



Subject: **EQUAL PAY STRATEGY 2018 – UPDATE**

Report of: **Cabinet Equal Pay Sub Group**

Relevant Cabinet Member: **Councillor Ian Ward, Leader of the Council and Councillor Brigid Jones, Deputy Leader**

Relevant O &S Chair(s): **Resources O&S Committee – Councillor Sir Albert Bore**

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 Further to a Cabinet decision in August 2017, this report provides an update on the latest equal pay position in the Council, including updates on litigation and agreed settlement strategies.
- 1.2 An accompanying private report sets out exempt information in relation to the decision.

2 Recommendations

- 2.1 That the Cabinet note the contents of this report.

3 Background

- 3.1 This report is an update to the report to Cabinet of August 2017 dealing with equal pay, setting out the current status and proposals in relation to potential claims.

4 Options considered and Recommended Proposal

- 4.1 To manage any potential liability facing the Council in respect of equal pay claims that potentially could be brought by employees.
- 4.2 All equal pay claims against the Council, including those that are foreshadowed, require an agreed strategy.
- 4.3 The alternative is to not settle and prevent potential equal pay claims and to actively defend any such claims as and when they are brought against the Council.

5 Consultation

- 5.1 The following have been consulted: the Leader; the Deputy Leader; the Cabinet Member with Portfolio responsibility for Equalities; the Group Leader Conservative Group; the Group Leader Liberal Democrat Group; the Chief Executive (Head of Paid Service); the Chief Finance Officer (s.151); the City Solicitor; and the Director of Human Resources.

6 Compliance Issues:

6.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 6.1.1 The recommended decisions are in line with the Council's long-term financial planning and previous equal pay strategies

6.2 Legal Implications

- 6.2.1 The Equal Pay Act 1970 (Equality Act 2010) was an under-utilised piece of legislation at a time when it was not uncommon for employers to give different rates of pay as between men and women performing the same job or to reserve the higher paid jobs for men and the lower paid jobs for women. However, not until the implementation of the National Single Status Agreement in 1997 and the Agenda for Change Agreement in 2004 was attention focused on pay structures within Local Authorities and NHS Trusts.
- 6.2.2 Equal pay was brought into the public arena with legal firms issuing claims for equal pay in or about 2000 but not in Birmingham until 2006/7. Single Status in Birmingham was implemented with effect from 1 April 2008 and this was designed to remove unequal pay in the Council.

- 6.2.3 Equal pay law entitles a woman (a claimant) the right to be paid the same and enjoy the same contractual terms as male colleagues (comparators) who are performing work rated as equivalent or of equal value, unless the difference can be justified by a non-discriminatory reason.

6.3 Financial Implications

- 6.3.1 Any proposals will be carried out within existing resources identified for settlement of equal pay claims.

6.4 Procurement Implications (if required)

- 6.4.1

6.5 Human Resources Implications (if required)

- 6.5.1

6.6 Public Sector Equality Duty

- 6.6.1 The litigation risk of the different groups of equal pay claims is kept under review.

7 Background Documents

Report to Cabinet (public) dated 24 August 2017