



General Purposes Committee

Monday 7 December 2020 at 9.30 am

Please note this will be held as an online virtual meeting.

The link to view the meeting will be available [HERE](#)

Membership:

Members

Councillors:

M Butt (Chair)
McLennan (Vice-Chair)
Colwill
Farah
Nerva
M Patel
Krupa Sheth
Tatler

Substitute Members

Councillors:

Afzal, S Choudhary, Dixon, Kabir, Knight, Southwood
and Stephens

Councillors:

Kansagra and Maurice

For further information contact: Rashella Rapley, Governance Officer - 020 8937 3051.

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 view this online meeting. The link to view the meeting will be available [HERE](#).

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.

Agenda

Introductions, if appropriate.

Item	Page
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1	Apologies for absence and clarification of alternate members	
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2	Declarations of interests	
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Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary or personal interests in the items on this agenda and to specify the item(s) to which they relate.

3	Deputations (if any)	
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To hear any deputations received from members of the public in accordance with Standing Order 67.

4	Minutes of the previous meeting	1 - 6
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To approve the minutes of the previous meeting held on Tuesday 29 September 2020 as a correct record.

5	Matters arising (if any)	
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To consider any matters arising from the minutes of the previous meeting.

6	Extra Day Leave Christmas Closure	7 - 8
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This report provides the Committee with a proposal to recognise 24th December 2020 as an additional bank holiday for staff.

Wards Affected:
All Wards

Contact Officer: Martin Williams
Head of Human Resources
Tel: 020 8937 3209
Email: Martin.Williams@brent.gov.uk

7 Voluntary Redundancy Scheme update

9 - 22

This report provides an update to the committee in respect of the council's 2020 Voluntary Redundancy Scheme. It also outlines the impact on the scheme of a current consultation concerning changes to the Local Government Pension Scheme and some changes already in force in new Regulations concerning public sector exit payments.

Wards Affected:

Contact Officer: Debra Norman
Director of Legal, HR, Audit & Investigations
Tel: 020 8937 1578
Email: Debra.Norman@brent.gov.uk

8 Council Tax Base 2021/2022

23 - 28

This report is presented to enable the Council to fulfil its statutory role to set a council tax base for 2021/22. The Local Government Finance Act (LGFA) 1992, as amended by the LGFA 2003 & LGFA 2012, requires the Authority to formally calculate the Council Tax Base for 2021/22 and pass this information to precepting authorities by 31 January 2021. The tax base must be set between 1 December 2020 and 31 January 2021.

Wards Affected: All Wards

Contact Officer: Minesh Patel
Director of Finance
Tel: 020 8937 4043
Email: Minesh.Patel@brent.gov.uk

9 Public Sector Pay Freeze 2021/2022

29 - 32

This report provides an update to the committee in respect of the public sector pay freeze for 2021/22 announced in the spending review and the implications for remuneration for council employees.

Agenda republished to include this item on: 2 December 2020

Wards Affected:

Contact Officer: Debra Norman
Director of Legal, HR, Audit & Investigations
Tel: 020 8937 1578
Email: Debra.Norman@brent.gov.uk

10 Appointments to Sub-Committees / Outside Bodies

To consider any appointments needing to be made in relation to the Sub Committees appointed by the General Purposes Committee.

11 Exclusion of Press and Public

There are currently no items on the agenda that will require the exclusion of the press and public.

12 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or his representative before the meeting in accordance with Standing Order 60.

Date of Next Meeting: Monday 18 January 2021

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LONDON BOROUGH OF BRENT

MINUTES OF THE GENERAL PUPOSES COMMITTEE

Held as an online meeting on Tuesday 29 September 2020 at 10:00

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

1. Apologies for absence and clarification of alternative members

None received.

Councillor Butt, as Chair, took the opportunity to formally welcome Councillor Nerva to his first meeting as a member of the Committee.

2. Declaration of interests

There were no declarations of interests made by Members.

3. Deputations (if any)

There were no deputations received.

4. Minutes of previous meeting

RESOLVED that the minutes of the previous meeting, held on Monday 7 September 2020 be approved as an accurate record.

5. Matters arising (if any)

None

6. Apprentice Pay Rates

Martin Williams, Head of Human Resources, introduced the report detailing the outcome of a review of apprenticeship pay rates following approval of the Apprenticeship Strategy by Cabinet in October 2017 and development of the associated Action Plan.

The Committee noted

- That the Apprenticeship Strategy and associated action plan for 2020 onwards had set out the key areas of activity that would lead the council to increase the take-up of apprenticeships in Brent and to utilise the opportunity of the Apprenticeship Levy to support career progression.

- The progress made in implementing the strategy to support workforce development and address skills gaps as detailed in section 3.1 of the report. Given the increase in standards now available, the Council has been able to better align apprenticeships with key skill shortage areas, which had resulted in a shift from apprenticeships focussed on business administration and customer service standards at Levels 2 and 3 to a wider spread across different areas from Level 2 to 7.
- The current and previous Pay Rates as detailed in 3.4 of the report reflected the increase in the National Living and London Living Wages. As the rate agreed for Level 3 apprentices was not aligned to a national rate, this had not increased since the last review and as a result of this, Level 3 apprentices were currently paid at a lower level than those at Level 2.
- Following the review of existing pay rates (informed by benchmarking with other London Boroughs) it was being proposed that Level 2 and 3 apprentices were paid at the National Living Wage (NLW) rate (applicable to those aged over 25) irrespective of age and the London Living Wage (LLW) as a minimum for Level 4 apprentices and above. Given the small number of Level 2 apprentices within the Council, there was no longer the need for a differential between Levels 2 and 3.
- In recognition of the entry criteria for higher-level apprenticeships and in order to attract and retain individuals in areas with specific skills shortage, it was proposed that these could be paid at a rate above the LLW subject to agreement by the relevant Director in consultation with the Head of HR, in line with the Market Supplements Policy.

During the discussions that followed, members welcomed the positive progress made in terms of the number and quality of apprenticeships being offered. As a result of a request at the meeting, it was agreed that a further breakdown would be provided for members outside of the meeting on the number of apprentices currently employed across the Council and at what level. It was also confirmed that subject to approval, the new rates of pay would be backdated to April 2020 with any annual uplift aligned to changes in the LLW or NLW. Members were also keen to ensure that the necessary links were established between the opportunities being made available through the apprenticeship strategy and the Black Community Action Plan.

