment



- Directorate Delivery Plan
- Risk Registers and Risk Review Meetings
- Quarterly Performance Reports
- Directorate Management Team & other Supporting Meetings
- Capital Ambition Delivery Programme and engagement with CAD Team
- Reports to Cabinet, Scrutiny and Internal Reviews
- Guided by Statutory Regulations, Policies and Strategies
- Internal Audits and external Quality Assurance

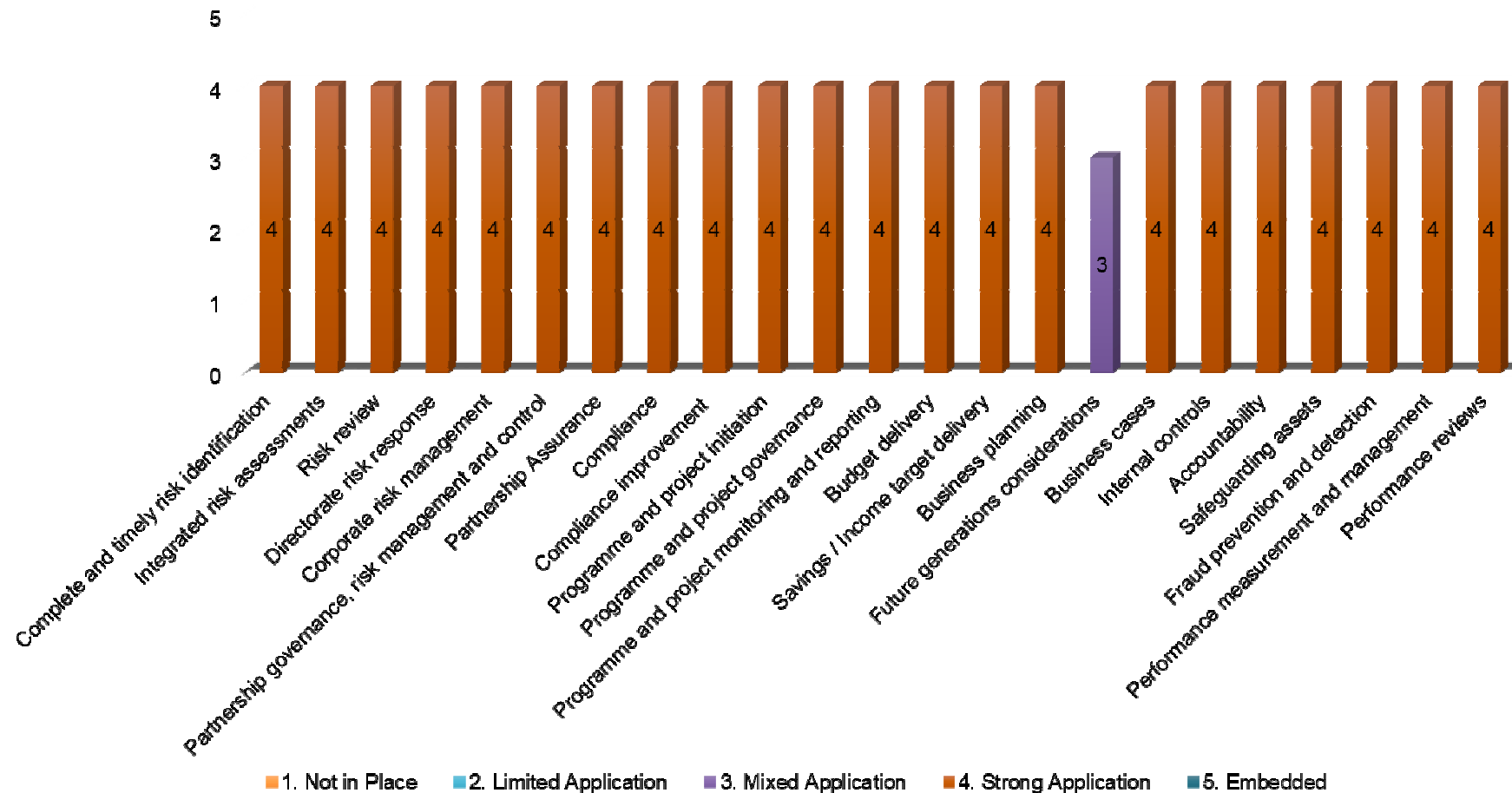
# Internal Control Environment

## Monitoring and Review Cycle



# Internal Control Environment

## Economic Development Year End SMAS 2018/19



# Internal Control Environment

## Internal Audit Engagement



The directorate work closely with internal Audit to provide assurances in specific areas.

Audit recommendations **completed** in 2018-19:

- Governance
- Payroll
- Commissioning & Procurement
- Capital Cardiff Fund
- Effective Decision Making
- Access to Council Tax Payer Data
- Front of House – Cardiff Castle
- Partnership & Collaborative Governance
- Budget & Forecasting
- CS – Building Maintenance Charging Mechanism
- Park & Ride Events

Audit recommendations **being progressed**:

- Youth Foods &
- Stock Check (Brindley Road)



# Questions?