

ANGUS COUNCIL – 26 SEPTEMBER 2024

REMUNERATION OF COUNCILLORS - UPDATE

REPORT BY IAN LORIMER, DIRECTOR OF FINANCE

ABSTRACT

This Report provides background information relating to the remuneration of Councillors and the Council's current remuneration structure for members information and to inform any proposed changes which may arise from the proceedings at this Council meeting.

1. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

- 1.1 This report contributes as a whole to the priorities in the Council Plan – decisions made on this report will support the Council's governance and decision making structures.

2. RECOMMENDATIONS

- 2.1 The Council is asked to:-

- (i) note the background details provided in relation to the remuneration of Councillors;
- (ii) note the existing Angus Council remuneration structure for Councillors as was agreed by Council in June 2024;
- (iii) approve an updated remuneration structure for Councillors which complies with the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007, ("Regulations").

3. BACKGROUND

- 3.1 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (the "Regulations") set out the remuneration arrangements for Councillors and provide definitions for certain posts for the purposes of payment of remuneration. The Regulations are amended regularly to update the remuneration constraints contained therein e.g. to update councillor remuneration levels. The Regulations prescribe how most aspects of the remuneration arrangements are to operate but certain aspects are at the discretion of individual local authorities to decide upon. However, even where discretion applies the Regulations still incorporate constraints within which the Council must operate.

3.2 Definitions for Specific Roles

The Regulations state that the Leader of the Council "means the convener of a local authority elected in terms of section 4(1) of the 1994 Act or such other councillor as that local authority decides has the title of Leader of the Council for the purposes of payment of remuneration". The Council agreed at the Statutory Meeting in May 2022 to define the Leader of the Council as the Leader of the group of Councillors who form the Administration in line with previous practice.

The Regulations state that the Civic Head "means the depute convener of a local authority elected in terms of section 4(2) of the 1994 Act or such other councillor as that local authority decides has the title of Civic Head for the purposes of payment of remuneration". The Council agreed at the Statutory Meeting in May 2022 to define the Civic Head as the Provost in line with previous practice.

The Regulations state that "Senior Councillor means, for the purpose of payment of remuneration, a councillor who is designated as such by the local authority of which that person is an elected member". The Council agreed at the Statutory Meeting in May 2022 to define a Senior Councillor as someone who holds a significant position of responsibility in the Council's political management structure and is specifically designated as a Senior Councillor under the Regulations in line with previous practice.

The Regulations state that Councillor, for the purposes of payment of remuneration, means a councillor who is not the Leader of the Council, the Civic Head or a Senior Councillor.” The Council must adopt this definition.

- 3.3 The main pay constraints within the Regulations which Members need to consider when deciding on the arrangements for paying Councillors a salary are as follows (**based upon the updated remuneration constraints for 2024/25**):-

Leader

- The Council **must** pay a Leader of the Council and for Angus this Leader **must** receive a salary of £42,698.

Civic Head

- The Council **may** pay a Civic Head (Provost) a salary of **up to** 75% of the Leader of the Council. This equates to a maximum of £32,024.
- The Council **may** reimburse to its Civic Head any receipted expenditure incurred by that person to enable them to carry out their civic duties **up to** a yearly maximum sum of £3,000.

Senior Councillors

- In addition to a Leader of the Council and a Civic Head, Angus Council can have up to a **maximum of 13 Senior Councillors**.
- A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council’s political management structure. For example, Senior Councillors may carry out roles such as Convener or Vice-Convener of a Committee, the Leader of / Spokesperson for a significant non-administration / opposition group, etc.
- The **maximum total sum** which Angus Council can pay to all of its Senior Councillors based on the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 is **£346,895**. This total sum is fixed and does not vary dependent upon the number of Senior Councillors actually appointed. This figure will increase in future years in line with agreed pay rises for Councillors approved by the Scottish Parliament.
- The **maximum** a Senior Councillor can be paid is 75% of the salary of the Leader of the Council. In Angus this equates to £32,024. Note that it would only be possible to have 10 Councillors remunerated as Senior Councillors if this maximum salary was applied.
- Senior Councillors (and indeed the Leader or Civic Head) may perform more than one role such as Convener of a Committee and Vice-Convener of a separate Committee. In these circumstances, however, the financial constraints detailed above must still be observed. Senior Councillors can only receive one senior councillor salary even if they hold multiple senior positions.

