

## **Bromsgrove District Council – Response to Members’ questions on the Council’s Equal Pay Arrangements and Financial Pressures**

**1). What systems does BDC have in place to ensure that the principles of the ‘single status’ agreement are in place to ensure equal pay between male and female staff?**

Bromsgrove implemented the NJC scheme back in April 2008. All evaluations are carried out using the Local Government Single Status Job Evaluation scheme developed by the National Joint Council for Local Government Services, also known as the NJC Scheme (Gauge).

In 2019 Bromsgrove implemented a revised Pay Model. The introduction of the new National Pay Spine resulted in the requirement to review our existing Pay Model to ensure it continued to be fit for purpose and that the Council continues to meet its legal obligation in terms of equality.

**2). Does BDC regularly undertake Equal Pay Audits?**

The Council undertook pay Equal Pay Audits as part of both the initial introduction of the NJC scheme and the Pay model review in 2019.

**3). When in 2012, Birmingham City Council effectively lost the Equal Pay claims made against them and was required to pay more than £1 billion to settle those equal pay claims, did BDC instigate a review of their own internal pay structures to ensure that there were no direct or indirect pay inequalities between their male and female staff?**

At that time BDC had recently undertaken the implementation of the NJC scheme and was satisfied that a further full review was not required at this time.

**4). Has BDC recently, or in the past, been subject of any equal pay related litigation? If so, are you able to indicate how these claim(s) have been resolved?**

No.

**5). Has BDC ever been notified by any of the major staff Trade Unions, that they are considering class action type Equal Pay claims against BDC?**

No.

**6). Do any BDC staff regularly get paid bonuses, based on the role they hold? If so, what roles are these, and are they equally accessible to male, female and trans staff?**

No.

**7). Has BDC ever implemented a job evaluation scheme?**

Yes, the NJC scheme was implemented in 2008 as outline above and reviewed in 2019 as part of the pay model review.

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**8). Does BDC have any ‘task and finish practices’, where workers can go home early after completing all their work? If so, what roles do they relate to and are they equally accessible to male, female and trans staff?**

Consistent with most local authorities in England, BDC has roles that are task and finish, specifically Refuse Services. All roles are equally accessible; however, we know that historically the roles in refuse have been predominately undertaken by male employees but not exclusively. We currently employ both male and female waste operatives, and all roles remain equally accessible to male, female and trans staff.

Any future service reviews will establish any alternatives/ potential solutions regarding task and finish.

**9). It was claimed the pay differential between the men and the women employed by Birmingham City Council was unusually high. Can you confirm that no such similar pay differentials exist in BDC?**

We are confident that there are not the pay differentials cited at Birmingham and that our scheme ensures equality of pay.

The Council ensures there is no pay discrimination within the pay structures and that all pay differentials can be objectively justified through the use of the Job Evaluation mechanisms. These directly relate salaries to the requirements, demands and responsibilities of the role.

### **Other Potential Vulnerabilities:**

**Over the last few months, there have been many reports in the media about more Councils effectively either being declared bankrupt or being perilously close to being declared bankrupt. There are many and varied reasons for these Councils finding themselves in this position.**

**Some Councils have said, that the most common cause of financial pressures was demand for children’s social care services, following requests from Government to treat these services as an equal priority with adult social care, and allocate additional funding. I accept that BDC does not have responsibility for childcare social services, but I believe that BDC does have responsibility for adult social care.**

**10). If this is the case, is demand for this service likely to have a significant financial impact on BDC in the near future? Other significant factors cited were inflation costs and wage increases, with warnings an imminent increase in the cost of borrowing is set to add further financial pressure.**

These factors are impacting all Councils. The recent Peer Review carried out in March this year set out that: “the council is financially stable with a balanced budget, which in the current financial climate is positive. The task now is to ensure that plans

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for ensuring financial sustainability over the medium to longer term are in place and supported by robust delivery arrangements. The council must also ensure the recommendations made by the external auditor in the Section 24 Notice and 2020/21 Interim Annual Audit Report are fully implemented”.

Key financial indicators are reviewed at each Audit, Standards and Governance Meeting, savings plans are part of the quarterly monitoring process and reviewed twice a year at Audit Committee and the Finance and Budget Working Group scrutinise any spending proposals before they are approved. Overall, the Council does carry over £5m in both its earmarked and general fund reserves which is “middle of the pack” for a Council our size.

However, the TechOne issues and the review by the Audit, Standards and Governance Task Group has meant that the Council is now especially vigilant in terms of its controls and will identify early if there are negative impacts on budgets – which then will be taken through the right Governance processes.

### **11). Is BDC able to adequately budget for rising inflation costs, wage rises, and increased borrowing costs?**

**One of the vulnerable Councils cited its growing cumulative overspend on special educational needs and disability services, which has risen to nearly £130m and which is projected to increase to £153m by March next year – more than the county council has in its financial reserves.**

Bromsgrove does not have Social Care or Childrens Services, which have their own specific resource issues. As part of the 2023/4 budget the Council budgeted for significantly higher utilities inflation in budget and reserves and was moving to a balanced budget. The recent pay award (still pending) will need mitigation. In the 24/5 budget process which is happening at the moment. The Council presently does not have any long term debt – which is very rare within Local Authorities.

### **12). Does BDC have any financial responsibility for special educational needs and disability services expenditure? If so, are there any potential emerging financial problems in this area of Council spending?**

The Council as the local housing authority has responsibility of administrating and providing disabled facilities grants (DFG) to help eligible older and disabled people (including children) to make changes to their home so they can access and use all essential facilities. The Council receives funding from the Government for DFG’s & administration and this financial year the Council has received £1,126,698 funding.

The Council utilises in partnership with the other local authorities in Worcestershire a Home Improvement Agency (HIA) to manage this process and delivery. The Promoting Independence Living strategic performance board has not identified a risk of overspend for Bromsgrove in this year.

The County Council has responsibility for Education.

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**13). Another Council said that the rise in a requirement for temporary accommodation for homeless people, in addition to a rise in other housing costs, had pushed the council into an “incredibly precarious” financial position.**

The Council monitors its Temporary Accommodation costs and indicators to manage any additional costs.

**14). Does BDC have a financial responsibility to provide housing and emergency temporary accommodation? Is this an area of business which has seen a significant increase in demand in recent times?**

The Council as the local housing authority has the responsibility for homelessness services in the district. This service is currently contracted to BDHT. The Council has an agreement with BDHT for the provision properties to be used as temporary accommodation and this provision was increased with the closure of the homeless hostel. The majority of applicants that require temporary accommodation utilise this provision. There are instances where temporary accommodation is provided through the use of B&B accommodation which is a more expensive form of temporary accommodation. Temporary accommodation is not provided free of charge and the applicant is required to pay towards the costs of accommodation. The financial year 22/23 was under budget. There has been an increase in applications for homelessness assistance and this is monitored with BDHT on a regular basis.

**You will be aware of the recently highlighted problem of RAAC, especially in relation to school buildings. However, it is known that this material has been used in other public buildings.**

**15). Are there any potential risks to BDC from RAAC, and if so, what, if any mitigations have been considered to address this problem? Will it have any potential significant financial implications for BDC?**

We are not aware of any buildings containing RAAC but are conducting a desk top exercise and will report in due course.

**16). Are there any other services provided by BDC, which I have not referred to, which are experiencing a significant increased cost, which could potentially cause financial difficulties, in terms of affordability, for BDC?**

50% of the Councils costs relate to staffing and so any staff shortages or prolonged vacancies can lead to overspends as replacements or agency costs can be higher than existing budgets or reductions in service quality.