

News release

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Glasgow City Council successfully delivered £500 million project to finance equal pay settlement

Glasgow City Council has successfully delivered a challenging project to finance £500 million in equal pay claims.

A report by the Accounts Commission, Scotland's local authority watchdog, says that the council developed and demonstrated good governance arrangements throughout a complex project to raise over £500 million to settle equal pay claims. This involved the council undertaking three complex deals to sell and leaseback a number of properties. The council also developed and applied appropriate project management and governance arrangements whilst assessing claims and making payments.

The Accounts Commission reports that there remain risks for the council in the future as it deals with outstanding equal pay claims, as well as possible future claims before they implement a new pay and grading structure in 2021. The council anticipate that these potential future claims are likely to be on much smaller scale than the settlements completed in 2019.

Graham Sharp, Chair of the Accounts Commission says "We welcome that the council successfully delivered a challenging and complex project within a short space of time, with good governance arrangements and appropriate controls to ensure equal pay settlements were accurate."

"We strongly encourage the council to implement its new pay and grading structure by April 2021."

Auditors will continue to assess and report on the impact of equal pay arrangements and future liabilities.

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Notes to editors

1. Audit Scotland has prepared this report for the Accounts Commission. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
- The Accounts Commission is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public

- Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.
- 2. In 2017 the Accounts Commission reported on Equal Pay in Scottish Councils.
- 3. In September 2019 Audit Scotland published the 2018/19 Annual Audit Report on Glasgow City Council.