

**EAST AYRSHIRE COUNCIL**  
**CORPORATE GOVERNANCE COMMITTEE**  
**30 MARCH 2006**

**SINGLE STATUS UPDATE**

**Report by Depute Chief Executive/Executive Director of Corporate Support**

**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to update the Committee on progress in implementing the Single Status Agreement with particular reference to Equal Pay.

**2. BACKGROUND**

- 2.1 At its meeting on 29 September 2005 the Committee considered a report which in addition to giving a general update on Single Status intimated that a number of Equal Pay claims had been submitted by the GMB Trade Union.
- 2.2 In approving the report the Committee instructed the Depute Chief Executive/Executive Director of Corporate Support to contact the representatives of the GMB Trade Union to discuss the possibility of entering into a negotiated settlement prior to a Grievance Hearing being convened under the Council's Grievance Procedure
- 2.3 As a result of the Committee's decision an initial meeting was held with the GMB but it was agreed to suspend local discussions pending the outcome of discussions which were being held at a national level under the aegis of the Scottish Joint Council. Despite some initial progress at national level the discussions ultimately failed to reach an agreement and the matter reverted to local level for resolution.
- 2.4 Following the breakdown of negotiations at national level the local negotiations recommenced. Although separate grievances had not been submitted by them, UNISON and T&G participated in the negotiations. The purpose of the negotiations was to attempt to reach an agreement on a level of compensation which could be made to certain employees with a view to the employees in return agreeing not to submit equal pay claims to an Employment Tribunal.
- 2.5 At their meeting on 13 January 2006 the Emergency Powers Committee approved a proposal to offer employees in the Catering, Cleaning and Home Care employee groups compensation

payments on the basis that they would sign compromise agreements agreeing not to pursue equal Pay claims to the Employment Tribunal.

### **3. INFORMATION AND SIGNING SESSIONS**

- 3.1 All affected employees were provided with information relating to the compensation payments including an explanatory letter advising the level of payment they would receive; a set of questions and answers relating to the payments and a copy of the compromise agreements which they would require to sign if they agreed to accept the payment.
- 3.2 Following the issue of the letters and information packs all employees were invited to meetings at which the Chief Executive and the Head of Personnel outlined the Council's position and answered questions on the offer. The Trade Unions then met with their members to put their point of view.
- 3.3 During the week commencing Monday 27 February 2006 all 1,587 employees to whom a compensation payment applied were invited to signing sessions where they received independent legal advice before being asked to sign the compromise agreement. Having signed the compromise agreement employees were then issued with a cheque for the compensation payment. Of the 1,587 compensation payments offered 1,542 were accepted, an acceptance rate of 97.1%.

### **4. EQUAL PAY CLAIMS**

- 4.1 Notwithstanding the widespread acceptance of the compensation payments the Council will require to defend a number of Equal Pay claims at the Employment Tribunal.

### **5. JOB EVALUATION**

- 5.1 Given the focus on dealing with the equal pay compensation payments there has been a hiatus in meetings with the Trade Unions. However these will now recommence and the Council hopes to be in a position shortly to finalise a pay and grading model for issue to the Trade Unions.

### **6. FINANCIAL IMPLICATIONS**

- 6.1 At this stage it is not possible to quantify the financial implications of reaching a negotiated settlement in relation to potential equal pay claims. However, any negotiated settlement would be significantly less than any award made by an Employment Tribunal in the event of the Council unsuccessfully defending a claim.

## **7. RECOMMENDATIONS**

- 7.1** The Committee is asked to note the content of this report.

**Elizabeth Morton  
Depute Chief Executive/  
Executive Director of Corporate Support  
20 September 2005**

### **LIST OF BACKGROUND PAPERS**

1. Previous update reports to the Corporate Governance Committee.

Anyone wishing further information on this report should contact Martin Rose, Head of Personnel, telephone (01563) 576092.