Members welcomed the progress that had been made and it was **RESOLVED:**

- (1) To note the progress made in implementing the Apprenticeship Strategy with particular emphasis on the use of the levy to support workforce development and address skills shortages.
- (2) To agree to the recommended new apprenticeship pay rates for the council's own apprentices, as set out in paragraphs 3.5 and 3.6 of the report. This was on the basis it would help attract and retain individuals in a more competitive apprenticeship market whilst enabling the independent living of people who do not or could not live at home.

7. i4B Key Worker Housing Scheme

Martin Williams, Head of Human Resources, introduced the report updating the Committee in respect of the Council's offer to council staff of Key Worker Housing provided by i4B, including the Council roles to be identified as Keyworker roles and the terms on which Key Worker housing would be provided, including the potential tax implications for individuals.

Discussing the financial and legal implications received following the publication of the original report, Martin Williams brought to the attention of Members that 5.3 of the report confirmed the Council's tax advisors had concluded that the i4B Key Worker Housing Scheme was not considered a taxable benefit for Brent Council staff. This had been based on the offering being made available to people other than Council employees and a calculation of the employment related benefit conducted on the cost of the property and proposed rent.

In considering the report members noted the key worker roles and the terms on which key worker housing would be provided, as detailed within the i4B Key Worker Housing Allocations Policy included as Appendix 1 to the report. Members were advised that the initial offer would be focused on the block of flats purchased by i4B in Wembley, which comprised of 153 units made up of a range of 1 and 2 bedroom apartments. The aim of the Policy was to ensure a fair and equitable process in terms of the allocation of these properties to key workers based on a tiered system, as set out in section 4 of the report. Work had already been undertaken to promote the offer, with a breakdown of Council staff who had registered an interest, set out in section 4.8 of the report.

In highlighting their support for the scheme, members were pleased to note the progress made and positive interest especially in relation to staff from within Children and Young People and Community & Wellbeing. In response to a query on the detailed allocation policy, members were advised of the tenancy arrangements being offered, which would be subject to review on a 12 monthly basis or if the nature of the role changed and the tenant was no longer employed or classified as a key worker, tenancy would cease.

Members welcomed the ongoing progress, remaining keen that key worker staff had access to affordable housing. It was therefore **RESOLVED**:

- (1) To approve the method by which posts were identified as being difficult to recruit and retain within the Council.
- (2) To note the advice received in relation to the key worker housing scheme not being classified as a taxable benefit for Brent's employees.

8. Review of Representation of Political and Appointments

Councillor Butt, Leader of the Council, introduced the report which followed the review undertaken at the Annual Council meeting on 14 September 2020 in relation to the representation of political groups on main committees and subsequent appointments made to those bodies.

It was noted that the Committee was now required to review and determine the representation of political groups on its Sub-committees as set out in the report and then make appointments giving effect to the wishes of the political groups allocated seats.

RESOLVED to approve:

- (1) The size of each sub-committee to be appointed by the Committee as detailed in the report.
- (2) The allocation of seats to political groups on each of the sub-committees in accordance with political balance rules.
- (3) The appointment of Chairs, Vice-Chairs, Members and Substitutes Members to each sub-committee.

9. Appointments to Sub-Committees / Outside Bodies

Following on from Item 8 above, Councillor Butt introduced the item which set out the proposed appointments to the General Purposes Sub-committees for the 2020/2021 Municipal Year.

RESOLVED: That Members agree the following appointments to the General Purposes Sub-Committees for the 2020/2021 Municipal Year:

GENERAL PURPOSES SUB-COMMITTEES

SENIOR STAFF APPOINTMENTS SUB-COMMITTEE

M BUTT (C)	LABOUR
MCLENNAN (VC)	LABOUR
KANSAGRA	CONSERVATIVE
KRUPA SHETH	LABOUR
TATLER	LABOUR

SUBSTITUTE MEMBERS:

LABOUR: FARAH, KNIGHT, NERVA, M PATEL, STEPHENS, SOUTHWOOD
CONSERVATIVE: COLWILL, MAURICE

SENIOR STAFF APPEALS SUB-COMMITTEE

M BUTT (C)	LABOUR
MCLENNAN (VC)	LABOUR
KANSAGRA	CONSERVATIVE
NERVA	LABOUR
KRUPA SHETH	LABOUR

SUBSTITUTE MEMBERS:

LABOUR: FARAH, KNIGHT, M PATEL, SOUTHWOOD
CONSERVATIVE: COLWILL, MAURICE

BRENT PENSION FUND SUB-COMMITTEE

CHOUDHARY (C)	LABOUR
ADEN (VC)	LABOUR
DALY	LABOUR
DONNELLY-JACKSON	LABOUR
MAURICE	CONSERVATIVE
MITCHELL-MURRAY	LABOUR
PERRIN	LABOUR

CO-OPTED NON-VOTING:

ELIZABETH BANKOLE (UNISON)

SUBSTITUTE MEMBERS:

LABOUR: CHOUDRY, MCLEISH, NAHEERATHAN & VACANCY
CONSERVATIVE: COLWILL, KANSAGRA

BRENT PENSION BOARD

FULL MEMBERS:

DAVID EWART (C)	INDEPENDENT CHAIR
CRANE	LABOUR
KABIR	LABOUR
CHRIS BALA	PENSION SCHEME MEMBER
BOLA GEORGE	TRADE UNION (UNISON) MEMBER
ROBERT WHEELER	TRADE UNION (GMB) MEMBER
VACANCY	EMPLOYER MEMBER (NON-BRENT
COUNCIL)	

SUBSTITUTE MEMBERS:

No provision is include within the Boards Terms of Reference for substitute members.

