

Committee(s): Establishment Committee – For decision	Dated: 12/05/2021
Subject: Brexit Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	3. People have equal opportunities to enrich their lives and reach their full potential 8. We have access to the skills and talent we need
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£0
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Chrissie Morgan, Director of HR	For Decision
Report author: Marion Afoakwa, Assistant Director, Corporate HR & Change	

Summary

The purpose of this report is to provide an update about actions taken by Corporate HR to mitigate the anticipated impact of Brexit on the recruitment and retention of staff, and seek a decision about the standing agenda item for an oral Brexit update.

Recommendation(s)

Members are asked to consider removing Brexit updates as a standing item on the Establishment Committee agenda, pending any future developments.

Main Report

Background

1. The EU Settlement Scheme initially included an application fee of £65. A report was considered by Members at the 3rd December 2018 Establishment Committee meeting and a decision made that the City of London would fund this fee for its employees and their dependents. The fee was subsequently scrapped on 21st January 2019.
2. The main HR Brexit risk identified was its effect on the recruitment and retention of staff. This was owing to the potential outcome of Brexit negotiations impacting on the ability of EU nationals to live and work in the UK and in Brussels, thereby

staff losses, difficulty accessing specialist skills, higher recruitment costs and longer-term disruptions to service provision.

3. Actions taken to mitigate this risk include on-going internal communications about the EU Settlement Scheme, encouraging EU national employees to apply, signposting on the intranet to the relevant Government's website, cascading information via Chief Officers and working with departments to identify any EU citizens in critical roles for more targeted support.
4. A challenge for the City of London and for several organisations, was how to identify which employees were EU citizens, as this information is not held on the HR system. This is because an employee's nationality does not reflect their right to work and they could hold dual nationality. Nonetheless the government has stated that employers are not expected to retrospectively check right to work documents and employees are not required to advise employers that they have applied for settled status.
5. We have also worked with Hays, our temporary staff contractor, to ensure that any EU agency workers continue to be eligible to work under the rules of the EU Settlement Scheme and Hays have confirmed that they and their supply chain will implement any updated Home Office guidance including those related to Brexit.

Current Position

6. There has to date been no impact of Brexit on the City of London's ability to recruit and retain staff in the UK or in Brussels.
7. There have been no further Brexit-related legislative changes since the EU Settlement Scheme was laid before Parliament on 20th July 2018.
8. The intranet site dedicated to Brexit is up to date, currently reminding staff of the 30th June 2021 EU Settlement Scheme deadline. The site also includes a set of Frequently Asked Questions and links to the government's website for important information for EU citizens.
9. We continue to regularly monitor the situation from an HR perspective for any upcoming changes.
10. Since April 2019, there has been a standing item on the Establishment Committee Agenda for the Director of HR to provide oral updates on the impact of Brexit on the recruitment and retention of staff.

Options

11. Option 1: Brexit updates remain on the Establishment Committee agenda as a standing item
12. Option 2: Remove Brexit updates as a standing item on the Establishment Committee agenda

Proposals

13. Option 2 is recommended, while we continue to monitor any policy or legislative changes proposed by the government. We will report back to Committee where there are any developments that are likely to impact on the recruitment and retention of staff.

Corporate & Strategic Implications

None

Conclusion

14. Due to the current limited impact of Brexit on the City of London's ability to recruit and retain staff and, as mitigating actions have been considered and remain under regular review, Option 2 ensures that pertinent Brexit-related items are included on Establishment Committee agendas, as and when they arise.

Appendices

None

Background Papers

Establishment Committee report on the EU Settlement Scheme, 3 December 2018

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