

03 December 2024

Jo Armstrong  
Chair of Accounts Commission  
Audit Scotland  
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102 West Port  
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Dear Jo

**Letter to the Chair of the Accounts Commission**

The purpose of this letter is to provide, for the consideration of the Accounts Commission (the Commission), details on further progress on Glasgow City Council's (the Council's) implementation of a new equitable pay and grading structure. This update follows up on the Controller of Audit's report (The 2021/22 audit of Glasgow City Council – update on equal pay arrangements) which was considered by the Commission in August 2023. In its findings the Commission requested an update by the end of 2024.

As noted in my earlier report to the Commission, central to the Council delivering equality in pay is replacing its current pay and grading structure with one that is equal pay compliant. The Council initially aimed to implement a new equal pay compliant pay and grading system by April 2021. However, implementation was delayed, primarily because of the outbreak of the Covid-19 pandemic. Having considered the impact of the pandemic, the Council reset its ambition to implement a new pay and grading structure (PGS) with effect from October 2023.

In implementing a new pay and grading structure a key component was the completion of a comprehensive job evaluation process. In September 2022, a report to the City Administration Committee (CAC) indicated a revised implementation date of April 2024. Through the remainder of 2023/24 a significant risk related to delivery on this date became apparent. This risk was based on discussions with Trade Unions on the scale of 'benchmark' jobs (circa 350) to be evaluated, including evaluating around 900 identified 'unique' jobs. The Council developed a job evaluation recovery plan to allow it to implement its new pay and grading structure during financial year 2024/25, this was communicated to CAC in its August 2023 report. A workforce communication was issued in November 2023 outlining February 2025 for PGS implementation and the challenges that remain in achieving this.

Throughout 2023 and 2024, the Council has progressed the job evaluation process and while progress has been made, the April 2024 deadline for completing job evaluations was not achieved. In September 2024 a further workforce communication was issued followed by an update on the equal pay programme to the CAC in October 2024. While progress has been made, the Council highlighted that further stages of the programme involve several critical milestones where the timetable is exceptionally challenging to forecast.

These milestones include:

- Matching of 'primary benchmark' roles to around 18,000 employees;
- Evaluation, followed by matching, of 'secondary benchmarks' which cover around 220 roles, circa 4,000 employees, by group interviews;
- Evaluation of around 900 'unique' roles by questionnaires and desk top exercises, covering around 1,300 employees;
- -Consultation with Trade Unions on the new pay and grading structure and associated steps which will bring an end to the Workforce Pay and Benefits Review terms and conditions and their replacement with new terms and conditions across the non-teaching workforce; and
- Assessment of technical and system change requirements for implementing the new pay and grading structure.

As a result, the February 2025 implementation date will not be met but the Council has yet to agree a new implementation date. Throughout the next months, greater evidence will, through the progression and testing of these activities, increase the confidence required by the Council in setting a new implementation date. The governance arrangements in place remain in line with the previous report to the Commission.

As outlined in my August 2023 report, the Council has Memorandums of Understanding with the main claimant groups which include an agreement that no further equal pay claims will be pursued before April 2027.

EY, as appointed external auditor of the Council, will report a further update as part of their 2023/24 Annual Audit Report, which is anticipated to be issued in March 2025.

**Yours sincerely**

A handwritten signature in black ink, appearing to read 'Helena Gray', with a stylized flourish at the end.

**Helena Gray**  
**Controller of Audit**