

JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE

Tuesday, 9th June, 2020

Present:-

Councillor P Gilby (Chair)

Councillors	Blank	Councillors	Sarvent
	Davenport		Brittain
	T Gilby		Holmes
	Ludlow		J Innes
	Serjeant		T Murphy
	Simmons		K Falconer
	Mannion-Brunt		D Collins

*Matters dealt with under the Delegation Scheme

41 **DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

42 **APOLOGIES FOR ABSENCE**

No apologies for absence were received.

43 **MINUTES**

RESOLVED –

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 25 February, 2020 be approved as a correct record and signed by the Chair.

44 **CONSIDERATION OF THE USE OF THE CORONAVIRUS JOB
RETENTION SCHEME**

The Executive Director submitted a report seeking approval for the use of the Coronavirus Job Retention Scheme (CJRS).

The outbreak of coronavirus had created an unprecedented situation across the world with an immeasurable impact on individuals, communities and businesses. Local authorities had received a range of support and additional grant funding, but this had not covered the direct costs of supporting local efforts to respond to the coronavirus pandemic or lost income from the enforced closure of council facilities and services. As a result, it was recommended that all opportunities to improve the council's financial position should be taken.

The CJRS was first introduced in March 2020 in response to the COVID-19 outbreak and the national lockdown that was initiated on 23rd March 2020.

The Government recognised that there might be a limited number of cases in which it was appropriate for local authorities to furlough workers and claim funding through the CJRS. This would be in exceptional cases where staff salaries would have been largely funded by sales, fees and charges, where there had been a significant reduction in these revenue streams which had not already been offset by additional grant funding from central government, where it would not be possible to redeploy the staff and where the alternative would be redundancy.

The council would top up the sums received through the CJRS so that all furloughed staff would continue to be paid their wages in full.

HR business partners and service managers had carried out a significant amount of detailed analysis to identify services and staff to which the CJRS would apply. It was proposed that the initial claim be backdated to 1 April 2020 through 31 May 2020.

***RESOLVED –**

1. That the submission of claims to the Coronavirus Job Retention Scheme to furlough staff, who have been unable to carry out their roles for the council, where the funding for their posts has been largely generated through third party income through sales, fees and charges and where there has been a significant reduction in the associated revenue streams, be approved.
2. That furloughed staff will continue to receive 100% of their wages and will see no changes to their pension contributions.

3. That it be noted that, for the council to furlough staff, the individual staff member must voluntarily agree to be furloughed as it constitutes a temporary contract variation.
4. That the Executive Director, in consultation with the Cabinet Member for Governance and in conjunction with the Human Resources & Support Services Manager, be granted delegated authority to take forward claims to the Coronavirus Job Retention Scheme for the period June-October 2020 in line with the latest Government guidelines.

REASONS FOR DECISIONS

To enable the council to apply for the Coronavirus Job Retention Scheme to furlough appropriate staff and receive a grant towards the costs of their salaries and pension contributions. This would help to alleviate the significant financial pressures that the council is facing in responding to the coronavirus outbreak and minimise the long-term risk of having to consider staff redundancies.

45 EXCLUSION OF PUBLIC

RESOLVED –

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

46 THE ARVATO PUBLIC PRIVATE PARTNERSHIP ARRANGEMENT

The Assistant Director – Customers, Commissioning and Change submitted a report seeking approval for changes to the Arvato Public Private Partnership Arrangement.

On 14 January 2020, Joint Cabinet and Employment and General Committee resolved that the services delivered through the Public Private Partnership arrangement with Arvato should return to in-house service delivery from 18 October 2020. However, the disruption created by the Covid-19 pandemic meant it was no longer feasible to remain on track with the exit plan activities required to facilitate a successful transition to Council employment of over 160 employees by 18 October 2020.

Following the Government's imposed lockdown, Kier asked all of its employees above a certain grade to accept a voluntary pay cut. All of the staff employed by Kier to deliver services for Chesterfield Borough Council, supported by their Trade Union, declined to accept the voluntary pay cut. As a result, Kier approached Chesterfield Borough Council and Arvato with a proposal to bring the Kier sub-contract to an end on 31 July 2020.

A joint project team had therefore been appointed in order to safely and successfully transition Kier employees to Council employment by 31 July 2020.

The Council would work closely with Kier management and the relevant Trade Unions to formally manage communications and consultations with affected Kier employees.

The proposed Heads of Terms allowed for financial due diligence to be completed by the Council before all parties agreed to a contract variation.

It was also not considered achievable to successfully transition the services delivered by Arvato to in-house delivery by 18 October 2020 while ending the sub-contract with Kier on 31 July 2020 and implementing the Covid-19 recovery plans. It was important that key senior officers within Arvato and Chesterfield Borough Council remained focussed on the safe reopening of Council services.

The terms of the Council's contract with Arvato provided for a contract end date three months after 18 October 2020. Therefore, the partnership arrangement could legally continue until 17 January 2021 without the need for a contract extension. Arvato had confirmed that they would be agreeable to continue to deliver services until 17 January 2021.

***RESOLVED –**

1. That the early termination of the sub-contract with Kier on 31 July 2020 and the return of services to in-house delivery, subject to the satisfactory completion of final contractual negotiations with Arvato and Kier, be approved.
2. That the remaining services delivered directly by Arvato through the Public Private Partnership be brought back in-house on 17 January

2021, allowing key employees critical to enabling a safe transition of services to focus on the development and delivery of the Council's Covid-19 recovery plans.

3. That the Assistant Director – Customers, Commissioning and Change, in consultation with the Cabinet Member for Business Transformation and Customers, be granted delegated authority to finalise the commercial arrangements with Arvato and Kier to transition services safely and within the budget parameters set by Council for the 2020/21 financial year.
4. That the Assistant Director – Customers, Commissioning and Change, in consultation with the Cabinet Member for Business Transformation and Customers and the Chair of Employment and General Committee, be granted delegated authority to finalise the required employment policies to meet TUPE employment regulations.

REASONS FOR DECISIONS

To enable the Council to safely transfer all employees delivering services through our Public Private Partnership with Arvato and Kier to Council employment, whilst also delivering the recovery activity required as a result of the Covid-19 pandemic.