



Reading
Borough Council
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DECISION BOOK

Issue: 597 Date: 29 MAY 2020

Decisions set out in the book have been made under delegated powers by the Chief Executive, Executive Directors or the Chief Finance Officer and Monitoring Officer, in consultation either with the relevant committee or Lead Councillor.

The Decision Book process has been altered to suspend the current Councillors' call-in arrangements within the 10-day period after its publication and replace it with the ability during that period for three Councillors to request a retrospective review of the decision in writing to the Head of Legal and Democratic Services.

The decision book can be accessed on the Council's website - www.reading.gov.uk/decisionbooks.

The officer reports accompanying the decisions are attached.

Contact:	Richard Woodford	Committee Services
Tel:		0118 937 2332
e-mail:		richard.woodford@reading.gov.uk

DECISION BOOK - ISSUE 597 - 29 MAY 2020

1. CORONAVIRUS JOB RETENTION SCHEME

<u>DECISION</u>	<u>LEAD COUNCILLOR(S)</u>	<u>WARDS AFFECTED</u>	<u>PAGE NO.</u>
1. CORONAVIRUS JOB RETENTION SCHEME	COUNCILLOR BROCK	BOROUGHWIDE	1

The Council is incurring significant additional costs and losing substantial income as a result of the Covid-19 emergency and will continue to do so for the foreseeable future. The total net additional cost to the Council including Brighter Futures for Children (BFfC), as a result of Covid-19 up to 31 March 2021 is estimated at £15.598m. Staff costs account for a significant proportion of the Council's overall budget costs. Making use of the Coronavirus Job Retention Scheme is a way of reducing these costs with a view to protecting jobs in the future. Any decision to furlough staff will consider likely service recovery timelines, current redeployment arrangements and be in consultation with Assistant Directors and the Trade Unions.

The purpose of this report is to provide information on the Coronavirus Job Retention Scheme and the types of roles it could apply to at the Council and sets out the decision that has been taken that Council staff should be furloughed under the scheme in order to mitigate the significant pressure on the Council's budget and protect jobs.

It is the decision of the Chief Executive, in consultation with the Leader of the Council, that staff are furloughed in the following areas/groups, subject to detailed discussions with the relevant Assistant Director(s) and Trade Unions, and with agreement of the staff concerned:

- Staff in Culture
- Other service areas where work has ceased or reduced significantly as a result of coronavirus
- Employees who are shielding and unable to work from home
- Casual workers who are not required to work as a result of coronavirus
- Staff who are unable to work because of caring responsibilities as a result of coronavirus, and who are also unable to work from home.

It has also been agreed that the Council 'tops up' the 80% of salary, up to a maximum of £2,500 a month, that the Council would receive for furloughed employees by 20%, ensuring that these employees continue to receive full pay, but that the Council does not top up the pay of casual workers as they have no contractual working hours or pay entitlement.

That the start date for furloughing staff is the date when staff were no longer required to work as a result of coronavirus, to be backdated no further than 1 March 2020.

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF RESOURCES

LEAD COUNCILLOR:	CLLR JASON BROCK - LEADER OF THE COUNCIL		
DATE:	29 MAY 2020		
TITLE:	CORONAVIRUS JOB RETENTION SCHEME		
SERVICE:	HR AND ORGANISATIONAL DEVELOPMENT	WARDS:	BOROUGHWIDE
AUTHOR:	SHELLA SMITH	TEL:	0118 937 4697
JOB TITLE:	ASSISTANT DIRECTOR OF HR & ORGANISATIONAL DEVELOPMENT	E-MAIL:	Shella.smith@reading.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 The Council is incurring significant additional costs and losing substantial income as a result of the Covid-19 emergency and will continue to do so for the foreseeable future. The total net additional cost to the Council including Brighter Futures for Children (BFfC), as a result of Covid-19 up to 31 March 2021 is estimated at £15.598m. Staff costs account for a significant proportion of the Council's overall budget costs. Making use of the Coronavirus Job Retention Scheme is a way of reducing these costs with a view to protecting jobs in the future. Any decision to furlough staff will consider likely service recovery timelines, current redeployment arrangements and be in consultation with Assistant Directors and the Trade Unions.
- 1.2 The purpose of this report is to provide information on the Coronavirus Job Retention Scheme and the types of roles it could apply to at the Council and sets out the decision that has been taken that Council staff should be furloughed under the scheme in order to mitigate the significant pressure on the Council's budget and protect jobs.
- 1.3 Appendix 1: Equality Impact Assessment

