



LONDON BOROUGH OF BRENT

MINUTES OF THE GENERAL PURPOSES COMMITTEE Held as an online meeting on Monday 7 December 2020 at 9.30

PRESENT: (in remote attendance): Councillor M Butt (Chair), Councillor McLennan (Vice-Chair) and Councillors Farah, Farah, Kansagra, Nerva, Mili Patel, Krupa Sheth and Tatler.

1. **Apologies for absence and clarification of alternate members**

Apologies for absence were received from Councillors Colwill, with Councillor Kansagra attending as a substitute member.

2. **Declarations of interests**

There were no declarations of interests made by Members.

3. **Deputations (if any)**

There were no deputations received.

4. **Minutes of the previous meeting**

RESOLVED that the minutes of the previous meeting held on Tuesday 29 September 2020 be approved as an accurate record.

5. **Matters arising (if any)**

There were no matters arising.

6. **Extra Day Leave Christmas Closure**

Martin Williams, Head of Human Resources, introduced the report seeking the Committee's approval to recognise 24 December 2020 as an additional day of Bank Holiday leave for staff.

In considering the report members were keen to recognise and acknowledge the commitment of Brent staff throughout the year in such difficult circumstances given the challenges created as a result of dealing with the Covid-19 pandemic.

Members noted the range of actions and initiatives, which had been developed and delivered across the Council in response to the pandemic, whilst also continuing to deliver business as usual, as outlined in section 4 of the report.

Members thanked staff for all their hard work throughout the year in the most difficult of circumstances, in order to ensure that council services continued to be delivered and residents were supported during such a challenging time.

In welcoming the report, it was also noted that should members be minded to agree the proposal, this would not involve any additional financial implications and arrangements would remain in place to ensure the continued provision of emergency and out of hours' services.

As a result, it was therefore **RESOLVED** to designate the 24 December 2020 as an additional Bank Holiday leave for staff.

7. **Voluntary Redundancy Scheme update**

Debra Norman, Director of Legal, Audit and HR Services, introduced the report providing an update in respect of the Council's 2020 Voluntary Redundancy Scheme. The report also outlined the impact on the scheme of a current consultation concerning changes to the Local Government Pension Scheme (LGPS) and some changes already in force, in new Regulations concerning Public Sector exit payments.

In considering the report, Debra Norman informed members that following the Chief Executive having authorised the opening of a further Voluntary Redundancy Scheme in September 2020, 123 members of staff had submitted applications. As a result of the applications having been assessed (on the basis of the process outlined within section 4.2 of the report) 75 had been agreed. Members were advised that in addition, a further 12 had been considered appropriate for approval, but the cost of severance for these individuals was in excess of £95,000 taking account of pension strain costs should an unreduced pension be paid. Members' attention was drawn to the legal uncertainties surrounding these specific severance payments, which had been set out within sections 4.7 to 4.14 of the report, as a result of recent Government guidance and consultation. Given the uncertainty, the Committee noted that the LGPS Advisory Board had suggested that administering authorities take steps to mitigate their risk in respect of redundancies where the cost of severance was in excess of £95,000 suggesting that an actuarially reduced or deferred pension without the cash payment referred to by the Government guidance was offered. Whilst recognising the unsatisfactory nature of this position for both the Council and affected staff, this was currently being proposed as the recommended approach. In addition, it was also recommended that the Pension Fund adopt the new draft Government Actuary's Department (GAD) strain factors in advance of the LGPS Regulations being updated, as expected by the time the staff taking voluntary redundancy under the scheme came to leave the council.

Members were advised that as a result of the current position 3 of the 12 staff affected had subsequently withdrawn their request for voluntary redundancy with members noting the impact in terms of both the organisation and staff morale. The position and approach being adopted had also been subject to discussion with Trade Union representatives (as detailed in section 4.22 of the report). Whilst clear about their opposition to the Government's legislation in respect of Exit Payments and the detrimental impact on staff moving forward, they had been appreciative of the Council's transparency in respect of the proposals outlined and felt the approach being adopted was reasonable in view of the current difficult position

faced by the Council. A request had been made for the Council to consider seeking waivers for those staff impacted by the Exit Cap, although members noted that these were unlikely to receive consent given the criteria established by Government was very restrictive.

