

## Single Status and Equal Pay Issues

A major current source of concern to governors in Dudley concerns the need to set aside money from the school budget in order to meet the costs of Single Status issues and consequential Equal Pay claims. It might help to explain the background to this.

Traditionally, local government employees have experienced differences in pay and conditions, especially between white-collar and manual workers, and also between male and female employees. The Single Status agreement was intended to harmonize these conditions with a view to ensuring that the process would be completed, nationwide, by 2007. This agreement was made between trade unions and local government in 1997. Further to this, in April 2007, the introduction of a Gender Equality Duty also placed a responsibility on local councils (amongst others) to ensure gender equality and to eliminate sex discrimination; clearly this requirement has further compounded the whole issue as far as completing the requirements of Single Status within the requisite time-scale.

As an example, bonus schemes for refuse collectors (mainly men) which had been agreed many years ago meant that they might be taking home 50% more in their pay packets than women doing different jobs of a similar level of skill such as care or catering staff.

In addition Councils were often also using different pay scales for different job sectors such as the manual or administrative sectors. This, in turn, has meant that jobs were not being judged on the same basis, and, along with other factors, often resulted in female dominated roles being lower paid.

The following table illustrates the point still further:-

| <b>“Typical” Female Jobs</b>  | <b>Grade*</b> | <b>“Typical” Male Jobs</b>    |
|-------------------------------|---------------|-------------------------------|
| Domestic £17,963              | Grade G       | Road Sweeper £25,000          |
| Cook £5.91 per hour           | Grade C       | Joiner £10 per hour           |
| Speech Therapist £17,828      | Grade E       | Pharmacist £18,7333           |
| Clerical worker £7-8 per hour | Grade A       | Warehouse Post £9-10 per hour |
| Nursery Nurse £17, 000        | Grade H       | Waste Technician £25,000      |

\*Grades above are intended as exemplars and are not actual.

In the majority of cases it has been found that the female-dominated jobs are the ones which have been underpaid. As far as schools are concerned it is evident that a very significant number of (non-teaching) staff may well be affected by this, which has led, in turn, to the current situation.

In order to get all workers onto the same pay scale to achieve Single Status every single category of employment has to be evaluated by a common set of factors so as to establish which jobs should be regarded as being at the same level as one another and so should be in receipt of the same rates of pay.

A number of Job Evaluation Schemes exist and specially trained job evaluators have to be employed to undertake this work using factors *such as*:-

- The knowledge and the skills required in order to do the job
- The level and extent of communications involved in the job
- The extent to which problem solving is an integral part of the role
- The degree of decision making which may form part of the job requirements
- The extent to which the job involves the management of resources such as other staff, money and equipment etc
- The degree of autonomy involved.

Once all jobs have been evaluated then pay scales are implemented so that all jobs deemed to be of equal 'value' receive the same pay. In cases where individuals are now seen to be earning less than they should and when this is due to their gender then they may be able to claim compensation from the Council, including up to six years of back pay.

So, this is the background to the issue, BUT ..... Despite it now being eleven years since the original agreement was reached something in excess of half the Councils have failed to complete and to implement the evaluations, so Dudley is far from being unique in this regard. Arguments have been put forward that insufficient resources have been made available to Councils from Central Government to assist in the (undeniably very expensive) evaluation process. Some have suggested that the whole exercise should be cost neutral which would mean that there would be both winners and losers. There have been work-to-rules and strike actions (official or unofficial) in some areas and there is no doubt but what the cost implications may well be considerable.

At this point in time Dudley Council does yet know, for certain, what the cost will be, which is why the requirement has been put in place that every school should put aside a sum to cover *possible* eventualities. It has been suggested that this money should not come from school budgets but rather from the Childrens' Services department or from the Council itself. Neither is feasible since the former does not have any uncommitted resources – paying the bill centrally in this way would only result in a degree of top-slicing of schools' budgets anyway – there simply is no floating reserve. Whilst the Council might be expected to fund the costs, the only way that they could do so would be by using money set aside for other Council purposes, which might mean that other council functions would suffer since they cannot raise additional revenue (the income stream from council taxes is capped). Whichever way it is examined, locally sourced funding will impact upon school budgets.

Of course, if Central Government could be persuaded to find the necessary resource that might be a different proposition entirely.

Research through governors in other parts of the country into what is happening elsewhere has proved quite revealing. Several responses appear to echo what is happening in Dudley but many appear completely unaware of the problem. Since Single Status impacts upon every Council the most likely conclusion may well be that in some parts of the country money has already been taken out of the schools' budgets (i.e. they have been top-sliced) and the schools simply presented with the

consequentially reduced budgets. Given that the Government has been increasing the per-capita levels of funding at the same time that birth-rates (and therefore the size of the schools' populations) have been falling it is not always easy to ascertain exactly how much should be available for allocating to individual schools.

At least, locally, Childrens' Services and Dudley Council have ensured that we are aware of the issue and what we have no option but to do about it, even if (currently) the exact demand upon budgets is not known.

When the dust has settled we will have to face up to two bills. The first will be the on-going costs of higher wages but at least we can plan ahead year on year for that and can trim our budget and/or our work-force accordingly, depending upon what we can afford. It is the second cost, that of back-pay for up to six years which we may see in a rather different light because it will have to be paid out of today's funding.

In a nutshell it means that our current children may well have to suffer to enable us to pay bills we would never have agreed to if we had known then what we know now. It is morally indefensible that we should expect children to suffer in this way. The Director of Childrens' Services has already made it clear that he regards this in the same way and has pledged to avoid redundancies if at all possible. He cannot define ways of achieving this until the final figures are made clear. However his letter to all schools requesting details of the impact of setting aside a sum to meet these costs (and their responses to this) has led to statements made to the Schools' Forum identifying his own concern and his intention to find ways of supporting schools which might be facing consequential financial difficulties.

We must hope that this issue gets resolved as soon as possible and, ideally (or is that simply wishful thinking) that Central Government can be persuaded to provide a measure of financial assistance in the process.

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