10. Exclusion of Press and Public

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


11. Any other urgent business

None

The meeting closed at 10:20am

COUNCILLOR MUHAMMED BUTT
Chair

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	General Purposes Committee 7 December 2020
	Report from the Head of Paid Service
Christmas Closure 24th December 2020	

Wards Affected:	None
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>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Martin Williams, Head of Human Resources Email: martin.williams@brent.gov.uk Tel: 020 8937 3209

1.0 Purpose of the Report

- 1.1 To provide the Committee with a proposal to recognise 24th December 2020 as an additional days Bank Holiday for staff.

2.0 Recommendation

- 2.1 That the Committee agree that the 24th December 2020 is to be treated as an additional Bank Holiday leave for staff.

3.0 Background

- 3.1 Many staff wish to take the 24th December as annual leave. In recognising this and acknowledging the commitment of Brent staff throughout the year in the most difficult of circumstances it is proposed to allocate the 24th December 2020 as an additional days Bank Holiday leave.

4.0 Detail

- 4.1 2020 has been a significant year for the whole of the country as it has dealt with the challenges of COVID-19. Local Authorities and Brent in particular have had to operate in a way and raise to challenges that even twelve months ago no one could have foreseen. Brent was the local authority that was hardest hit by the COVID-19 virus. Not only did the Council continue to delivered a range of outstanding day to day services to residents but it developed 'on the hoof' new ways of operating and delivering services that it had not previously delivered.

4.2 Of particular note, we have, as an organisation:

- Put in place the necessary robust technology to allow staff to work effectively from home and ensuring the Council's Governance arrangements continued seamlessly.
- Coordinated the provision of sufficient PPE for staff, care homes and schools.
- Built and operated a temporary mortuary using volunteers from within the workforce.
- Organised the delivery of food parcels to vulnerable and sheltering residents.
- Built on our already good relationship with the Voluntary sector and Community groups to ensure all Brent communities were safe.
- As lockdown was lifted our Enforcement staff have carried out difficult duties with a firm hand and good humour. Which has been well received.

4.3 The bullet points above are just the surface of many actions initiatives and projects large and small which staff, across the Council have undertaken tirelessly to keep our resident and staff safe. All whilst continuing business as usual.

4.4 I can reassure members that if this proposal is agreed we have a high performing range of out of hours' services that are able to respond quickly when required to do so and in particular, mobilise additional resources at short notice to respond to major incidents. These services are deployed at evenings, weekends and on Bank Holidays. By treating the 24th December as an additional Bank Holiday, those staff who undertake out of hours' work will not be disadvantaged.

4.5 If members are minded to agree this proposal there will be no consequential financial savings as the Civic Centre will still be open to accommodate external tenants. However, the positive impact this will have as a goodwill gesture to our workforce will be well received and very welcome at what is still, and will be into the foreseeable future, a very difficult time.

5.0 Financial Implications

5.1 There are no specific Finance implications in this report.

6.0 Legal Implications


6.1 There are no specific legal implications in this report.

7.0 Equality Implications

7.1 Any equality implications in this report will be assessed on an on-going basis using data available.

Report sign off:

Carolyn Downs
Chief Executive

	<p>General Purposes Committee 7 December 2020</p>
	<p>Report from Chief Executive</p>
<p>Voluntary Redundancy Scheme Approvals</p>	

Wards Affected:	All
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>	Open
No. of Appendices:	Appendix 1 - Equality Assessment
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Debra Norman Director of Legal and HR Services Tel: 020 8937 1578 Email: debra.norman@brent.gov.uk

1.0. Purpose of the Report

- 1.1. This report provides an update to the committee in respect of the council's 2020 Voluntary Redundancy Scheme. It also outlines the impact on the scheme of a current consultation concerning changes to the Local Government Pension Scheme and some changes already in force in new Regulations concerning public sector exit payments.

2.0. Recommendations

- 2.1 To note the proposed approach to redundancies where the cost of severance for an individual is in excess of £95,000 taking into account pension strain costs if an unreduced pension is paid pending clarity as to legal entitlements in those circumstances.
- 2.2 To note that none of the payments in respect of individuals pursuant to the voluntary redundancy scheme include 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 are paid.
- 2.3 To note the overall outcome of the Voluntary Redundancy Scheme run during September 2020.

- 2.4 To agree, as the administering authority of the Brent Pension Fund, to adopt the early retirement strain factors from Government Actuary's Department (GAD) as described in paragraph 5.17 – 5.21

3.0. Detail

- 3.1. On 2 August 2018 the General Purposes Committee agreed that the council implement a Voluntary Redundancy Scheme in advance of planning and implementing restructures as part of re-modelling the council to achieve the savings required in the council budget over the following period. The Chief Executive was empowered to agree that the scheme also be run in future years. The 2018 scheme was successful in achieving savings and remodeling of the workforce and also facilitated succession planning and career progression, which was an issue highlighted in a recent staff survey.
- 3.2. This year the council again finds itself needing to undertake significant workforce reform and restructuring in order to achieve savings while continuing to deliver services on which the local community rely. The Chief Executive therefore authorised the running of a further voluntary redundancy Scheme in September 2020.

4.0 The recent programme to seek volunteers for redundancy

- 4.1 Staff were invited to apply for voluntary redundancy as a means of avoiding the need for a programme of compulsory redundancy. The call for volunteers opened on 1st September and closed on the 2nd October 2020. 123 staff have applied for voluntary redundancy. It is proposed that employees who it is agreed may take voluntary redundancy under the scheme continue to work until the end of the financial year (31 March 2020) unless exceptionally another date is agreed by the Chief Executive.
- 4.2 All applications were assessed on the basis of the efficiency of the service and longer term financial considerations. A benchmark period of not more than two years for the cost of the redundancy to be offset by the consequent savings to the council (net of any saving reinvested as part of a restructure) was part of this assessment. A business case was prepared in respect of each application received and this was considered by Departmental Management Teams (DMT). Each business case has considered the cost of the individual redundancy and the savings associated with a deletion of the post, taking into account any associated restructure to ensure that the council can continue to deliver its services after the redundancy is implemented. The Council Management Team considered all the proposals from DMTs.
- 4.3 As a result of this process 75 applications for voluntary redundancy have been agreed and a further 12 are considered appropriate for approval but the cost of severance for the individual is in excess of £95,000 taking into account pension strain costs if an unreduced pension is paid. Paragraphs 4.7 to 4.14 below outline the legal uncertainties surrounding the severance payments that can be made in these cases and the proposed approach pending the legal position being clarified by a change in legislation or by a court of other legal decision.
- 4.4 For the avoidance of doubt, no exit payments in excess of normal contractual terms as described below are proposed as a result of the voluntary redundancy scheme by way of this report.
- 4.5 The council's redundancy payments scheme applies to employees with two or more years' continuous service with a body listed in the Redundancy Payments (Continuity of Employment in Local Government) Modification Order. Calculation of payments

under the council's scheme is based on the statutory scheme but actual salary rather than the statutory weekly maximum is used for this calculation. The calculation is as follows:

- 0.5 week's pay for each full year of service aged under 22
- 1 week's pay for each full year of service between the ages of 22 and 41
- 1.5 week's pay for each full year of service worked from the age of 41 and over.