2. DECISION

- 2.1 It is the decision of the Chief Executive, in consultation with the Leader of the Council, that staff are furloughed in the following areas/groups, subject to detailed discussions with the relevant Assistant Director(s) and Trade Unions, and with agreement of the staff concerned:

- Staff in Culture
- Other service areas where work has ceased or reduced significantly as a result of coronavirus
- Employees who are shielding and unable to work from home
- Casual workers who are not required to work as a result of coronavirus
- Staff who are unable to work because of caring responsibilities as a result of coronavirus, and who are also unable to work from home.

- 2.2 It has also been agreed that the Council 'tops up' the 80% of salary, up to a maximum of £2,500 a month, that the Council would receive for furloughed employees by 20%, ensuring that these employees continue to receive full pay, but that the Council does not top up the pay of casual workers as they have no contractual working hours or pay entitlement.
- 2.3 That the start date for furloughing staff is the date when staff were no longer required to work as a result of coronavirus, to be backdated no further than 1 March 2020.

3. POLICY CONTEXT

- 3.1 The Coronavirus Job Retention Scheme is designed to help employers whose operations have been severely affected by coronavirus (COVID-19) to retain their employees and protect the UK economy. All employers are eligible to claim under the scheme.
- 3.2 The scheme allows employers to apply for a grant that covers 80% of their furloughed employees' usual monthly wage costs, up to a maximum of £2,500 a month, plus the associated Employer National Insurance contributions and pension contributions (up to the level of the minimum automatic enrolment employer pension contribution) on that subsidised furlough pay. The employee continues to pay tax on their income.
- 3.3 It is a temporary scheme that was initially put in place for 4 months starting from 1 March 2020 and will continue in its current form until the end of July. Employers can use the scheme anytime during this period. The clear intention of the scheme is to support employers to pay staff who are without work. To this extent, performing work and being furloughed are mutually exclusive. In line with this, those on reduced hours are expressly excluded from the scheme. Staff can be furloughed from the date that they were without work as a result of the coronavirus emergency, backdated to 1 March 2020 at the earliest.
- 3.4 Staff can be furloughed for a minimum of 3 consecutive weeks. When they return to work, they must be taken off furlough. Staff can be furloughed multiple times, but each separate instance must be for a minimum of 3 consecutive weeks. Each period of furlough can be extended by any amount of time until the scheme ends. An employer may be in a position where it needs to furlough some of its workforce but ask some workers to continue working. The guidance confirms that workers can be furloughed multiple times, so

employers can rotate staff between being on furlough and being asked to work.

- 3.5 From August, employers currently using the scheme will have more flexibility to bring their furloughed employees back to work part time whilst still receiving support from the scheme. This will run for three months from August through to the end of October. Employers will be asked to pay a percentage towards the salaries of their furloughed staff. The employer payments will substitute the contribution the government is currently making, ensuring that staff continue to receive 80% of their salary, up to £2,500 a month. More specific details and information around its implementation will be made available by the end of May.
- 3.6 A furloughed employee remains employed throughout the period of furlough. Continuity of employment is not affected; the employee is simply placed on a form of temporary leave of absence. The scheme is limited to workers who were on the employer's payroll as at 19 March 2020. As long as they are paid through PAYE, the scheme applies to all employees and workers including part-time, temporary and casual workers, as well as those on zero hours contracts and apprentices. Agency workers can be placed on furlough, although that is a matter for their agency to determine rather than the end user. Employees who are at very high risk of severe illness from coronavirus and are therefore advised to shield themselves for at least 12 weeks, can be furloughed, as can employees who are unable to work because they have caring responsibilities as a result of coronavirus.
- 3.7 Both the employer and the member of staff must agree to the staff member being placed on furlough. It must then be confirmed to the employee in writing. A record of this communication must be kept for five years.
- 3.8 When staff are on furlough, they cannot do any work for their employer. They can take part in training or volunteer for another employer or organisation.

