

Our Ref: DMcM/km
Date: 1 July 2008

To: All Elected Members

Dear Councillor

Single Status – The Way Forward

I refer to the reports which I submitted to Council on 14 May and 25 June 2008, together with the information which I provided to the Council Meeting on 28 May 2008.

The position which the Council now faces is critical. We have a legal obligation to take action to address the issues associated with Single Status and Equal Pay. We have a Council decision (as determined at the Council Meeting of 14 May 2008) but, as outlined in my report to Council on 25 June and amplified by various answers to questions from Elected Members when the report was under discussion, we cannot implement the Council decision unless the Council identifies how the projected budget shortfall can be met.

Both myself and the Council's Legal Officer explained to Council on 25 June that neither the Motion nor the proposed Amendment did actually take us any further forward because Council has still not identified how the budget shortfall will be addressed.

I will of course be complying with the Council decision and making contact with the Council's auditors but this does not absolve the Council of the requirement to comply with its legal obligations. Failure to act and address the issues faced by the Council will almost inevitably lead to further legal action being taken against the Council.

I am continuing to discuss the issue with the Trades Unions in an effort to clarify their understanding of the decision to harmonise Terms and Conditions at the highest rate. I will also be discussing how the additional costs associated within this part of the Council agreement may be funded, given the potential impact that this may have on jobs within the Council. The Trades Unions understand the seriousness of the situation faced by the Council and whilst I am hopeful that they will engage in open and practical discussion with management, ultimately the outstanding issues are for Council to resolve.

I can therefore advise you that whilst I will be making contact with Council auditors and continuing my discussions with the Trades Unions, unless Council can address the current funding shortfall, I will be asking the Provost to convene a Special Council Meeting in order to re-consider the Single Status agreements and the earlier decisions which have been taken by Council. The Legal Officer assures me that, in the circumstances and taking into account the legal obligations incumbent upon the Council, there would be no requirement at that stage to suspend Standing Orders.

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I do, of course, urge all Elected Members to consider the extreme difficulty of the situation which is faced by the Council. We require to make a decision to deal with the Single Status issue and this decision must be one which meets our Best Value and other legal obligations. I would therefore ask all Elected Members and, in particular, the Leaders of the two main political groups, to contact me and discuss the way in which we can take matters forward.

In addition, whether or not a further Council meeting is required, I would implore the political groups to provide me with any proposals they have at the earliest opportunity, thus affording officers a reasonable period of time to cost such proposals and ascertain if there may be any difficulties in implementing same.

Yours sincerely

David McMillan
Chief Executive