



Glasgow City Council
City Administration Committee

Report by Chief Executive

Contact: Colin Edgar: 70901

Item 2

3rd October 2024

Equal Pay Programme – Job Evaluation and Pay & Grading Structure

Purpose of Report:

To update members on the progress made in evaluating jobs using the SJC scheme and of progress towards development of a pay and grading structure based on the SJC scheme evaluations, in consultation with Trade Unions.

Note: A glossary of terms is provided within the appendix of this report

Recommendations:

Committee is asked to:-

1. Note the report and the progress made with Job Evaluation;
2. Note the progress made with the development of a new Pay and Grading Structure and the ongoing consultation and engagement with Trade Unions; and
3. Instruct the Chief Executive and the Executive Director of Finance to seek to develop and agree a new Pay and Grading Structure based on the results of Job Evaluation, in consultation with our Trade Unions and bring forward to Committee the results of that process for approval prior to implementation.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

1 Background – Equal Pay

- 1.1 The Council is committed to resolving the issue of equal pay claims, making sure that everyone who works for the Council is paid equally for equal work.
- 1.2 Since 2009, former and existing employees have presented equal pay claims against the Council and its ALEOs relating to the period from the implementation of our current WPBR pay and grading structure on 1 April 2006 to date.
- 1.3 On [17 January 2018](#), the City Administration Committee sought to bring an end to this long-running litigation by electing not to seek leave to pursue an appeal to the Supreme Court from decisions of the Inner House. Officers were instructed to focus on seeking a negotiated settlement with Claimant Representatives from Action4Equality, UNISON, GMB and UNITE (“the Claimants’ Representatives”).
- 1.4 Following lengthy and intensive negotiations between Council Officers and the Claimant Representatives, an agreement in principle was reached to part settle claims. On [7 February 2019](#), the City Administration Committee approved the provisional settlement proposals. Pursuant to that approval and associated delegated authority, the Council concluded settlements with over 15000 claimants.
- 1.5 The settlement concluded in 2019 did not fully extinguish the Council’s equal pay liability and was expressly confined to claims lodged on or before an agreed cut-off date. On [29 September 2022](#), the City Administration Committee approved a report setting out a Funding Strategy to support the financial settlement of the Council’s remaining equal pay liability.
- 1.6 In November 2022, following further lengthy negotiations, an agreement was reached with the main claimant group which resolved the equal pay dispute with the Trade Unions, and paved the way for the final settlement of claims and an end to the long-running equal pay litigation against the Council. That process reached a successful conclusion on 15 May 2023 with signature of the Memorandum of Understanding which records the detailed settlement terms. Separate settlement terms were agreed contemporaneously with representatives of smaller claimant groups.
- 1.7 On [17 August 2023](#), the City Administration Committee noted the settlement proposal outlined above, which provided a settlement to 15 October 2023 – the effective date for the new Pay and Grading Structure (PGS). The council and trade unions remain keen to minimise the period between the effective date of 15 October 2023 and the implementation date. A recent corporate communication was released to the workforce noting that the previously noted implementation date of ‘the latter part of 2024/2025’ would no longer be possible.
- 1.8 The communication outlined some of the challenges which contributed to the need to change the implementation date, including the priority to ensure robust

JE outcomes and meaningful consultation with Trade Unions. It also noted that the move of implementation date was understood and accepted by the TU's. The Equal Pay Programme Team are working closely with all stakeholders to realise a revised implementation date as speedily as possible and with integrity.

2. Replacement of WPBR / new SJC based PGS

- 2.1 In parallel with, and linked to, the equal pay settlement negotiations, officers reviewed the WPBR pay and grading structure in collaboration with Claimant Representatives. On [28 June 2018](#), the City Administration Committee agreed to discontinue WPBR and replace it with a new scheme. On [11 October 2018](#), the City Administration Committee approved the use of the SJC JE Scheme 3rd Edition as the basis for the evaluation of all job roles, and the development of an appropriate new pay and grading scheme based on the evaluations.

3. Job Evaluation (JE)

- 3.1 The Job Evaluation Operational Steering Group (the OSG) consists of Joint Trade Union representatives, Senior Management from across the Council Family, and the Independent Technical Advisor (ITA). The ITA provides advice and guidance both to the Council and Joint Trade Unions.
- 3.2 On 3 September 2024, the Job Evaluation team presented Benchmark Information to the Operational Steering Group (OSG). The OSG is currently reviewing the information provided. It is estimated that this review will take around six weeks and Trade Union representatives have been provided with open ended facility time for this activity.
- 3.3 The Job Evaluation Team have focused on progressing Primary Benchmark Information. In parallel JE are also finalising planning for delivery of the matching process, progressing the evaluation of Secondary Benchmark, and preparing for evaluation of Unique roles.

4. Pay and Grading Structure (PGS)

- 4.1 It is through the implementation of a new Pay and Grading Structure (PGS), based on the output of the Job Evaluation exercise that we will have confidence that we are paying equally for equal work.
- 4.2 The Pay and Grading Structure (PGS) Team has commenced preparatory work, and software testing on receipt of the initial JE Primary Benchmark Information. Following the OSG consideration of the JE information, modelling work will be undertaken collaboratively with the Trade Unions, and with appropriate technical and specialist advice.
- 4.3 Significant dialogue has taken place with Trade Unions and Equal Pay Programme leadership on high level principles for the new PGS in line with the

SJC sample guidance. Consultation with Trade Unions can only begin in detail on receipt from the OSG of the Primary Benchmark information.

- 4.4 The new Pay and Grading Structure will replace all elements of WPBR, incorporating both core pay and non-core pay for all employees within the SJC grouping.