Using the scheme in the public sector

- 3.9 The government has said it expects that the scheme will not be used by many public sector organisations, as most public sector employees are continuing to provide essential public services or contribute to the response to the coronavirus outbreak. However, in recent weeks over 20 councils have announced that they are using the scheme, including Oxford City Council, Colchester Borough Council and Dundee City Council. In many cases councils are topping up 20% of their employees' pay, in addition to the 80% covered by the government grant, so that furloughed workers continue to receive their full pay.
- 3.10 The Council's HR team has spoken to the HR team at Colchester Borough Council (who have so far furloughed 225 staff from their leisure, museums and events service), to seek views on any issues or learning points from their experience of implementing the scheme. This has been helpful in confirming the proposed approach.

4. THE DECISION

4.1 Option proposed

To place staff on furlough in the following areas/groups, subject to detailed discussions with the relevant Assistant Director(s) and Trade Unions, and with agreement of the staff concerned:

- Staff in Culture
- Other service areas where work has ceased or reduced significantly as a result of coronavirus
- Employees who are shielding and unable to work from home
- Casual workers who are not required to work as a result of coronavirus
- Staff who are unable to work because of caring responsibilities as a result of coronavirus, and who are also unable to work from home.

4.2 Other options considered

Not placing staff on furlough will mean that the Council misses out on the opportunity to receive 80% of the salary costs for furloughed employees from government, which could help to mitigate the estimated net additional cost to the Council of Covid-19 up to 31 March 2021 (£15.598m) and thereby protect jobs.

5. NEXT STEPS

5.1 The following next steps to implement the Coronavirus Job Retention Scheme for relevant Council staff will now be taken:

5.2 Further work by HR, in discussion with the relevant Assistant Directors, to produce a comprehensive list of staff who could be furloughed and the date this can take effect from (i.e. the date they were without work as a result of the emergency, which can be backdated to 1 March 2020 at the earliest).

5.3 Consultation with the Trade Unions to seek their views and ideally agreement to furloughing staff as a way of mitigating cost pressures and protecting jobs at the Council.

5.4 Communications/media briefings prepared for both internal and external use.

5.5 HR will arrange 1-1 meetings with relevant staff (using Teams wherever possible) and confirm agreements in writing with relevant documents to be retained on Personal Files for 5 years.

5.6 The Payroll team within HR will complete the necessary grant applications to HMRC and keep colleagues in Finance informed of the grant amounts to facilitate accurate financial monitoring.

5.7 The above steps to be completed by the end of June 2020.

5.8 That furloughing arrangements are reviewed by HR, in conjunction with the relevant Assistant Directors, on at least a monthly basis (or sooner if the scheme changes) to ensure that extensions to the arrangements, if required, are considered and confirmed in writing in a timely manner and with agreement of the staff members affected.

6. CONTRIBUTION TO STRATEGIC AIMS

6.1 The decision to place some staff on furlough will assist the Council to focus its resources on the three-point strategic framework that has been adopted around the following three broad priorities:

- To support and protect vulnerable children and adults by ensuring the social care system continues to function effectively;
- To support the people who are most vulnerable and isolated in our communities;
- To support businesses and the local economy, and secure Reading's economic recovery.

6.2 The decision is also consistent with the Council's Corporate Plan priorities and in particular to safeguard and protect our most vulnerable people whilst remaining financially sustainable to deliver our service priorities.

7. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

7.1 There are no environmental or climate change implications arising from this decision.

8. COMMUNITY ENGAGEMENT AND INFORMATION

8.1 Section 138 of the Local Government and Public Involvement in Health Act 2007 places a duty on local authorities to involve local representatives when carrying out "any of its functions" by providing information, consulting or "involving in another way". The Council is consulting with the voluntary sector and the business community on how we should respond to the emergency.

9. EQUALITY IMPACT ASSESSMENT

9.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

9.2 An Equality Impact Assessment (EIA) has been undertaken and is attached as Appendix 1.

9.3 The furlough scheme includes a specific provision allowing employers to furlough staff who are shielding due to a medical reason (in most cases such conditions are likely to meet the definition of a disability under the Equality Act 2010). However, the purpose of the scheme is to protect jobs and staff must consent to being placed on furlough. Consequently, any differential impact of the proposal on staff with a disability can be justified.