- 4.6 This is subject to a maximum 20 years of service (30 x a week's pay is therefore the maximum available). In addition, a discretionary severance payment, equal to 50% of the redundancy payment so calculated, is currently made to those made redundant.
- 4.7 Employees who are made redundant who are aged 55 or over and have at least two years of pension scheme membership are normally entitled under the LGPS Regulations to immediate payment of pension benefits without reduction. Where this occurs the council can be required to make an actuarial "strain" payment to the pension fund to reflect the extra cost of paying an unreduced pension for the period up to the scheme member's normal retirement date under the LGPS.
- 4.8 This pension strain can be quite significant so that, for example, someone earning £40,000 p.a. with 30 years' service might attract a total exit payment (including pension strain) in excess of £95,000.
- 4.9 Under the council's own policies, exit payments in excess of £100k (including strain cost) are required to be approved by the Council or in some circumstances by the General Purposes Committee. However, The Restriction of Public Sector Exit Payment Regulations 2020 (The Exit Regulations) came into effect on the 4th November 2020. These regulations prohibit the council making any exit payments in respect of staff over £95,000 (the cap). The calculation of the payment amount includes the redundancy, severance and actuarial strain payments.
- 4.10 Within these regulations there is a 'Power to Relax' subject to approval by Full Council and after compliance with Directions and Guidance. The discretionary power to relax may only be exercised with the consent of the appropriate Minister of the sponsoring department (for local Councils that will be the Secretary of State for Housing, Communities and Local Government) and Her Majesty's Treasury. The guidance issued in respect of waivers is extremely restrictive and states that waivers will be granted only in very exceptional circumstances.
- 4.11 A consultation process has just concluded in respect of changes to the LGPS scheme which would change the provisions that currently provide for an unreduced pension to be paid to LGPS members who are at least 55 years old when made redundant and would provide a range of options instead, consistent with the Exit Payments Regulations. Pending changes being made to the LGPS Regulations, there is considerable uncertainty as to what payments may be made in respect of such LGPS members.
- 4.12 The Government has given guidance that an actuarially reduced pension or a deferred pension should be offered in these circumstances, along with a cash payment in place of the strain payment which brings the overall severance cost to not more than the £95k cap. However, the legislative basis for such a payment is unclear.
- 4.13 The LGPS Advisory Board have suggested that administering authorities take steps to manage their risk in respect of redundancies where the cost of severance for the

individual is in excess of £95,000 taking into account pension strain costs if an unreduced pension is paid, pending the legal position becoming clear. They suggest that an actuarially reduced or deferred pension without the cash payment referred to by the government, is offered. The council's actuaries have endorsed this approach as have some legal commentators.

- 4.14 It is proposed that the council take this approach, in respect of the voluntary redundancy scheme and any other redundancies while the position remains unclear. A number of threats of legal proceedings against the Government have been made, including by the BMA and a group of local authority organisations (LLG with the support of the Society of Local Authority Chief Executives and Senior Managers and Associations of Local Authority Chief Executives and Senior Managers). If as a result of a legal case or another relevant legal decision, or a change in legislation or government guidance it is established that an unreduced pension should be paid in these circumstances or that a cash payment as proposed by the government should be made, this can be implemented and backdated as appropriate.
- 4.15 This is an unsatisfactory position for the council and for the affected staff 3 of the 12 affected staff have withdrawn their request for voluntary redundancy on being informed of the current position. As a result, as the restructuring to achieve necessary savings and complete workforce reform and service change will still have to take place, there will have to be more compulsory redundancies than would otherwise be the case. This is damaging to staff morale, a drain on management resource at a time when staff are particularly stretched dealing with Covid-19 related issues and likely to mean increased disruption to services.
- 4.16 This also means that none of the proposed voluntary redundancies will attract a severance payments at this point in excess of £95k (or £100k for the purposes of the council's policy) and so no report will be made to full council. However, a report may be needed at a later date if unreduced pensions do become payable.
- 4.17 The Brent Pension Fund uses early retirement strain factors to calculate the strain charged to employers. These are developed to address the extra cost of paying an unreduced pension. The factors are Fund specific and therefore vary between different LGPS pension funds. They are based on each Fund's individual valuation funding assumptions and produce higher strains for women compared to men because women, on average, live longer than men. However, they were never intended to impact member benefits therefore in light of the £95,000 exit cap regulations, it is necessary to alter the strain factors to ensure they are still fit for purpose.
- 4.18 In order to minimise the risk of challenge from employers or members, the Brent Pension Fund has two options: to adopt the new draft Government Actuary's Department (GAD) strain factors or to use adapted Fund specific factors that will work with the current pension's administration software.
- 4.19 It is recommended to adopt the methodology and factors from GAD now. The advantages of taking this approach are that once the LGPS Regulations are updated for the £95k pay cap next year, it is expected that the Fund will be required to use these factors. Therefore adoption of this method ensures that a further change of factors is not required next year. Additionally, there is less risk of challenge as Fund specific factors will result in higher or lower strain costs and the use of GAD factors is likely to lead to more consistent results across funds.
- 4.20 The disadvantages of this approach are that the Fund's current administration system cannot use the GAD factors until an update is provided by the software developers,

therefore calculations will have to be done 'off the system'. Additionally, there is the small chance that the draft factors may change when the LGPS Regulations are updated. Overall, the approach being proposed has been endorsed by our actuaries and is consistent with the LGPS Scheme Advisory Board (SAB) guidance

- 4.21 Overall, the GAD factors are likely to produce lower strain costs than the existing Fund factors therefore fewer members will be subject to the £95,000 cap.
- 4.22 A meeting took place with the UNISON Regional Officer and the GMB Branch Convenor in which the position the Council was planning to take, as set out in this report, was discussed at length. Both Trade Unions were clear in their opposition to the Government's legislation in respect of Exit Payments and the detrimental impact this would have on their members going forward. However, both were appreciative of the Council's transparency in respect of the proposals in this report and considered them to reflect a reasonable approach in view of the difficult position in which the council finds itself. The Trade Union side indicated that they would like the council to seek waivers for those staff impacted by the Exit Cap, although they understood that the Directions and Guidance concerning when consent will be granted to waiver requests by central government are very restrictive.

