

## News release

For immediate release, 24 August 2023

# Commission urges pace in addressing equal pay and conditions at Glasgow City Council

Glasgow City Council, trade unions and others are urged to maintain the pace in implementing a new system aimed at ensuring employees are paid equally in the future for the work they do.

Since 2018, the council has settled or is in the process of settling about 19,000 claims from former and current employees who had been underpaid in comparison to counterparts, at a cost of £765 million. To fund this, the council entered 'sale and leaseback' arrangements with council-owned bodies on cultural, sporting and education properties.

The council is undertaking a comprehensive job evaluation exercise that would prevent inequalities in pay and conditions in future. However, the implementation of this has been delayed due to both the complexity of the issue and the Covid 19 pandemic. In a report published today, the Accounts Commission has urged all parties to work quickly to conclude this exercise to allow it to implement its new pay and grading structure and to ensure it has contingency arrangements in case of further delays.

The Commission commends the council for its effective governance arrangements around the work programme around equal pay. The Commission has previously praised the council for successfully delivering settlements in a relatively short time, given the challenging and complex nature of the issue.

### **Ronnie Hinds, Chair of the Accounts Commission said:**

"The Commission has previously commended Glasgow City Council for its work in addressing the pay inequalities that staff have experienced, some for decades. The council has strong processes in place to deliver a new pay and grading structure, which we are pleased to see given the complexity of this issue and the financial costs.

"However, all parties involved need to maintain the pace of work to ensure the new system is implemented as planned. This will help to prevent workers suffering inequalities in future and minimise the risk of the council having to sell further assets in order to pay compensation. The Commission will also monitor how effectively the council addresses the financial implications and any impact on services, at a time when money is tight across local government in Scotland."

For further information contact Simon Ebbett Tel: 07764770188  
[sebbett@audit-scotland.gov.uk](mailto:sebbett@audit-scotland.gov.uk) or [media@audit-scotland.gov.uk](mailto:media@audit-scotland.gov.uk)

### **Notes to Editor:**

1. Since 2019, Glasgow City Council has entered into sale and leaseback contracts for 17 cultural, sport and leisure, and educational properties in order to fund equal pay claims.

Under the sale and leaseback arrangement, the council created arm's length council-owned limited liability partnership and limited companies, and sold the buildings to those bodies. The council is now leasing the properties for 32 years, at a cost of £32.1m annually plus inflation. The list of buildings is in the Appendix of the Accounts Commission's report.

2. The council initially aimed to implement a new equal pay compliant pay and grading structure by April 2021. This was delayed, due to the Covid-19 pandemic and the complexity of the issue. The council now aims to implement its new pay and grading structure during the 2024/25 financial year.
3. This report has been published under [Section 102 of the Local Government \(Scotland\) Act 1973](#). Under Section 102, the Controller of Audit can bring matters arising from the audit to the attention of the Accounts Commission and the public as they deem appropriate. The Commission can also require the Controller of Audit to report on a specific issue or a council's accounts.
4. The Commission previously reported on equal pay settlements at Glasgow City Council in [a report published in 2020](#), and on progress in settling claims across Scotland's 32 councils in [Equal pay in Scottish councils](#), published in 2017.
5. The Accounts Commission holds councils and local government bodies in Scotland to account and helps them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public.
6. 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.
7. All reports by the Accounts Commission and Auditor Scotland published since 2000 are available on the [Audit Scotland website](#).