Councillors

- Those Councillors who do not hold a position, for remuneration purposes, of Leader, Civic Head or Senior Councillor **will** receive a remuneration of £21,345. As with the pay for Leaders, this is a national pay level set within the Regulations and local authorities are not able to vary this. Councillors have the right to renounce all or part of this pay if they so choose.

Valuation Joint Board

- 3.4 The Regulations provide for remuneration of a Convener and Vice-Convener of a Joint Board. Conveners or Vice-Conveners of a Joint Board do not count towards the maximum 13 Senior Councillors permitted for Angus Council nor the £346,895 maximum total sum which can be expended on Senior Councillors' pay. Angus Council is a member of one joint board covered by the Regulations, namely the Tayside Valuation Joint Board. The present position for the remuneration of Conveners and Vice-Conveners of the Tayside Valuation Joint Board as laid down by the Regulations, is as follows:-

Board	Convener	Vice-Convener
Tayside Valuation Joint Board	£26,686	£25,352

- 3.5 The Board reimburses the Council for any pay which arises for a Councillor, as a result of their Convener or Vice-Convener role, which is in excess of that paid for their role at the Council. In circumstances where a Board Convener or Vice-Convener is also either a Leader of the Council, Civic Head or Senior Councillor then there will likely be a nil, or nominal, reimbursement requirement from the Board.
- 3.6 It has been custom and practice to rotate the Convener / Vice-Convener roles associated with the Joint Board and Joint Committee (see below) amongst the three Constituent Tayside Councils. However, this is not prescribed by legislation or regulation and it is for the Board to determine themselves. Angus Council's representation from June 2022 to May 2027 is as follows :-

Board	Representation
Tayside Valuation Joint Board	Spokesperson (not remunerated)

- 3.7 It is highlighted that the Regulations permit only one paid Vice-Convener for a Joint Board. Where there are two Vice-Conveners it is for the Board to determine which one will be paid. For the Tayside Valuation Joint Board the approach historically (and currently) has been to have a Convener and Vice-Convener both of which are remunerated and a Spokesperson which is not remunerated.

Other Boards / Committees

- 3.8 Tayside Contracts has Joint Committee status as opposed to Joint Board status and no provision has been made in the Regulations for a Tayside Contracts Convener or Vice-Convener(s) to be remunerated. Consequently, if the Council wishes to pay for any Angus Council member representation as Convener or Vice-Convener of the Tayside Contracts Joint Committee this would need to be met from the maximum total sum that can be paid to Senior Councillors and Council would need to agree such an appointment is to be regarded as such to fall within the definition of a Senior Councillor. This is similarly the case for any Angus Council member representation on the Angus Health & Social Care Integration Joint Board, Tayside and Central Scotland Transport Partnership (TACTRAN), the Tay Cities Joint Committee and any other Joint Boards or Joint Committees which may be formed.
- 3.9 The Council appoints a non-executive member of the Tayside NHS Board which is currently remunerated directly by the Board. The Council also appoints a member of the Cairngorms National Park Board which is currently remunerated directly by the Board.

4. EXISTING ARRANGEMENTS FOR ANGUS COUNCIL MEMBERS' PAY

- 4.1 An updated remuneration structure for elected members was agreed by Council in June 2024 and is shown below for ease of reference.