5.0 Financial Implications

The applications that have been accepted for voluntary redundancy result in an aggregate payback period of less than two years, net of any savings reinvested as part of a restructure, which is within the agreed benchmark for long term financial considerations. Additionally, this position would not change through the adoption of the GAD strain factors.

The net cashable savings from the budgeted establishment arising out of the accepted applications, subject to the uncertainties in LGPS regulations highlighted above, have been incorporated in the Council's Medium Term Financial Strategy.

The adoption of GAD strain factors will mean that the Brent Pension Fund is expected, on average to receive less funding than is necessary to cover the cost of the early retirement. The impact of this would be reflected in future valuations as an employer's funding position would deteriorate which will ultimately be recovered through the employer contribution rate. The Fund will be exposed to this once GAD's methodology and factors took effect. It is considered probably that these factors will be in effect in any event by 31 March 2021 when most voluntary redundancy scheme exits are likely to occur. This means that the Fund is unlikely to be significantly affected by adopting the factors now. This will however mean that the probable impact of the cap on individuals at the point they leave the council can be better predicted now. As indicated in the body of the report this is likely to mean fewer members being considered subject to the £95k cap.

6.0 Legal Implications

- 6.1 The council has power to enhance the statutory redundancy scheme and to make severance payments to staff not eligible for that scheme under Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 (as amended) where dismissal is for redundancy or efficiency reasons.
- 6.2 Under the Redundancy Payments (Continuity of Employment in Local Government) Modification Order continuous service with bodies listed in the Order is included in the

calculation of an employee's continuous employment for redundancy purposes.

- 6.3 The Government has put forward various proposals to reduce and standardise severance payments in the public sector. The only one of these which is currently operative is the cap on exit payments of £95,000 (Small Business, Enterprise and Employment Act 2015 and the Public Sector Exit Pay Regulations **2020**).
- 6.4 Other legal implications are contained in the body of the report.

7 Diversity Implications

- 7.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 7.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.3 An equality assessment has been undertaken in respect of this report and is attached as Appendix 1.

8 Background Papers

- 8.1 None

Report sign off:

Carolyn Downs
Chief Executive

Appendix 1: Equality Assessment (EA)

POLICY/PROPOSAL:	Voluntary Redundancy Scheme 2020
DEPARTMENT:	Council Wide
TEAM:	Human Resources
LEAD OFFICER:	Martin Williams
DATE:	17 November 2020

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

In order to address a requirement to make budgetary savings the Council opened up a Voluntary Redundancy (VR) scheme to its whole workforce in September 2020 as a measure to mitigate potential Compulsory Redundancies. The Scheme was open for one month and staff could request to be considered for Voluntary Redundancy.

Requests for VR were considered by departments to determine whether:

- The post could be dispensed with and a saving made.
- The post could be dispensed with in its current format and a partial saving could be made.
- The post was required to deliver services to the public and could not be dispensed with.

Each individual application was to be assessed on the basis of the efficiency of the service and the longer term financial considerations.

2. Who may be affected by this policy or proposal?

The VR scheme was open in principle to all employees to apply.

As the scheme is voluntary in nature, it is self-selective and is therefore not considered beneficial nor detrimental to any particular protected characteristic group at point of application.

The approval process meant that applications would only be accepted if business case requirements were met as described above and so applicants are affected by these requirements.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes.

The scheme involves making decisions as to which individuals who wish to be made redundant and benefit from the council's redundancy policy will be allowed to leave the council.. These decisions will be made with due regard to the council's public sector equality duty and other equalities legislation.

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	Neutral/None	Negative
Age	X		x
Sex	X		
Race	X		
Disability	X		
Sexual orientation	X		
Gender reassignment	X		
Religion or belief	X		
Pregnancy or maternity	X		
Marriage	X		

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	NO
Have you established that the policy or proposal <i>is</i> relevant to the council's public sector equality duty?	x	
Does the policy or proposal relate to an area with known inequalities?		x
Would the policy or proposal change or remove services used by vulnerable groups of people?		x
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	x	
If you have answered YES to ANY of the above, then proceed to section B. If you have answered NO to ALL of the above, then proceed straight to section D.		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

An analysis of the make up of those accepted under the scheme and those rejected has been undertaken. The data from this exercise is attached. In some cases the numbers are so small it makes useful statistical analysis impossible. In respect of some applicants no or only partial equalities data has been disclosed.

61% of applications were accepted.

66% of applications were from BAME background.

In respect of accepted applications 57% were from a BAME background and 28% were white.

In respect of declined applications 48% were from a BAME background and 34% were white.

88% of those who applied were in the 51-70 age group

84% of those accepted were in the 51-70 age group.

67% of those who applied were female

71% of those who were accepted were female

The data in respect of applications declined does not indicate any disproportionate impact on any particular protected group(s).

