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What's the first word that comes to mind when you think about equal pay?



What's included in measuring equal pay



What are the biggest equal pay risks for local government?

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Allowances and bonuses

0

Occupational segregation

0

Inconsistent management decisions

0

Discretion on starting salaries

0

Market supplements

0

Variable employment practices



Having a low gender pay gap figure indicates that your equal pay risks are low. True or false?

0 True

0 False



Brighton & Hove Council

The gender pay gap reflects unequal access to work and the lower value placed on jobs traditionally undertaken by women, reinforced by organisational practices and cultures.

Brighton & Hove City Council had a gender pay gap of -7.2% in 2022/23, where women earned more than men on average. In 2024 GMB lodged equal pay claims potentially worth £££, citing pay differences between women in care, cleaning etc and men in refuse collection.

The gender pay gap measures average pay across the organisation and reflects structural inequality, while equal pay focuses on pay differences between comparable roles.

The council had more women in senior roles, but employment practices like “task and finish” created higher hourly pay than in female-dominated roles, creating inequality.



If a pay difference was agreed with trade unions, it cannot be challenged in an equal pay claim. True or false?

0 True

0 False



Agreements made with trade unions do not override equal pay law

Even if pay structures, allowances or grading decisions are collectively negotiated, they can still be challenged if they mean men and women are paid differently for equal work.

Under the Equality Act 2010, employers must show that any pay difference is due to a genuine, non-sex-based material factor, such as skills shortages or market conditions. A collective agreement alone does not meet this test.

Employers must prove differences are objectively justified, consistently applied and non-discriminatory. Many councils have claims where collectively agreed pay arrangements failed to meet equal pay requirements.



If a council has a job evaluation scheme, it is protected from equal pay claims. True or False?

0 True

0 False



How your JE is set up and applied is important

A job evaluation (JE) scheme is an important tool for managing equal pay risk, but it does not provide full protection against equal pay claims.

Risks arise where schemes are outdated, inconsistently applied, or no longer reflect the work actually done.

Claims often relate not to grades but to allowances and supplements—such as market payments, overtime or acting-up arrangements—that sit outside JE and may be applied unfairly.

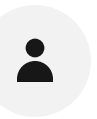
But employees may also argue that JE schemes undervalue work typically done by women or use biased factors that favour jobs dominated by men.

Crucially, employers must still justify pay differences with a genuine, non-discriminatory material factor; JE alone is not sufficient.





REAL WORLD SCENARIOS



A proposal to give a market supplement to recruit social workers (mostly female). Should this payment be given to existing staff in equivalent roles?

0



Grant the supplement to new starters only

0



Grant to new starters and review existing staff for parity

0



Do not grant the supplement because these create equal pay risks

0



Review pay and grading of that role

An employee has received an acting up allowance for 18 months. Another employee says they did some of that role too but haven't been paid. Do you:

0

Back-pay to everyone who performed the duties

0

Continue arrangements and document the justification

0

Formalise acting up criteria and payments for clarity

0

Ignore it, its temporary



A male-dominated team has a long-standing "productivity bonus" but female-dominated roles rated as equivalent in JE don't receive this. Do you:

0



Keep the bonus as-is

0



Remove the bonus to equalise pay

0



Adjust and review allowances
across equivalent roles

0



Conduct a full pay audit before
deciding

Risks of equal pay challenges generally arise not out of any intention to discriminate, but through employment practices and management decisions and pay systems not being kept under review and up to date.

EQUALITY AND HUMAN RIGHTS COMMISSION
STATUTORY CODE OF PRACTICE ON EQUAL PAY
PARAGRAPH 165



00 Sheffield City Council's journey



Equal Pay: A rising tide?

Why equal pay issues are becoming more prevalent in local government

Equal pay claims are increasing across councils due to:

- Legal precedents and union activity
- Greater awareness among employees
- Historic inconsistencies in pay & JE arrangements and working practices.

Employers often face challenges such as:

- Task and finish arrangements
- Allowances applied inconsistently
- Multiple JE schemes creating reconciliation issues



Cracks in the foundation

How outdated systems undermine equal pay compliance

Many councils lack robust infrastructure to support equal pay compliance:

- JES outcomes are poorly recorded or fragmented
- Job descriptions are outdated or missing
- Equal pay audits are rare or non-existent.
- Often lack the evidence to justify why employees were paid outside the JES framework
- Combination of HR practices and management actions

These weaknesses make it difficult to:

- Defend claims
- Identify and resolve systemic issues
- Maintain transparency and fairness

The Litigation Trap

Litigation is often seen as a default response, but:

- It is expensive and resource-intensive
- It prolongs uncertainty and reputational risk
- It rarely resolves underlying structural issues
- It could significantly increase the cost to the council

Councils may win a case but still face future claims due to unresolved problems



How councils can regain control and reduce risk

A strategic shift is needed:

- Recognise the need to modernise infrastructure
- Accept that historic issues may need resolution
- Move from defending to diagnosing, de-escalating and resolving

This approach builds trust, reduces risk, and improves workforce relations

A roadmap to resolution:

- i. Recognise the need for change and the limitations of current systems
- ii. Diagnose vulnerabilities through a comprehensive diagnostic
- iii. Engage Trade Unions in a collaborative process (e.g., standstill agreements)
- iv. Assess the defensibility of current practices and potential exposure
- v. Negotiate constructively to settle historic issues and plan for future compliance

What we've learned

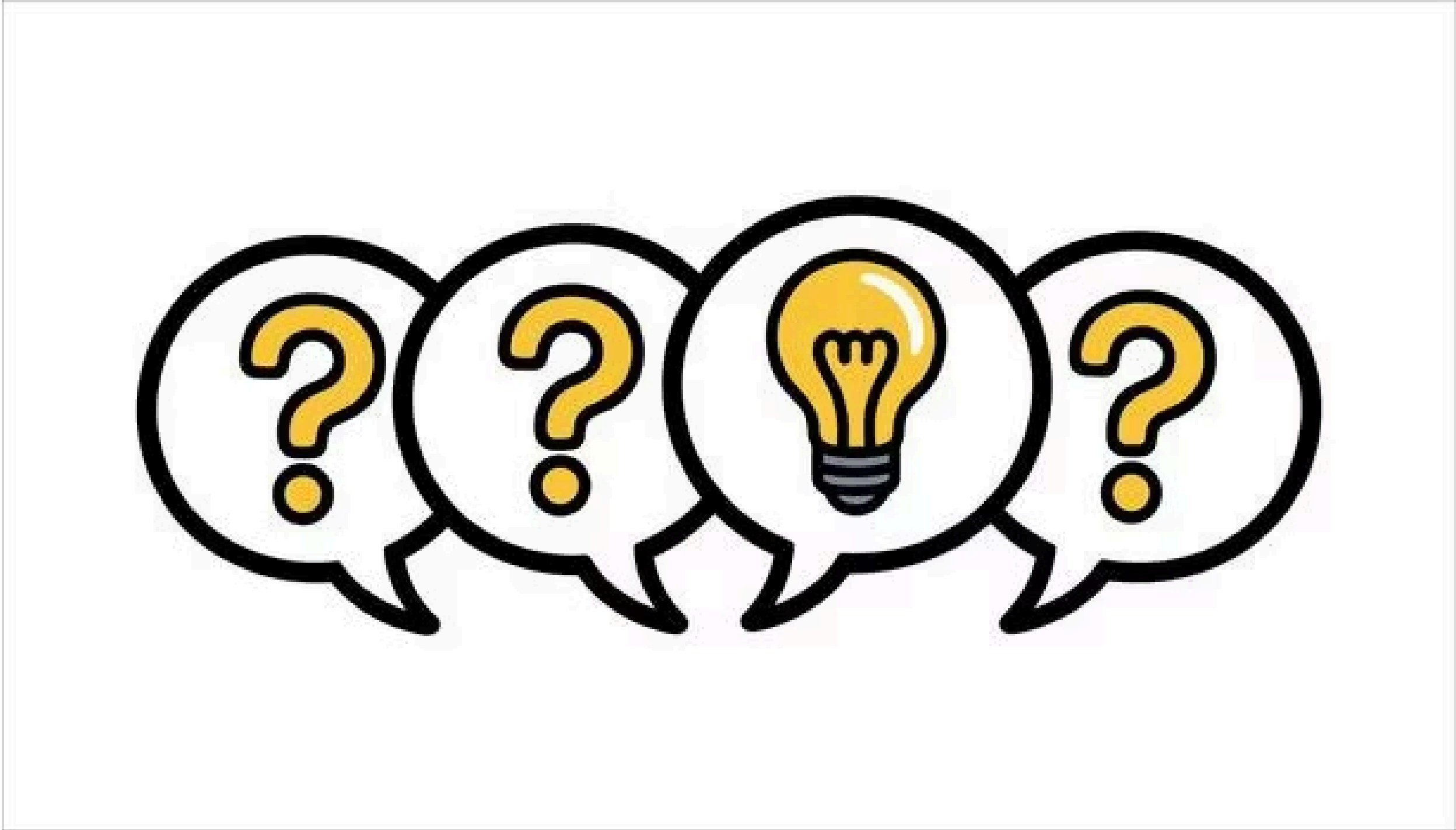
Resolution is the smart, strategic choice

Equal pay issues require strategic, not reactive, responses

- Litigation is rarely the most effective path
- Impact of compound interest significantly increases potential financial liability.

Councils must:

- Modernise systems
- Collaborate with unions
- Resolve historic issues
- Build future-proof pay structures
- Consider Associated employer risks
- Consider School's risks – future controls
- Raise awareness of equality of pay (including allowances) with managers/Members – e-learning opportunity



Questions?

What do you think are the biggest equal pay risks for your organisation?

0

Historical allowances
and bonuses

0

Job evaluation
scheme

0

Inconsistent
management
decisions

0

Discretion on starting
salaries

0

Market supplements

0

Variable employment
practices

0

Pay protection
arrangements



Tell us one thing that you will do in your organisation as a result of what you've learned in this session

