

Directorate: Economic Development

Director: Neil Hanratty

Councillor: Phil Bale, Peter Bradbury, Graham Hinchey

Q4 2014/15

| Budget | Projected Outturn | Variance | Variance (%) |
|--------|-------------------|----------|--------------|
| | | | |

| | |
|--|-------|
| Number of Employees (FTE) | 118 |
| Sickness Absence (Days Per FTE) | 4.22 |
| PPDR Compliance (Half Year Compliance) | 97.2% |

| Target Savings 14/15 | Projected Savings | Variance | Variance (%) |
|----------------------|-------------------|----------|--------------|
| | | | |

Q4 Progress against Directorate Plan/Corporate Plan actions 2014/15 (49)

| | |
|-------------------|------------------|
| Green 87.75% (43) | Amber 12.24% (6) |
|-------------------|------------------|

Q4 Progress against Performance Indicators (26)

| | | |
|------------------|------------------|---------------|
| Green 76.9% (20) | Amber 11.53% (3) | Red 3.84% (1) |
|------------------|------------------|---------------|

(3 results awaited. Key Indicators shown in table from Corporate Plan and Outcome Agreement)

Progress on Challenges Identified Q3 (previous quarter)

- City Deal** - Budget announcement made. Work will now commence towards preparing a bid for funding.
- Central Square** – New Bus Station proposal progressing. Architect competition initiated. Report scheduled for Cabinet in June.
- Arena** – Work to prepare a business case and appraisal is progressing and will be presented to Cabinet in June.
- BID** - consultants now appointed to manage the BID application process with a view to undertaking a ballot by the end of the year.
- Cardiff Business Council** – Cabinet approved a review of the Cardiff Business Council in March, which has now been initiated and will address membership arrangements and funding.
- Corporate Property Strategy** – Monthly Asset Management Board meetings now established and extended to include partnership organisations bi-monthly. Service Area plans drafted. Neighbourhood Area plans initiated.
- Investment Portfolio** – Work ongoing, report to be presented to Cabinet in July.
- Cardiff Super Connected Voucher Scheme** - total vouchers issued to date is 445. Scheme extended for 12 months and to include surrounding authorities.

Q4 Service Delivery

Budget Position

To be provided by the Corporate Performance Team

Directorate Delivery Plan

Increase the number and quality of jobs in the city economy - supported the creation/safeguarding of 270+ businesses and 1393+ jobs. 26.06% of these jobs attract a salary of 10% above the average salary for Wales.

Linking Education and Business Partnerships - progress made to establish business partnership links with new business representative governors appointed for Cantonian High, Willows High and Eastern High.

Coal Exchange – work is ongoing with stakeholders to agree a future for the building. Conservation Management plan being progressed by WG.

Economic Vision - Cardiff Convention (CC14) report circulated to attendees. A draft Vision will be presented to Cabinet in July for consultation with a view to being launched at the next Cardiff Convention (CC15) in October.

New property management improvement system - business case for appropriate funding being prepared following a recent presentation of SAP based software company.

Cardiff Central Market – productive dialogue with Tenants Association on-going regarding future management strategy.

Management

Health and Safety – One incident reported in the quarter but this did not result in any injuries or time lost. Scheduled consultations undertaken with Trade Unions during H&S Committee meeting in Q4.

PPDRs – 97.2% half-year reviews completed and are now being finalised to close off end of year performance. **Sickness**

Absence – The directorate is reporting at total of 4.22 FTE days lost in 2014/15 against a target of 6 FTE days.

Directorate Employee survey – Directorate consultation completed. Staff feedback indicated that service area meetings are the most effective communication channel.

Customer survey –The directorate completed an annual survey of businesses who had contacted the directorate for business advice/support. Responses indicate an 84.4% satisfaction rate.