Following on from the discussion and advice provided during the meeting it was **RESOLVED:**

- (1) To note the proposed approach to redundancies where the cost of severance for an individual was in excess of £95,000 taking into account pension strain costs if an unreduced pension was paid pending clarity as to legal entitlements in those circumstances.
- (2) To note that none of the payments in respect of individuals pursuant to the Voluntary Redundancy Scheme included any element in addition to sums calculated in accordance with the Council's Managing Change Policy and the strain payments that would arise under the Local Government Pension Scheme if unreduced pensions were paid.
- (3) To note the overall outcome of the Voluntary Redundancy Scheme run during September 2020.
- (4) To agree, as the administering authority of the Brent Pension Fund, to adopt the early retirement strain factors from the Government Actuary's Department (GAD) as outlined in sections 5.17 – 5.21 of the report.

8. Council Tax Base 2021/2022

Ravinder Jassar (Head of Finance, Brent Council) introduced the report setting out the Council Tax base for 2021/22 in order to enable the Council to fulfil its statutory role under the Local Government Finance Act 1992 (as amended).

Members noted that calculation of the Tax Base was based on a formula involving two elements:

- a. the number of taxable properties shown as "Band D equivalents"; and
- b. the expected collection rate for the year;

In presenting the report, the Committee were advised that the calculation for the number of taxable properties had included an estimate for the number of new housing developments anticipated across the borough. The general trend was also supported by the level of new Council Tax registrations currently awaiting banding by the Valuation Office Agency. Members noted the position would, however, continue to be monitored so that if at any time, the rate of new properties coming on stream slowed, a further adjustment could be made to ensure the collection fund remained in balance.

In terms of the expected Council Tax collection rate, members were advised that this had needed to be adjusted to reflect the impact of the Covid-19 pandemic on the in-year collection rate for 2020/21. Current modelling suggested that a reduction in the 2020/21 collection rate of 3% was expected. This was significant, however;

collection would continue to be attempted in future years, albeit there was a risk that the long-term collection rate would not be met. As a result of the ongoing impact of Covid-19 to the economy and the postponement of normal debt recovery action, members were advised it was too early to be able to estimate the short and long term impact on collection. It had therefore been deemed prudent to reduce the long-term collection rate to reflect the reality that there would be an impact on collection and for 2021/22 a collection level of 97.50% was considered reasonable.

Members recognised and supported the prudent nature of the assumptions being made and as a result, it was **RESOLVED**:

- (1) That the Band D equivalent number of properties was calculated as shown in accordance with the Government regulations.
- (2) That the collection rate for Council Tax for 2021/22 was set at 97.5%.
- (3) That subject to (1) and (2) above, a Council Tax Base for 2021/22 of 98,450 Band D equivalent properties (after collection rate allowance deduction) be approved.

9. **Public Sector Pay Freeze 2021/2022**

Debra Norman, Director of Legal, Audit and HR Services, introduced the report providing an update in respect of the Public Sector pay freeze for 2021/22 announced in the Government's spending review and the implications for remuneration for council employees.

Whilst noting the Council's adherence to the National Pay Bargaining Framework for Local Government and need to comply with its Pay Policy and statement members were keen to consider the provision of appropriate recognition for staff in order to reflect their continuing commitment in such difficult circumstances during the Covid-19 pandemic. As a result, the Committee was being asked to agree that a report be brought forward to Full Council in February 2021 in order to consider any amendments (should they be necessary) to the Pay Policy and Pay Policy Statement in order to enable any appropriate form of recognition to be made.

As a result, the Committee **RESOLVED** to:

- (1) Note the constraints on reward and remuneration for employees, which would result from the Public Sector pay freeze.
- (2) Agree that a report be brought to the February 2021 Council meeting to propose amendments to the council's Pay Policy and (if necessary) to its Pay Policy Statement to enable appropriate recognition of the continuing commitment in difficult circumstances shown by council staff during the COVID crisis.

10. **Appointments to Sub-Committees / Outside Bodies**

None

11. **Exclusion of Press and Public**

There were no items that required the exclusion of the press or public.

12. **Any other urgent business**

None

It was noted that the next meeting had been scheduled for Monday 18 January 2021

The meeting closed at 9:48am

COUNCILLOR MUHAMMED BUTT
Chair