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	<p>Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.</p> <p>The expectation of a payback period not exceeding 2 years could potentially impact older staff (55yrs and over) because of the costs of pension strain. However, although some individual payments do not</p>

	meet the 2 year payback requirement, the scheme as a whole does and so no applications are currently proposed to be refused on the basis of this criterion.
DISABILITY	
Details of impacts identified	<p>Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.</p> <p>On the basis that redundancy (and if appropriate pension) payments are based on total length of service there is no detriment if the individual has a disability and has periods of absence related to this.</p>
RACE	
Details of impacts identified	<p>Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.</p>
SEX	
Details of impacts identified	<p>Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.</p>
SEXUAL ORIENTATION	

Details of impacts identified	Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.
PREGANCY AND MATERNITY	
Details of impacts identified	Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.
RELIGION OR BELIEF	
Details of impacts identified	Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.
GENDER REASSIGNMENT	
Details of impacts identified	Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Staff in all protected groups with significant numbers have put themselves forward under the scheme and applications from all these groups are recommended for approval. Staff in all groups who do not want to leave their roles benefit from colleagues leaving on a voluntary basis as the number of compulsory redundancies likely to be required reduces accordingly. Longer serving and older employees have particularly benefitted as legislative and policy rules favour them financially.

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3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

The whole workforce was engaged.

5. Please detail any areas identified as requiring further data or detailed analysis.

None

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

n/a

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

After the scheme has been fully implemented, the data in respect of actual departures under the scheme will be reviewed.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired

outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

The VR scheme has potential to benefit individuals from all backgrounds by allowing those who wish to leave to do so and avoiding compulsory redundancy.

The decision making in respect of individual applications is based on service provision requirements which takes account of the need to maintain service to all parts of the Brent community and service users at an appropriate level. The data does not indicate that any group appears to have been disadvantaged by the decision making criteria.

The criteria for acceptance under the scheme are related to cost recovery have the potential to disadvantage longer serving employees and those over 55 years, but this is already mitigated by considering the recovery period across the scheme as a whole.

There are no apparent equalities issues in respect of the policy or its implementation.

SECTION D – RESULT

<i>Please select one of the following options. Mark with an "X".</i>		
A	CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED	X
B	JUSTIFY AND CONTINUE THE POLICY/PROPOSAL	
C	CHANGE / ADJUST THE POLICY/PROPOSAL	
D	STOP OR ABANDON THE POLICY/PROPOSAL	

SECTION E - ACTION PLAN


This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Review data on actual departures under the scheme	Consistent with the current position	Martin Williams	April 2021

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	
REVIEWING OFFICER:	
HEAD OF SERVICE:	

 Brent	General Purposes Committee 7 December 2020
	Report from the Director of Finance
Calculation of Council Tax Base 2021/22	

Wards Affected:	ALL
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>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Minesh Patel, Director of Finance Email: minesh.patel@brent.gov.uk Tel: 020 8937 4043 Ravinder Jassar, Head of Finance Email: ravinder.jassar@brent.gov.uk Tel: 020 8937 1487

1.0 Purpose of the Report

- 1.1 This report is presented to enable the Council to fulfil its statutory role to set a council tax base for 2021/22. The Local Government Finance Act (LGFA) 1992, as amended by the LGFA 2003 & LGFA 2012, requires the Authority to formally calculate the Council Tax Base for 2021/22 and pass this information to precepting authorities by 31 January 2021. The tax base must be set between 1 December 2020 and 31 January 2021.

2.0 Recommendation(s)

- 2.1 Agree that the band D equivalent number of properties is calculated, as shown, in accordance with the Government regulations;
- 2.2 Agree that the collection rate for council tax for 2021/22 is set at 97.5%.

- 2.3 Subject to (2.1) and (2.2) above, a Council Tax Base for 2021/22 of 98,450 Band D equivalent properties (after collection rate allowance deduction) be approved.

3.0 Tax Base

- 3.1 The calculation of the tax base is one of the technical stages in the process of setting the council tax, which is scheduled for the Council Meeting on 22 February 2021.

- 3.2 The Local Government Finance Act (LGFA) 1992, as amended by the LGFA 2003 & LGFA 2012, requires the Authority formally to calculate the Council Tax Base for 2021/22 and pass this information to precepting authorities by 31 January 2021. The tax base must be set between 1 December 2020 and 31 January 2021.

- 3.3 Brent, like all Local Authorities, has to work out how much next year's band D council tax should be so that the total tax that will be collected equals the budget required to pay for its services. To work out the band D tax, the budget requirement is divided by a figure called the council tax base, which is calculated in this report. In effect, the tax base represents the aggregate taxable value of all residential property in Brent. As well as Brent, the Greater London Authority also needs the tax base figure to work out how much they need to add on to Brent's council tax to pay for their services. This is formally known as their 'precept'.

- 3.4 The Council's 'number of taxable properties' has been calculated in accordance with relevant procedures and guidance for 2021/22. The calculation of the Tax Base has two parts:

(a) The number of taxable properties shown as 'band D equivalents' and

(b) The expected collection rate for the year.

- 3.5 The calculation method is set out in the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended. For calculating the Tax Base, (and setting the Council Tax) properties in each of the eight valuation bands are given different weightings. These weightings are shown as a proportion of the band D value. These are shown below:

Band	A	B	C	D	E	F	G	H
Weighting	6/9	7/9	8/9	1	11/9	13/9	15/9	2

- 3.6 The calculation is primarily based on the Council Tax Base Return submitted to the Ministry of Housing, Communities and Local Government in October 2020, which is used in Government grant calculations. This sets out the factual number of Band D properties, after taking account of the existing level of council tax support and exemptions. An estimate is also made for the change in the tax base expected in 2021/22 arising out of new housing developments in the borough and demolitions.