Angus Council Remuneration Structure for Elected Members						
Agreed Revisions Effective from 20 June 2024				2024/25 Pay Rates Counted for Senior Councillor Constraints		
Post	Councillor	Multiple Roles*	No. of Posts	Posts	Pay (£)	
Leader of the Council	Cllr Whiteside	A	1	1	£42,698	
Civic Head (Provost)	Cllr Boyd		1	1	£27,753	
Senior Councillor Posts - Remuneration						
Depute Leader	Cllr Meechan	B	1	1	£32,024	
Depute Provost	Cllr Clark		1	1	£23,868	
Convener of Families, Education and Justice	Cllr Devine		1	1	£27,753	
Convener of Civic Licensing	Cllr Meechan	B	1	0	£0	
Convener of Communities	Cllr McDonald		1	1	£27,753	
Convener of Development Standards	Cllr Cheape		1	1	£27,753	
Convener of Policy & Resources	Cllr Whiteside	A	1	0	£0	
Convener of Scrutiny & Audit	Cllr Fotheringham		1	1	£27,753	
Vice Convener of Families, Education and Justice	Cllr Shepherd		1	1	£23,868	
Vice Convener of Civic Licensing	Cllr Melville		1	1	£23,868	
Vice Convener of Communities	Cllr Braes	C	1	0	£0	
Vice Convener of Development Standards	Cllr Durno		1	1	£23,868	
Vice Convener of Policy & Resources	Cllr Meechan	B	1	0	£0	
Vice Convener of Scrutiny & Audit	Cllr Gavin Nicol		1	1	£23,868	
Finance Convener	Cllr Duff		1	1	£27,753	
Spokesperson - Housing & Economic Development	Cllr Braes	C	1	1	£27,753	
Spokesperson - Youth Engagement & Opportunities	Cllr Melville		1	0	£0	
Spokesperson - Environment & Active Travel	Cllr Cowdy		1	1	£23,868	
Spokesperson - Welfare Rights, Poverty & Equalities	Cllr Meechan		1	0	£0	
Sub-Total Senior Councillor Posts (excl Leader and Civic Head)			19	0	13	341,750
Senior Councillor Cap				13	346,895	
				Headroom	£5,145	
Basic Grade Councillors for Remuneration Purposes			13	£21,345	n/a	277,485
TOTAL COST OF REMUNERATION STRUCTURE (excl. external posts and employer costs)					689,686	
* - posts where an elected member will be carrying out multiple roles with additional responsibility						
External Posts (see below for more details and explanations)		Councillor				
Vice Convener - Tayside Contracts Joint Committee #		Cllr Durno				
Spokesperson - Tayside Joint Valuation Board #		Cllr Duff				
Angus Council rep on Tayside NHS Board ##		Cllr Bell				
Angus Council rep on Cairngorms National Park Authority Board ###		Cllr Beattie				
# - this role carries no remuneration						
## - role includes a fee payable by the NHS Board and is in addition to the basic councillor salary paid by Angus Council						
### - this role includes a fee which is payable by the Park Authority and is in addition to the basic councillor salary paid by Angus Council						

4.2 The following summary comments are provided to highlight key points with the existing arrangements:-

- The Leader of the Council is paid £42,698 in accordance with the Regulations.

- The Provost is paid £27,753 which is less than the maximum permitted under the Regulations.
- There are 13 Senior Councillors, the maximum permitted number. Some dual post holding by some elected members is also a feature.
- Senior Councillors are paid at a variety of levels, the highest being £27,753. Total Senior Councillors' pay is £341,750 and compares with a maximum sum allowed of £346,895 per the Regulations i.e. £5,145 less.
- Custom and practice has deemed that the role of Convener of the Policy & Resources Committee is carried out by the Leader of the Council.
- The role of Convener of the Scrutiny and Audit Committee is required to be undertaken by a non-administration Councillor in accordance with the Council's Standing Orders.

5. UPDATE TO REMUNERATION ARRANGEMENTS FOR ELECTED MEMBERS

- 5.1 The agenda for this meeting of the Council includes matters which may result in changes to postholders in the current member remuneration structure. The Council is therefore asked to approve an updated remuneration structure for Councillors which complies with the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007, ("Regulations").

6. FINANCIAL IMPLICATIONS

- 6.1 There is a budget provision of £849,000 for financial year 2024/25 for member remuneration costs which includes £155,000 for pension and national insurance costs. This will increase to £902,000 once the nationally set uplift in member remuneration rates is reflected in the budget following the allocation of the corporate pay award budget provision. This budget is therefore sufficient to meet the costs of the existing structure shown above even if the maximum cost of senior councillors (£346,895) was incurred and including pension and national insurance costs.

7. RISK MANAGEMENT

- 7.1 There are no specific risks to highlight in relation to this report

8. ENVIRONMENTAL IMPLICATIONS

- 8.1 There are no environmental implications to highlight in relation to this report

9. EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

- 9.1 A screening assessment has been undertaken and a full Equality Impact Assessment is not required as the report has no differential impact on people.

10. CHILDRENS RIGHTS AND WELLBEING IMPACT ASSESSMENT

- 10.1 A Childrens Rights and Wellbeing Impact Assessment has been undertaken and a full assessment is not required as the "General Principles" do not apply to this proposal.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to a material extent in preparing the above Report are:

1. The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007
2. The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024

AUTHOR: Ian Lorimer, Director of Finance

EMAIL: FINANCE@angus.gov.uk