

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL
COUNCIL

12th July 2023

Report of the Chief Executive – Mrs Karen Jones

Matter for Decision

Wards Affected: All wards

Authority to recruit to the post of Chief Executive - Celtic Freeport

Purpose of Report

To seek authority to establish, advertise and recruit the Chief Executive – Celtic Freeport post.

Background

On the 10th May 2023, Cabinet received a report confirming that the Celtic Freeport was successful in obtaining Freeport designation and since that date officers have been working in partnership with Pembrokeshire County Council, Associated British Ports and the Port of Milford Haven.

To progress the proposals to the Outline Business Case stage, revised governance arrangements were established. These arrangements are set out in the Memorandum of Understanding dated 9th June 2023 by Neath Port Talbot County Borough Council, Pembrokeshire County Council; Associated British Ports and the Port of Milford Haven.

The Memorandum of Understanding details the work to get to the next key milestone, and such will be subject to future reports to members at the appropriate time. However, this work includes:

- The identification and mobilisation of resources to undertake the work needed to construct the outline business case, including the appointment of an Interim Chief Executive on a consultancy basis; the engagement of external consultants to provide expert technical and professional input to the Outline Business Case development and other and administrative support to facilitate the partnership;
- The setting up of a company limited by guarantee to operate the Freeport and associated arrangements, including company and board appointments and remuneration arrangements. These must all be in compliance with the Welsh prospectus which will make provision for social partnership to deliver fair work commitments and wider social outcomes;
- Arrangements for applying the seed capital; and
- Arrangements to deal with retained business rates, including consideration of the merits of pooling such funds (subject to a future report to members), or not together with the governance arrangements to be established to make

investment decisions and provide assurance to governments on the use of public funds.

In order to progress with the governance and management arrangements, the Celtic Freeport partners proposed to continue with the bid chairman (Mr Roger Maggs MBE) as the interim chairman and with the bid director (Mr David Gwynne) as interim Chief Executive until the appointment of permanent chairman and chief executive.

However, there is a requirement to now progress the appointment of a permanent Chief Executive of the Celtic Freeport, and it is anticipated that such a process could take up to 6 months to facilitate, when matters such as advertisement, interview and requisite employment notices are considered.

Accordingly, it is proposed to establish the post of Chief Executive – Celtic Freeport post within the established structure of Neath Port Talbot Council, acting as employer on behalf of the constituent parties of the Celtic Freeport. Neath Port Talbot Council is the Accountable Body of the Celtic Freeport hence the reasoning behind this Council undertaking the process on Celtic Freeport's behalf.

The post holder will be seconded to the Celtic Freeport Company ("the Company"), once established and at such time as the Company has established an employment framework, whereupon the post holder will then transfer their employment to the Company; at this point the post holder will no longer be an employee of this Council.

The salary for the post is to be determined by the Celtic Freeport Project Board; Members are advised that similar positions advertised by already established Freeports in England attract salaries in excess of £110k per annum.

Recruitment Arrangements

The Local Authorities Standing Orders (Wales) Amendment Regulations 2014 sets out the requirement for local authorities to advertise all vacant posts with a remuneration package that exceeds £100k per annum. It is proposed to advertise the position via national advertising and online media. In view of the nature of this post, specialist external assistance will be sought via an executive search company, in order to secure high calibre candidates.

The Council's Constitution sets out Officer Employment Rules in relation to Chief Officer posts at Head of Service level and above, with the appointment of a Corporate Director being the responsibility of full Council. The Special Appointments Committee (SAC) has responsibility for preparing a short-list of qualified applicants and has delegated authority to appoint at Head of Service level. The rules do not refer to the appointment of posts employed on behalf of third parties.

Given the very nature of this arrangement and it being an eventual third party role, in this particular instance it is requested that Council delegate authority to the Celtic Freeport Project Board, of which this Council's Chief Executive is a member, to determine this appointment. It is also requested that the same delegated authority is given to determining the starting salary of the appointed candidate.

Members will note the reasoning for this report is that this Council will be the recruiting organisation, to comply with the aforesaid rules, Council must agree to the establishment of this post.

Financial Impact

The post and any associated recruitment costs will initially be funded from the £1m being made available from the UK Government to progress with the development of the Freeport. Once the Celtic Freeport company commences trading it is envisaged that the post will be funded from landowner contributions.

Integrated Impact Assessment

There is no requirement for an integrated impact assessment in respect of this decision but it should be noted any recruitment will be carried out in line with Council Recruitment Policies.

Workforce Impact

This proposal will ensure that the Celtic Freeport Project Board are able to progress with this important appointment to ensure the establishment and development of the Celtic Freeport Company.

Legal Impact

The proposal complies with relevant employment legislation and council employment policy and procedure.

Annex D of the Constitution vests the decision making responsibilities in the Personnel Committee by virtue of section 112 of the Local Government Act 1972 (incorporating also the Employment Procedure Rules of the Council). This report seeks to discharge that obligation. Council are able to make this determination on the part of the Personnel Committee.

Risk Management Impacts

Without action there is a risk that there will be insufficient leadership to deal with the range of strategic issues facing the Celtic Freeport, impacting negatively on the Council and partners.

Consultation

There is no requirement for external consultation on this item.

Recommendations

It is recommended that:

- (a) Council approves the establishment of the Chief Executive – Celtic Freeport post and authorises the Chief Executive to agree the final job description and salary and initiate recruitment to the post;
- (b) Council delegates the decision making for this appointment to representatives of the Freeport Project Board established pursuant to the Memorandum of Understanding dated 9th June 2023 comprising representatives of Neath Port

Talbot Council, Pembrokeshire County Council, Associated British Ports and Milford Haven Port Authority; and

- (c) Delegated authority be granted to the Chief Executive of Neath Port Talbot Council to participate and vote in any recruitment panel convened for the appointment of the Chief Executive – Celtic Freeport

Reason for Proposed Decision

To ensure there is sufficient capacity in place to provide effective leadership of the Celtic Freeport.

Implementation of Decision

This decision is proposed for immediate implementation.

Appendices

None

Officer Contact

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Chief Executive

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