5. Timing of implementation

- 5.1 From the point of the original CAC decision in 2018 to replace WPBR, there have been several target implementation dates set for a new PGS based on SJC JE results. The ethos of producing a Pay and Grading Structure, which rewards equal pay for equal work, has been, and continues to be, to ensure the evaluation scheme is applied consistently and with integrity.

- 5.2 Whilst the sharing of the Primary Benchmark information with the OSG is a significant milestone, further stages of the programme involve a number of critical milestones which are exceptionally challenging to forecast.

- 5.3 These milestones include:

- Matching of Primary Benchmark roles to around 18,000 employees
- Evaluation, followed by matching, of Secondary Benchmarks which cover over around 220 roles, circa 4000 employees, via group interviews
- Evaluation of around 900 Unique roles via questionnaires and desk top exercises, covering around 1300 employees
- Consultation with Trade Unions on the PGS and associated steps which will bring an end to WPBR terms and conditions and their replacement with new terms and conditions across our non-teaching workforce.
- Technical / system change feasibility

- 5.4 Throughout the next months, greater evidence will, through the progression and testing of these activities by the Equal Pay Programme, increase the confidence required in setting a new implementation date.

- 5.5 The new target implementation date will take account of the imperative that the Council has robust new arrangements which will give us confidence that we are paying equally for work of equal value.

6. Next Steps

- 6.1 The key Next Steps for the Equal Pay Programme Team will be:

- Progress secondary benchmark evaluation and verification.
- Finalise and deliver benchmark matching.
- Commence evaluation of unique roles.
- Progress initial modelling for a new pay and grading structure

- Engagement as necessary with all stakeholders, including production of timely workforce communications.
- Continued engagement with funders in line with agreements.
- Review all processes and resource levels to define a revised implementation target date

7 Policy and Resource Implications

Resource Implications:

<i>Financial:</i>	The financial implications of the revised Pay and Grading structure are unknown at this stage.
<i>Legal:</i>	Legal services continue to support delivery of Equal Pay Programme, including provision of advice and guidance on the implementation of job evaluation and planning for a new Pay and Grading Structure.
<i>Personnel:</i>	No immediate direct personnel implications of this report. Progress with Job Evaluation and the design and implementation of a new Pay and Grading Structure will bring an end to WPBR terms and conditions and their replacement with new terms and conditions across our SJC. The impact of this is unknown at present.
<i>Procurement:</i>	Appropriate procurement procedures are being followed where required.

Council Strategic Plan: Grand Challenge 4 : Mission 3

Enable staff to deliver a sustainable and innovative council structure that delivers value for money.

Equality and Socio-Economic Impacts:

<i>Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.</i>	Yes – the process of Job Evaluation and implementation of new Pay and Grading Scheme relate directly to Outcome 2.
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What are the potential equality impacts as a result of this report?

The new Pay and Grading Scheme will reward equal work with equal pay irrespective of gender. The proposed Pay and Grading Scheme will be subject to an Equality Impact Assessment focusing primarily on gender and will in addition analyse pay with reference to other protected characteristics.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

The wider socio-economic impacts, if any, are not yet known.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

n/a

What are the potential climate impacts as a result of this proposal?

None

Will the proposal contribute to Glasgow's net zero carbon target?

Not directly

Privacy and Data Protection Impacts:

No

Are there any potential data protection impacts as a result of this report
No

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

8. Recommendations

8.1 Committee is asked to:-

1. Note the report and the progress made with Job Evaluation;

2. Note the progress made with the development of a new Pay and Grading Structure and the ongoing consultation and engagement with Trade Unions; and
3. Instruct the Chief Executive and the Executive Director of Finance to seek to develop and agree a new Pay and Grading Structure based on the results of Job Evaluation, in consultation with our Trade Unions and bring forward to Committee the results of that process for approval prior to implementation.

Appendix 1 – GLOSSARY OF TERMS

Abbreviation	Definition
EQP	<p>Equal Pay</p> <p><i>The collective name adopted by the Council to cover all aspects of the programme, the two negotiated settlements (2018 & 2022), funding agreements (2019 & 2022), job evaluation and design, development and delivery of a new pay and grading structure.</i></p>
SJC	<p>Scottish Joint Council</p> <p><i>The body which has endorsed the Job evaluation scheme which the Council adopted in 2018.</i></p>
JE	<p>Job Evaluation</p> <p><i>Job Evaluation is a method of determining on a systematic basis the relative importance of a number of different jobs” (ACAS)</i></p> <p><i>Job evaluation continues to be the most robust method of providing a foundation for grading structures which satisfy the principle of ‘equal pay for work of equal value’; and which are both fair and transparent</i></p>
ITA	<p>Independent Technical Advisor</p> <p><i>Important to understand this role provides advice to both the organisation and trade unions.</i></p>
PGS	<p>Pay and Grading Structure</p> <p><i>The term used to describe the structure which outlines how our workforce are paid.</i></p>
WPBR	<p>Workforce Pay and Benefits Review</p> <p><i>Glasgow City Council’s current pay and grading structure, this includes core pay, WCD (working context demands) and NSWP (non-standard working pattern)</i></p>
TU	<p>Trade Union</p> <p><i>An organisation made up of mainly working members, their aim is to protect and advance the interests of its members in the workplace</i></p>
JTU	<p>Joint Trade Unions</p> <p><i>This refers to the three trade unions recognised by the Council as being GMB, UNITE and Unison. JTU refers to the times at which the council consults with its trade unions together (jointly)</i></p>
OSG	<p>Operational Steering Group</p> <p><i>A joint TU / Officer group whose remit includes the oversight of application of the SJC JE process and agreement of rank order.</i></p>