

COUNCIL:

21 SEPTEMBER 2023

REPORT OF THE CORPORATE DIRECTOR – RESOURCES

CARDIFF BUS – APPOINTMENT OF EXECUTIVE DIRECTOR

Appendix 1 to this report is not for publication as it contains exempt information of the description contained in Paragraph 12 of Part 4 and Paragraph 21 of Part 5, Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To consider the appointment of a new Executive Director to Cardiff City Transport Services Limited (otherwise known as ‘Cardiff Bus’), who will also be the new Managing Director of the Company.

Background

2. Cardiff City Transport Services Limited (otherwise known as ‘Cardiff Bus’) is a private company limited by shares and is wholly owned by the Council. Cardiff Bus was constituted as a Public Transport company within the meaning of Section 72 of the Transport Act 1985 and the main purpose of the company is to carry out the business of a public transport company.
3. The appointment of Directors to the Board of Cardiff Bus is governed by (i) the Company’s Articles of Association (‘the Articles’) and (ii) legislation. Of particular relevance to Cardiff Bus is the Transport Act 1985 (‘The 1985 Act’) and regulations made thereunder.
4. The Board of Cardiff Bus currently comprises eleven Directors and there is also a Company Secretary. Of these, the Council currently appoints seven Non-Executive Directors, including two Independent Non-Executive Directors, which is the maximum number of persons (who are not full-time employees of the Company) that may be appointed as Directors.
5. Four of the Directors are full-time employees of Cardiff Bus, three of whom (including the Managing Director) hold responsibilities for the management of Cardiff Bus and are classified as Executive Directors.

The fourth employee is appointed to the Board as a representative of Cardiff Bus employees.

Issues

6. The Company's current Managing Director, Paul Dyer, has been in post since 1 January 2020 and is due to retire at the end of September 2023. As a result, the Company has undertaken a public recruitment process for the position of Managing Director over recent months. The appointment panel was supported by the Council's Head of Finance (Deputy Section 151 Officer) who was deputising for the Corporate Director – Resources (Section 151 Officer) who is the Council's appointed Shareholder Representative.
7. Following the completion of this process, the Company has taken the decision to appoint an external candidate, Mr Craig Hampton-Stone, to the position of Managing Director, subject to his appointment as an Executive Director of the Company, which requires the approval of the Council. A copy of Mr Hampton-Stone's CV is included as **Confidential Appendix 1** to this report.
8. In accordance with the Company's Articles, the Council, as the controlling authority of the Company, may by notice appoint any person to be a Director (Executive or Non-Executive). Furthermore, the Company's Board may appoint one of the Executive Directors to the position of Managing Director. Therefore, if the Company wishes to appoint Mr Hampton-Stone as the new Managing Director, then the Council will first need to appoint him as an Executive Director.
9. As a result, the Council is recommended to approve the appointment of Mr Hampton-Stone as an Executive Director of Cardiff City Transport Services Limited (Cardiff Bus). If the Council approves this appointment, it shall notify the Company formally of the appointment as soon as practicable.

Financial Implications

10. Employment related costs in respect of the Executive/Managing Director post will be met by Cardiff City Transport Services Limited.

Legal Implications

11. Pursuant to the Articles of Association of Cardiff City Transport Services Limited ("the Articles"), the Council may by notice appoint any person to be a Director.
12. Under the Articles, Directors are classified as either 'Executive' or 'Non-Executive' Directors. In short, an Executive Director is defined as a Director who is a full-time employee of the Company holding a position of responsibility for the management of the Company's business or any part of it. It is noted the proposed appointment is to appoint an Executive Director.

13. The appointment of any individual to serve on an outside body is a Local Choice function under the Local Authorities (Executive Arrangements) (Functions and Responsibilities) (Wales) Regulations 2007. The Council has determined that responsibility for this function (save for specified exceptions) shall rest with Full Council.

Equality Duty

14. The recommended decision must be made in the context of the Council's public sector equality duties. The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.

Well-Being of Future Generations (Wales) Act 2015

15. The Well-Being of Future Generations (Wales) Act 2015 ("the Act") places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
16. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2023-26: [Cardiff Council Corporate Plan 2023 to 2026](#). When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the Council decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
17. The well-being duty also requires the Council to act in accordance with 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without comprising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
 - Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrates approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions

- Involve people from all sections of the community in the decisions which affect them
- 19. The Council decision makers must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below:
<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>
- 20. The Council decision makers should be satisfied that the decision is in accordance within the financial and budgetary policy and represents value for money for the Council.
- 21. The Council decision makers have to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations.

RECOMMENDATION

The Council is recommended to approve the appointment of Mr Craig Hampton-Stone as an Executive Director of Cardiff City Transport Services Limited (Cardiff Bus).

CHRISTOPHER LEE
Corporate Director – Resources
15 September 2023

The following appendix is attached to this report:

- **Confidential Appendix 1:** Craig Hampton-Stone CV
(this contains exempt information of the description contained in Paragraph 12 of Part 4 and Paragraph 21 of Part 5, Schedule 12A of the Local Government Act 1972)

The following background paper has been taken into account:

- Cardiff City Transport Services Limited Memorandum and Articles of Association