

ABERDEEN CITY COUNCIL

COMMITTEE	Staff Governance
DATE	4 May 2018
REPORT TITLE	Equal Pay policy
REPORT NUMBER	RES/18/013
DIRECTOR	Steve Whyte
CHIEF OFFICER	Morven Spalding
REPORT AUTHOR	David Forman and Keith Tennant
TERMS OF REFERENCE	Purpose of Committee 6 Remit of Committee 4 (4.1) and (4.2)

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek approval for a revised Equal Pay policy.

2. RECOMMENDATION(S)

- 2.1 That the Committee approves the attached revised Equal Pay policy.

3. BACKGROUND

- 3.1 The Council is committed to addressing any differences in the pay of employees related to characteristics protected by the Equality Act 2010 and to meeting its legislative responsibilities for providing equal pay. This commitment is stated under the Council's employment equality outcome in the Equality Outcomes and Mainstreaming Report 2017-2021.
- 3.2 The Equal Pay policy details how the Council will ensure there are no unfair, unjust or unlawful practices that impact on pay and take appropriate remedial action where required. As part of the planned review process for employment related policies, the Equal Pay policy has been updated to reflect current organisational arrangements for providing equal pay.
- 3.3 The main changes to the document are shown under paragraphs 3.31 to 3.35 below.
- 3.31 The Council's most up-to-date 'equal pay statement' has been incorporated on pages 3 and 4 of the document (which was also included in the Council's last Equality Outcomes and Mainstreaming Report).
- 3.32 Two paragraphs under the 'Meeting Objectives' section on page 5 of the document have been removed as they are no longer relevant, both being

related to the pre-implementation of 'Equal Pay and Modernisation' arrangements in the Council (which occurred in 2009).

- 3.33 References in the document to the 'Equal Opportunities Commission' have been updated with the 'Equality and Human Rights Commission' and references to out of date legislative aspects (including the Gender Equality Scheme) have been replaced with reference to the Equality Act 2010 and the public sector equality duties.
- 3.34 The section on occupational segregation on page 4 of the document has been amended to emphasise that single gender dominated jobs can occur in relation to both males and females (with the stated aim being to break down barriers to one gender moving into an area traditionally dominated by the opposite gender).
- 3.35 Reference to the full two day course on Recruitment and Selection have been removed under the section on 'Recruitment Processes' on page 4 of the document to refer just to training on recruitment and selection, with the format of that course having changed.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendation in this report. However, not approving the recommendation would mean that the Council's Equal Pay policy would not be fully up-to-date which could potentially increase the risk of equal pay claims if managers were not aware of what is expected and practices in relation to pay were applied that ran contrary to the legislation.

5. LEGAL IMPLICATIONS

- 5.1 The Equality Act 2010 requires the Council to ensure equal pay for equal work. Failure to have an up-to-date Equal Pay policy in place could lead to practices being applied in the Council that could result in employees being paid unfairly and put the organisation at risk of legal challenge.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Were the Council not to have an up-to-date Equal Pay policy in place, there would be a risk of	Low	Having an up-to-date policy in place will mitigate this risk. Robust job evaluation processes help control the

	managers not being aware of the Council's responsibilities on equal pay and hence practices being applied that could increase the risk of paying unequally in relation to the Equality Act 2010. Failure to comply with the legislation could lead to Employment Tribunal proceedings and potential financial awards against the Council.		risk.
Legal	Were the Council not to have an up-to-date Equal Pay policy in place there is a risk that the requirements of the Equality Act 2010 would not be met, if practices were applied in relation to pay that ran contrary to the legislation.	Low	Having an up-to-date policy in place will mitigate this risk. Robust job evaluation processes help control the risk.
Employee	Were the Council not to have an up-to-date Equal Pay policy in place it could potentially result in practices being applied where employees were not paid equally in accordance with the requirements of the Equality Act 2010, potentially leading to a decrease in morale due to perceived injustice in the workplace. The consequence of this could be a reduction in employee engagement and a subsequent drop in productivity.	Low	Having an up-to-date policy in place will mitigate this risk. Robust job evaluation processes help control the risk.
Customer	There is no identified risk	N/A	N/A

	to the customer		
Environment	There is no identified environmental risk.	N/A	N/A
Technology	There is no identified technological risk.	N/A	N/A
Reputational	Were the Council found to be applying practices that were in breach of equal pay legislation, reputational damage could result.	Low	Having an up-to-date policy in place will mitigate this risk. Robust job evaluation processes help control the risk.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Applying good practices in relation to pay are an important factor in employee engagement. With levels of employee engagement linked to productivity and resource efficiency, having an up-to-date equal pay policy should assist the Council in delivering services as cost effectively as it can. Given the role that the Council plays in fostering an environment where the local economy can thrive, having an engaged workforce delivering efficient cost effective services is a key element of achieving this.
Prosperous People	N/A
Prosperous Place	N/A
Enabling Technology	N/A

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	N/A
Organisational Design	N/A
Governance	Links to the 'Governance' design principle in that the policy helps ensure the organisation is legislatively compliant.
Workforce	Links to the 'Workforce' design principle in that the policy helps to promote equality in the workplace.

Process Design	N/A
Technology	N/A
Partnerships and Alliances	N/A

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Full EHRIA required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

None

10. APPENDICES

10.1 Appendix 1 – Draft Revised Equal Pay Policy

11. REPORT AUTHOR CONTACT DETAILS

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