Brent	**General Purposes Committee** 7 September 2026
	Report from Head of Paid Service
	Lead Member – Deputy Leader & Cabinet Member for Finance and Resources (Councillor Gwen Grahl)
Approval to Make Severance Payment	

Wards Affected:	N/A
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt - Appendix 1 is Not for Publication as it relates to the following category of exempt information as specified under paragraph 1 Schedule 12A of the Local Government Act 1972 namely: 'information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 an individual'.
List of Appendices:	One Appendix 1: Proposed redundancy payment
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Fabio Negro: Shared Technology Service Managing Director 07557 633506 Fabio.Negro@SharedTechnology.Services

1.0 Executive Summary

1.1 This report seeks approval for one severance payment arising from the Voluntary redundancy of an employee's post. The payment consists of an actuarial strain cost associated with the early release of pension benefits. As the exit package in total exceeds £100,000, approval is sought from the General Purposes Committee.

1.2 The restructure is designed to meet the agreed shared savings target as agreed with Brent, Lewisham & Southwark via the shared IT service.

1.3 This report therefore seeks GPC approval to proceed with the related Voluntary redundancy and severance arrangements.

2.0 Recommendations

GPC is asked to:

2.1 To approve the severance payment set out in the exempt Appendix 1 to this report associated with the implementation of the shared service Senior Leadership team restructure.

2.2 Approve the associated redundancy, severance and pension strain costs as required under the Councils Pay policy, Local Government Pension scheme regulations, and constitutional requirements relating to senior officer payments.

2.3 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

Contribution to Borough Plan Priorities & Strategic Context

3.1 Shared Technology Services (STS) is an IT shared service for the Brent, Lewisham, and Southwark councils. Brent Council is the host borough for the service. STS is governed by an Inter Authority Agreement between the three councils and a Joint Committee of two members from each council and the Executive Directors. The apportioned contributions are Brent = £67,024, Lewisham = £70,906 and Southwark £ 107,822.

Partner	Users	Apportionment
Brent	3,450	27.27%
Lewisham	3,650	28.85%
Southwark	5,550	43.87%
Total	**12,650**	**100.00%**

3.2 This proposal supports the council's strategic priorities by helping to ensure the shared IT service remains financially sustainable, appropriately structured, and able to respond to future service requirements.

Background and Context

3.3 As part of the shared savings objectives agreed by Brent, Lewisham and Southwark councils for 2026–2027, a reduction in leadership posts was identified as a key measure. The agreed proposal reduces the number of Heads of Service within the shared IT service from four to three.

3.4 This restructuring forms part of a wider effort to streamline operations and maintain the long-term sustainability of the service. Southwark Council's planned exit from the shared service by March 2028 further reinforces the need to manage staffing and resources carefully over the coming years.

3.5 The consultation therefore focused on the process and implications of reducing the Head of Service structure. The final 2026–2027 savings report, approved by all three councils, reflects this change, and the budget has been adjusted from 1 April 2026 to support the transition.

3.6 Employees with two or more years' continuous service with the council, or with other bodies listed in the Redundancy Payments (Continuity of Employment in Local Government) Modification Order, are entitled to a redundancy payment in accordance with council policy. The policy is based on the statutory scheme, but uses actual salary rather than the statutory weekly maximum. A severance payment equal to 50% of the calculated redundancy payment is also currently made to employees who are made redundant.

4.0 Details of Proposed Changes

4.1 The need to reduce the number of Heads of Service from four to three has been identified as part of the 2026–2027 cost-saving measures. Southwark's planned exit from STS further supports the need for this reduction. Together, these factors form the basis for the redundancy proposal.

4.2 There are currently four Heads of Service in post, and the proposal is to delete the Head of Partnerships and Projects post as the post holder has volunteered for Redundancy

5.0 Redistribution of responsibilities

5.1 All roles will be consolidated under the remaining three Heads of Service:

- Head of Operations Team 1 will retain their current teams and take on responsibility for the Service Improvement Team and the Cyber Security Team.

- Head of Operations Team 2 will retain their current teams and take on responsibility for the Enterprise Architecture Team.

- Head of Strategy and Technology will retain their current teams and take on responsibility for the deleted Head of Service role.

6.0 Financial Considerations

6.1 The reduction of one Head of Service post will reduce the budget by £156,000 and contribute to meeting the savings obligations of each council. As a result the proposals represent value for money, with the initial costs expected to be recovered within approximately two years.

7.0 Legal Considerations

7.1 The Council must comply with the Local Government Pension Scheme Regulations, Managing Change Policy, and constitutional requirements for approval of severance payments.

7.2 Where payments exceed the statutory thresholds, General Purpose Committee approval is required.

7.3 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. The policy adopted by the council is contained in its Managing Change Policy.

7.4 The council is required under Regulation 30 of the Local Government Pension Scheme Regulations to release an individual's pension without the normal actuarial reduction to reflect early payment in the event they are made redundant at or over the age of 55 years.

7.5 Statutory guidance under the Localism Act 2011 provides that termination payments (including pension strain) which exceed £100k should normally be approved by full Council. More recent guidance under the Local Government Act 1999 provides that Special Severance Payments, as defined in the guidance (this does not include pension strain or contractual elements), must be referred to full council if the overall payment exceeds £100k.The council must have regard to this guidance. There is no special severance element in either of these payments.

7.6 The council's Pay Policy Statement 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.

8.0 Equity Diversity & Inclusion (EDI) Considerations

8.1 An Equality Impact Assessment (carried out by the Managing Director of Shared Service) confirms no adverse impact on protected groups.

8.2 All decisions, been assessed as fair, transparent and non-discriminatory.

9.0 Stakeholder, ward member and stakeholder consultation and engagement

9.1 Affected staff have been consulted collectively and individually, with feedback incorporated into the final structure.

10 Staffing/Accommodation Implications

10.1 If payment is agreed one Head of Service will exit the organisation via Voluntary redundancy.

10.2 Implementation if agreed will be w/c 14 September t 2026

8.0 Climate Change and Environmental Considerations

8.1 There are no Climate Change and Environmental considerations in respect of this report.

9.0 Human Resources/Property Considerations

9.1 None save as set out in the report.

10.0 Communication Considerations

10.1 There are no communication considerations in respect of this report.

Report sign off:

Kim Wright
Chief Executive and Head of Paid Service