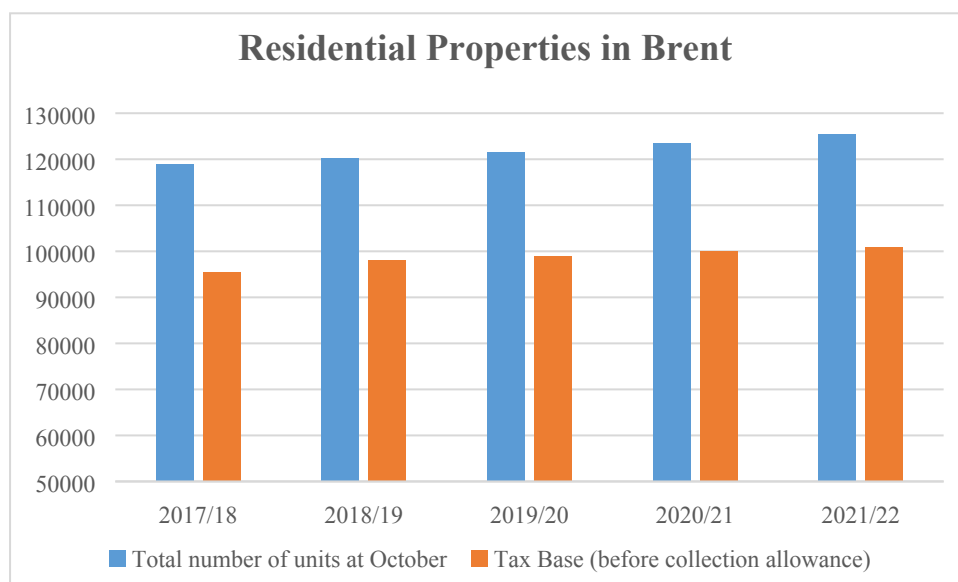
- 3.7 Very strictly speaking, then, the council tax base for 2021/22 could be expressed as:

- The Band D equivalent properties as at 1 October 2020 after adjustments for council tax support and occupancy; plus
- The estimated net growth in Band D properties between 1 October 2020 and 31 March 2021 (as all of these properties will be liable for council tax in 2021/22); plus
- Half of the estimated net growth in Band D properties during 2021/22 (all of these properties will be liable for council tax in 2021/22 but as they will complete, on average, half-way through the year, only half of their tax raising potential should be taken into account).
- Both estimates will be adjusted to account for occupancy levels and council tax support, in-line with existing properties.

3.8 The starting point of the Band D properties as at 1 October 2020 is known, and is 98,176. Data compiled by the council from a number of sources, including the planning department and directly from developers, shows a number of consented schemes are likely to complete towards the end of 2020/21 followed by a slow-down in 2021/22. This general trend is also supported by new council tax registrations that are currently awaiting banding by the Valuation Office Agency. On this basis it is recommended, as set out in section five, to assume that the council tax base will increase to 100,975 units for 2021/22.

3.9 This will be reviewed during 2021/22 and if, at that time, the new properties have come on stream at a slower rate than expected then it may be prudent to adopt a lower rate of growth for 2022/23 to keep the collection fund in balance.

3.10 The graph below shows the total number of properties in the borough compared to the tax base over the last five years, after reductions for both statutory and local reduction schemes have been applied to households in-line with existing data. The reduction for council tax support accounts for around 14% of the reduction from the total number of properties in the borough.



4.0 Council Tax Collection Rate

4.1 The figure for Band D properties then needs to be adjusted to reflect the fact that 100% collection of council tax is unlikely to be achieved. The council tax

base set by the council takes account of what is eventually expected to be collected, not just by the end of the financial year in question. This is referred to as the lifetime collection rate.

- 4.2 Between 2001/02 and 2012/13 the council's lifetime collection rate was set at 97.5% as an assessment of the amount to be collected for the relevant year. For 2013/14 this was reduced to 96% to take account of the anticipated impact of households formerly receiving council tax benefit who now have to pay at least part of their council tax bill. Since 2017/18 the rate has been set at 97.63% and, based on a historical analysis of collection rates, has been a relatively accurate estimate.
- 4.3 The outbreak of COVID-19 has had an impact on the in year collection rate for 2020/21. Current modelling suggests a reduction in the 2020/21 collection rate of 3% is expected. Clearly this is significant, however collection will continue to be attempted in future years, albeit there is a risk that the long-term rate collection rate will not be met.
- 4.4 As a result of the ongoing impact of COVID-19 on the economy and the postponement of normal debt recovery action, it is too early to be able to estimate the short and long term impact on collection. That being said, it is deemed prudent to reduce the long term collection rate to reflect the reality that there will be an impact on collection and for 2021/22 an overall eventual collection level of 97.50% is considered reasonable.
- 4.5 This does not mean that collection efforts will stop once the budgeted collection levels have been reached, or that eventual losses will necessarily be 2.50%. It is, however, essential that an adequate non-collection allowance be made each year. The Government recognises that no billing authority can collect every pound of Council Tax and that an element of collection will continue after the relevant year. The legislation provides for an allowance for non-collection to be incorporated into the calculation of the tax base.
- 4.6 If an over-optimistic assumption of the achievable collection rate is made, at some later stage a deficit in the Collection Fund will have to be declared, resulting in the need to increase the level of Council Tax in subsequent years to recover the deficit. Alternatively if the assumed collection rate is exceeded, a surplus could be declared later on. For 2021/22 it is considered reasonable to assume an overall eventual collection level of 97.50%, as outlined above.

5.0 Setting the Council Tax Base

- 5.1 Taking into account all of the considerations above, the calculation of the tax base for 2021/22, after allowing for an estimated reduced collection rate, is proposed as follows:

Estimated Tax Base (Band D equivalent) (A) = 100,975

Multiplied by:

The estimated lifetime rate of collection (B) = 97.50%

Band D Tax Base after collection allowance (A x B) = **98,450**

6.0 Financial Implications

- 6.1 The proposed council tax base for 2021/22 is 98,450 and will form part of the overall calculation of the Council's budget that will be presented to Cabinet in February 2021.
- 6.2 There is a risk that should the actual tax base (for budget setting purposes) be less than the actual prevailing tax base in the borough (likewise for the assumed vs the actual collection rate), a deficit on the collection fund will have to be declared resulting in the need to increase the level of Council Tax in subsequent years. Alternatively if the assumed collection rate is exceeded, a surplus could be declared.