10. LEGAL IMPLICATIONS

10.1 All employers are eligible to claim under the Coronavirus Job Retention Scheme. To access the Scheme, employers must “furlough” (i.e. place on temporary leave from work) employees who were on their PAYE payroll on or before 19 March 2020 and in respect of whom HMRC received a notification of payment via its Real Time Information system (RTI) on or before 19 March 2020. During furlough, employees must undertake no work for the organisation (or associated organisations). The Scheme does not apply to employees placed on reduced hours.

10.2 Employers should discuss with their staff and make any changes to the employment contract by agreement. When employers are making decisions in relation to the process, including deciding who to offer furlough to, equality and discrimination law will apply in the usual way. To be eligible for the grant, employers must confirm in writing to their employees that they have been furloughed. A record of this communication must be kept for five years.

11. FINANCIAL IMPLICATIONS

11.1 A review has been undertaken by HR of posts within the Culture team as a possible area where furlough of staff could be considered due to services being largely suspended at the current time and likely to remain so for the foreseeable future. Specifically, employees at The Hexagon, South Street, Reading Play, the Museum, the Town Hall and the Leisure Centre. Excluding 16 staff who are currently redeployed, there are 125 employees who potentially may not be working at the current time but are still in receipt of full pay. It must be noted that further work needs to be undertaken with the Assistant Director of Culture to check whether any of these staff are currently working from home or working in a different way.

11.2 The salary cost for these 125 staff is £197,978 per month. Under the Job Retention Scheme the Council could apply for a grant of £158,383 per month towards the cost of salaries if these staff were furloughed. NB: This assumes that none of these staff earn more than £2,500 per month which is the maximum that can be applied for per employee under the scheme. It is recommended that the Council considers continuing to pay 20% of the salary

for employees who are furloughed (to top up the government's 80%) which would amount to £39,595 per month.

- 11.3 On 12 February 2020, it was agreed that casual workers who are no longer required to work or who are working less as a result of coronavirus would continue to be paid based on their average monthly pay between December 2019 and February 2020. These payments have been made as monthly 'goodwill' payments to casual workers since this time at a cost of approximately £180,000 per month. Casual workers who are working the same if not more hours than usual as a result of coronavirus, for example in Adult Social Care will continue to be paid by the Council.
- 11.4 The monthly cost of goodwill payments to casual workers would be mitigated if these workers were furloughed. It is not recommended that the Council tops up pay by 20% as these workers are not employed and therefore have no contractual working hours or pay entitlement.
- 11.5 In addition to the staff mentioned above there are potentially other groups for whom it may be appropriate to consider furloughing. They include staff in other service areas where work has ceased or reduced significantly as a result of coronavirus, staff who are shielding and unable to work from home, and staff with caring responsibilities who are unable to work from home.

12. BACKGROUND PAPERS

- 12.1 None



Equality Impact Assessment

Provide basic details

Name of proposal/activity/policy to be assessed

Unitisation of the Coronavirus Job Retention Scheme for some RBC staff

Directorate: DOR

Service: HR and Organisational Development

Name and job title of person doing the assessment

Name: Shella Smith

Job Title: AD for HR and Organisational Development

Date of assessment: 27 May 2020

Scope your proposal

What is the aim of your policy or new service/what changes are you proposing?

To utilise the Coronavirus Job Retention Scheme to furlough Council staff where the need for the service they deliver has significantly reduced or ceased, and for individuals who are unable to work because they are shielding or have child care responsibilities as a result of coronavirus.

Who will benefit from this proposal and how?

The Council is incurring significant additional costs and losing substantial income as a result of the Covid-19 emergency and will continue to do so for the foreseeable future. Using the scheme gives the Council the opportunity to receive 80% of the salary costs for furloughed employees from government, which could help to mitigate the estimated net additional cost to the Council of Covid-19 up to 31 March 2021 (£15.598m) and thereby protect jobs.

What outcomes does the change aim to achieve and for whom?

The Coronavirus Job Retention Scheme is designed to help employers whose operations have been severely affected by coronavirus to retain their employees

and protect the UK economy. It will benefit RBC staff by protecting jobs and will ultimately protect council services which might otherwise be impacted adversely due to the significant financial pressures being faced as a result of the coronavirus emergency.

Who are the main stakeholders and what do they want?