Directorate: Economic Development

Key Performance Indicator Data – Q4 2014/15

| Performance Indicator | 13/14Result | 14/15Target | PositionQ1 | PositionQ2 | PositionQ3 | PositionQ4 | 14/15Target | .G.A.R |
|---|--------------|-------------|-------------------|----------------------|---------------------|------------------------|-------------------|--------|
| Business Start-up rates(results per 10,000 of population) (2013 latest StatsWales figures) | 50 | | | | | 70 | 50 | G |
| Staying Visitors | 1,914,700 | | | | | 1,959,100 | 1,942,842.96 (2%) | G |
| GVA per capita (above UK av) | 99.7% | | | | | 98.3% | 100% | A |
| Unemployment Feb 2014 (2.6% Wales) | 3.9% | | | | | 2.9% | Below Wales Av | A |
| Superfast broadband penetration for homes and businesses in Cardiff (by 2016) Comparative figure* and remapped area figure shown | | | 96%* | 97%* | 97%* | | 100% by 2016 | G |
| | | | 91% | 92% | 92% | | | |
| Investment Portfolio Income (£4.133m excluding SDH & MH £4.764m including SDH & HM) | £5.4m | £1.289m | £1.803m | £3.067m | £4.133m provisional | | £4.2 m | A |
| Grow membership of the Cardiff Business Council to 1,000 members (by 2016) | 0 | | | | | 120 | 1,000 by 2016 | R |
| Outcome Agreement | | | | | | | | |
| The number of businesses supported by the Council | 239 | 90 | 122 (212 to date) | 58 (270 to date) | | 351 | 50 | G |
| Number of new and safeguarded jobs in businesses supported financially by the Council | 870 | | 301 | 153 (454 to date) | | 1380 | 500 | G |
| Number of new and safeguarded jobs in businesses supported by the Council (financially or otherwise) | 1,036 | | 1,203 | 190 (1,393 to date) | | 2,395 | 1,000 | G |
| The amount of 'Grade A' office space committed to in Cardiff (under construction) | 278,182 sqft | | | | | 277,277 sqft | 100k sqft | G |
| The percentage of new and safeguarded jobs which attract a salary of 10% above the average salary for Wales (using 2013 revised figures – published 19/11/2014) | 33% | | 24.19% | 26.06% | | TBC | 20% | G |
| The amount of grant aid and private sector finance attracted by companies assisted by the Council | £3,111,740 | | £165,354 | £3,090,720 (to date) | | £3,816,513 provisional | £2 m | G |
| The total number of people employed in Cardiff (Oct 2013-Sep 2014) | 211,700 | | 241,200 | 238,000 | | 218,200 | +2,000 | G |

Q4 Challenges Identified

1. Begin the process of preparing a bid for City Deal.
2. Undertake a review of the Cardiff Business Council.
3. Manage the delivery of the Central Square development, including the closure of the Central Bus station.
4. Finalise the business case for a new Indoor Arena
5. Initiate work to develop a masterplan for the Civic Centre with Cardiff University including option for the future of City Hall.
6. Finalise a Corporate Asset Management Plan for presentation to Cabinet in Q1 and progress the development of Neighbourhood Area Asset Plans.
7. Progress with the preparation of a BID proposal.
8. Progress Alternative Service Delivery model review including consideration of the new services merged with Economic Development.

Q4 Actions being taken

1. Work with Welsh Government and surrounding authorities to agree a joint way forward on City Deal and begin a process of engagement with the Cabinet Office.
2. Appoint independent advisors to review all aspects of the organisation in light of the City Deal announcement.
3. Continue to engage with stakeholders and put in place a detailed Communications Plan relating to the closure of the bus station and the proposals for a new bus station.
4. Present the business case for a new Indoor Arena to Cabinet in Q1.
5. Jointly appoint architects with the University.
6. Present Corporate Asset Management Plan to Cabinet in Q1.
7. Continue to engage with stakeholders and the appointed advisors to prepare a BID ballot.
8. Undertake an initial review of the new service area in Q1.

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Q4 Risk Update

| Corporate Risk | | | | |
|--|----------------------|----------------------|--|-------------------|
| Risk Description | Inherent Risk | Residual Risk | Mitigating actions | Risk Owner |
| Asset Management - Ensure effective operation of the Council’s Asset Management Board to achieve effective strategic oversight and identified savings. | Red | Red/ Amber | <ul style="list-style-type: none"> •Cabinet formally Property Strategy. •Corporate Asset Management Board and supporting Working Group set up to raise property profile and introduce more structured, disciplined approach to management of property and the Office Accommodation Rationalisation Programme. Determined governance and work programme updates. •Established rolling programme of ‘Fitness for Purpose’ reviews of all council properties providing high level assessment of the current performance and value of buildings. •Established Implementation Plan for the new Property Strategy. | Neil Hanratty |
| Emerging Risks Identified this Quarter | | | | |
| Risk Description | Inherent Risk | Residual Risk | Mitigating actions | Risk Owner |
| | | | | |
| Update on Previous Quarters Emerging Risks | | | | |
| BID (Q4) - Restructuring of the City Centre Management team and delay with the implementation of BID. | Red/ Amber | Amber/ Green | Agreed viable business model to take the BID process forward. Funding secured internally to progress a BID approach to City Centre Management. Consultants commissioned to undertake BID application process. | Ken Poole |
| Cardiff Business Council (Q4) - Delay in generating income through the Cardiff Business Council. | Red/ Amber | Green | Secured partnership agreement with WG and Aviva to establish the City of Cardiff Marketing Suite at 3 Assembly Square. Target achieved close risk. | Louise Prynne |
| Transport Interchange (Q4) - Agreeing proposals for the delivery of an integrated transport hub including the relocation of the bus station. | Red/ Amber | Amber/ Green | Location agreed and secured. Develop detailed proposals in consultation with members and stakeholders. The final design is due to be completed in Spring 2015. | John Worrall |
| Economic Vision (Q4) - Possible reputational damage caused by delay to the launch of a new economic vision for Cardiff. | Red/ Amber | Green | CC14 report circulated. Draft vision to be reported to Cabinet for consultation with a view to formal launch in the autumn. | Ken Poole |
| Advertising Strategy (Q4) - Local Member/Planning/Highways/Safety approvals not achieved leading to delay in generating income through the advertising strategy to offset savings | Red/ Amber | Green | Planning applications submitted. Income expected to be realised in time for next financial year. | Ken Poole |