



General Purposes Committee - Supplementary

Monday 20 May 2019 at 4.30 pm

Conference Hall - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Membership:

Members

Councillors:

M Butt (Chair)
McLennan (Vice-Chair)
Agha
Farah
Colwill
Hirani
Krupa Sheth
Tatler

Substitute Members

Councillors:

Aden, S Choudhary, Kabir, Knight, Miller, M Patel and
Southwood

Councillors:

Kansagra and Maurice

For further information contact: James Kinsella, Governance Manager
Tel: 020 8937 1348, Email: James.Kinsella@brent.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:
democracy.brent.gov.uk

The press and public are welcome to attend this meeting

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

(a) Anybody of which you are a member or in a position of general control or management, and:

- To which you are appointed by the council;
- which exercises functions of a public nature;
- which is directed is to charitable purposes;
- whose principal purposes include the influence of public opinion or policy (including a political party of trade union).

(b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.

Supplementary

Item	Page
9 Severance Approval	1 - 6

This report seeks approval for a severance payment in accordance with the Council's Voluntary Redundancy Scheme.

Wards Affected:

All Wards

Contact Officer: Martin Williams,
Interim Head of Human Resources

Tel: 020 8937 3209


Martin.Williams@brent.gov.uk



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- The meeting room is accessible by lift and seats will be provided for members of the public.

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	General Purposes Committee 20 May 2019
	Report from the Head of Paid Service
Severance Payment	

Wards Affected:	N/A
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	This report is partially exempt. Appendix 1 is Not for Publication as it relates to the following category of exempt information as specified under Paragraph 1, Schedule 12A of the Local Government Act 1972, namely: 'Information relating to any individual'.
No. of Appendices:	Appendix 1 – Severance Payment (contains exempt information)
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Martin Williams, Head of Human Resources Tel: 020 8937 3290 Email: Martin.Williams@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report seeks approval from the Committee to make a severance payment to an officer pursuant to a restructure where their redundancy and severance payment, when added to the pension strain costs that the Council must bear as part of the Pension scheme rules exceeds £100,000.

2.0 Recommendation(s)

- 2.1 To approve the severance payment set out in Appendix 1.
- 2.2 To note that the payment does not include any element additional to sums calculated in accordance with the Council's Managing Change Policy and the requirements of the Local Government Pension Scheme.

3.0 Detail

- 3.1 Employees with two or more years' continuous service at the council or other bodies listed in the Redundancy Payments (Continuity of Employment in Local Government) Modification Order are entitled to a redundancy payment in accordance with the council's policies. The council's policy is based on the statutory scheme but actual salary rather than the statutory weekly maximum

is used for the calculation. In addition, a discretionary severance payment, equal to 50% of the redundancy payment so calculated, is currently made to those made redundant. In addition, employees who are made redundant who are aged 55 or over and have at least two years of pension scheme membership are required to receive immediate payment of pension benefits without reduction for early payment. Where this applies, the council needs to make a payment into the pension fund in order to ensure the fund does not suffer any detriment (pension strain) because of this requirement. Termination payments to long serving employees may exceed £100k due to the inclusion of pension strain even where their salary is, for example, in the region of £40k

- 3.2 The council's Pay Policy Statement provides that where practicable, and unless the Chief Executive agrees otherwise, termination payments which (including pension strain) exceed £100k will normally be agreed by Full Council or a committee of the Council.

4.0 Financial Implications

- 4.1 The proposal generates some direct financial savings to offset costs, as set out in the report. Coupled with the unquantified but nonetheless potentially significant other benefits as also set out in the report this then makes the proposal consistent with the council's general approach to facilitating voluntary redundancy where financially reasonable to do so.

5.0 Legal Implications

- 5.1 The Council has the power to enhance the statutory redundancy scheme and to make severance payments to staff not eligible for that scheme under Regulation 6 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) where dismissal is for redundancy or efficiency reasons.
- 5.2 Statutory guidance under the Localism Act 2011 provides that termination payments which exceed £100k should be approved by Full Council. The Council must have regard to this guidance. The Council's Pay Policy Statement adopted annually having regard to the guidance provides that where practicable, and unless the Chief Executive agrees otherwise, termination payments which exceed £100k will normally be agreed by Full Council or a committee of the Council.

6.0 Equality Implications

- 6.1 An Equality Impact Assessment has not been undertaken as this report only impacts a single member of staff.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 None

8.0 Human Resources Implications (if appropriate)

- 8.1 The council has made a commitment in its Change Management policy to seek to avoid compulsory redundancies by using voluntary redundancy where appropriate. This commitment and its implementation is likely to have a

positive effect on employee engagement and reduce any negative impact on service performance which can result from the distress and demotivation sometimes experienced by continuing staff whose colleagues have been made compulsorily redundant.

Report sign off:

CAROLYN DOWNS

Chief Executive and Head of Paid
Service

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By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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