Staff who want job security and for their incomes to be protected.

Assess whether an EqIA is Relevant

How does your proposal relate to eliminating discrimination; promoting equality of opportunity; promoting good community relations?

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others? (Think about your monitoring information, research, national data/reports etc.)

Yes - staff with certain medical conditions who are shielding

Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.

No

If the answer is Yes to any of the above you need to do an Equality Impact Assessment.

If No you **MUST** complete this statement

An Equality Impact Assessment is not relevant because:

Signed (completing officer) Shella Smith

Date 27/05/2020

Signed (Lead Officer) Shella Smith

Date 27/05/2020

Assess the Impact of the Proposal

Your assessment must include:

- Consultation
- Collection and Assessment of Data
- Judgement about whether the impact is negative or positive

Think about who does and doesn't use the service? Is the take up representative of the community? What do different minority groups think? (You might think your policy, project or service is accessible and addressing the needs of these groups, but asking them might give you a totally different view). Does it really meet their varied needs? Are some groups less likely to get a good service?

How do your proposals relate to other services - will your proposals have knock on effects on other services elsewhere? Are there proposals being made for other services that relate to yours and could lead to a cumulative impact?

Example: A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel.

Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable.

This combined impact would not be apparent if decisions are considered in isolation.

Consultation

How have you consulted with or do you plan to consult with relevant groups and experts. If you haven't already completed a Consultation form do it now. The checklist helps you make sure you follow good consultation practice.

[My Home > Info Pods > Community Involvement Pod - Inside Reading Borough Council](#)

Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
Lead members	Through Leadership Briefing and other members meetings	20, 26 & 27/05/2020
Trade Unions	Through a meeting convened specifically to discuss the proposal	By 29/05/2020
Staff who could potentially be furloughed	Through 1-1 meetings	To start from w/c 01/06/2020

Collect and Assess your Data

Using information from Census, residents survey data, service monitoring data, satisfaction or complaints, feedback, consultation, research, your knowledge and the knowledge of people in your team, staff groups etc. describe how the proposal could impact on each group. Include both positive and negative impacts.

(Please delete relevant ticks)

Describe how this proposal could impact on Racial groups			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Disability			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Sexual orientation (cover civil partnership)			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Age			
Is there a negative impact?	Yes	No	Not sure

Describe how this proposal could impact on Religious belief?			
Is there a negative impact?	Yes	No	Not sure

Make a Decision

If the impact is negative then you must consider whether you can legally justify it. If not you must set out how you will reduce or eliminate the impact. If you are not sure what the impact will be you MUST assume that there could be a negative impact. You may have to do further consultation or test out your proposal and monitor the impact before full implementation.

Tick which applies (Please delete relevant ticks)

1. No negative impact identified - Not applicable
2. Negative impact identified but there is a justifiable reason X

You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.

Reason

The scheme includes a specific provision allowing employers to furlough staff who are shielding due to a medical reason (in most cases such conditions are likely to meet the definition of a disability under the Equality Act). The purpose of the scheme is to protect jobs and the staff member must consent to be placed on furlough. Consequently, the potentially negative impact of furloughing staff who are shielding can be justified

3. Negative impact identified or uncertain - Not applicable

What action will you take to eliminate or reduce the impact? Set out your actions and timescale?

The Council will only furlough staff with their consent. Consultation will take place with Trade Unions in advance (by week ending 29/05/2020), and with the staff members potentially affected through 1-1 meetings with them (starting from week commencing 01/06/2020).

It has also been agreed that the Council will 'top up' the 80% of salary, up to a maximum of £2,500 a month, that the Council would receive for furloughed employees by 20%, ensuring that these employees continue to receive full pay.

How will you monitor for adverse impact in the future?

A list of staff who are furloughed will be maintained by the HR team. Analysis of this list by protected characteristics (where declared by the staff member) will be undertaken.

Furloughing arrangements will be reviewed by HR, in conjunction with the relevant Assistant Directors, on at least a monthly basis (or sooner if the scheme changes) to ensure that extensions to the arrangements, if required, are considered and confirmed in writing in a timely manner and with agreement of the staff members affected

Signed (completing office) Shella Smith	Date	27/05/2020
Signed (Lead Officer) Shella Smith	Date	27/05/2020