7.0 Legal Implications

- 7.1 The Council Tax Base is the equivalent number of Band D dwellings (after taking account of discounts and exemptions) which would raise the same amount of tax as the actual number of liable dwellings in the borough, with their actual spread of bands. The Band D equivalent total is then multiplied by the estimated collection rate for the year, to give the Council Tax Base figure. In the Council Tax calculation process to be undertaken at Full Council on 22 February 2021 this figure will be used to calculate the amount of tax to be levied for a Band D dwelling. The Council Tax level for each valuation band is then calculated by a fixed ratio which each band bears to the Band D figure. The Council's Constitution currently requires that the calculation of the Council Tax Base be carried out by the General Purposes Committee.
- 7.2 Section 11A of the 1992 Local Government Act enables the Secretary of State to designate by regulations: (i) Categories of properties in respect of which the discount available in respect of empty properties may be reduced to a percentage of at least 10% (section 11A(3)); and (ii) Categories of properties in respect of which the discount may be reduced to any percentage or eliminated entirely (section 11A(4)). In the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 the Secretary of State has designated furnished dwellings which are not the sole or main residence of an individual for the purposes of section 11A(3) (except caravan pitches and boat moorings) and unfurnished unoccupied properties for the purposes of section 11A(4). Sections 11 and 12 of the Local Government Finance Act 2012 give billing authorities the discretion to vary the discounts applicable to specific classes of empty properties, second homes and long term empty properties from 1 April 2013.

8.0 Equality Implications

- 8.1 None arising directly from this report

9.0 Consultation with Ward Members and Stakeholders

- 9.1 Not applicable for this report.


10.0 Human Resources/Property Implications (if appropriate)

- 10.1 None arising directly from this report

Report sign off:

Minesh Patel

Director of Finance

 Brent	<p align="center">General Purposes Committee 7 December 2020</p>
	<p align="center">Report of the Head of Paid Service</p>
<p>Public Sector Pay Freeze</p>	
Wards Affected:	All
Key or Non-Key Decision:	No
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Debra Norman Director of Legal and HR Services Tel: 020 8937 1578 Email: debra.norman@brent.gov.uk

1.0. Purpose of the Report

- 1.1 This report provides an update to the committee in respect of the public sector pay freeze for 2021/22 announced in the spending review and the implications for remuneration for council employees.

2.0. Recommendations

- 2.1 To note the constraints on reward and remuneration for employees which will result from the public sector pay freeze.
- 2.2 To 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.

3.0. Detail

- 3.1 For the purposes of its pay and reward the Council adheres to the National Pay Bargaining framework for Local Government in respect of all of its workforce. For the majority of the workforce (up to and including PO8) we use the Greater London Provincial Council (GLPC) pay scales. These are in common use across almost all of the London Boroughs. Any annual pay award in respect of these pay scales is automatically linked to the nationally negotiated pay award.

- 3.2 As part of his Spending Review the Chancellor of the Exchequer has stated there will be a pay freeze that will impact the majority of employees in the public sector in 2021/22. Those excluded are some NHS staff and those employees in the public sector earning below the median wage of £24,000 who will receive a 'guaranteed pay rise of at least £250'. This equates to 6% of the workforce. Past pay freezes have not been implemented through legislation but through a range of government and audit oversight mechanisms as described in the legal implications section of this report.
- 3.3 On this basis there will be no pay rise awarded nationally for the majority of staff on GLPC pay scales. The same will apply in respect of the other pay scales in place for specific groups of council staff such as Soulbury scales for certain youth and education related posts, senior officers (paid on the Hay scale) and Chief Officers paid on the JNC for Chief Officers. While these pay scales remain the council's adopted pay scales the council will need to abide by national agreements in respect of them.
- 3.4 In remunerating staff the council is also constrained by its Pay Policy Statement. The Localism Act which was introduced in 2011 requires relevant authorities to prepare and publish pay policy statements with the primary aim to ensure openness and accountability in local pay. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees. Pay policy statements must be prepared for each financial year and must be approved by full council. The council usually adopts its Pay Policy Statement for the financial year at the budget and council tax setting meeting prior to the start of the financial year.
- 3.5 The council must comply with its pay policy statement in making any determination in respect of the remuneration of chief officers. Under the Constitution, any departure from a policy adopted by the Council must be referred to members for determination.

The council's pay policy is largely determined with reference to national pay bargaining arrangements, like most councils. Pay scales are reviewed annually in line with the National Joint Council arrangements for the majority of staff and with the Joint National Council for senior management (Chief Officers).

- 3.6 In accordance with the Pay Policy Statement employees, including the Chief Executive and directors, do not currently receive performance related payments or bonuses and there is limited scope to recognise exceptional performance other than in very specific circumstances i.e. where employees assume the duties and responsibilities of a higher-graded post are shared between more than one employee or they have taken on extra duties and responsibilities outside of their job description that have been exceptionally onerous.
- 3.7 The committee is asked to agree that a report be brought to the February 2021 Full Council meeting to consider 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.

4.0 Financial Implications

- 4.1 The Council's annual budget setting process takes account of funding annual pay awards and assumptions on future pay awards are contained within the Medium Term Financial Strategy. This will need to be adjusted in light of the Spending Review, including the impact of any proposed changes to the Pay Policy Statement, and will be set out for Cabinet in February 2021 as part of the budget setting process.

5.0 Legal Implications

- 5.1 Treasury has overall responsibility for setting the ground rules for the administration of public money. In its publication, Managing Public Money, there are strict requirements set out in relation to, amongst other issues, the use of public funds and governance and management in relation to expenditure in the public sector. Whilst the requirements of Managing Public Money are not directly applicable to local government, the Government has stated that it expects local government to meet and apply the same standards.
- 5.2 In addition, there are complex statutory requirements in place in relation to how the council is required to manage its finances and in relation to openness and transparency in how it publishes its accounts. In light of the pay freeze which the Chancellor has confirmed will be brought in for the majority of public sector workers in 2021 / 2022, the council will be required to abide by this instruction and to evidence, via its accounting practices that it has abided by the new requirements in relation to the pay freeze.
- 5.3 The statutory requirements for local authority accounting in England are set out in the Local Audit and Accountability Act 2014 (LAAA). Section 3(1) LAAA sets a basic requirement for authorities to keep adequate accounting records. Local authorities are also required, under the LAAA to appoint external auditors. The duties of the external auditors are set out in part 5 of the LAAA and the Code of audit Practice, issued by the National Audit Office and include a requirement that they be satisfied that the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The LAAA 2014 gives auditors a number of powers to take action in the event that they are concerned over any existing or proposed expenditure, which include the ability to issue advisory notices or to apply for judicial review.

6. Diversity Implications

- 6.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 6.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 6.3 No specific diversity implications arise from this report.

Report sign off:

Carolyn Downs
Chief Executive

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