#### **AGENDA ITEM NO 8**

### REPORT NO 113/25

# ANGUS COUNCIL – 20 MARCH 2025

## **REMUNERATION OF COUNCILLORS**

### **REPORT BY IAN LORIMER, DIRECTOR OF FINANCE**

### 1. ABSTRACT

This Report provides information on changes to remuneration of Councillors following the Scottish Government's acceptance of recommendations made by the Scottish Local Authorities Remuneration Committee (SLARC) and the subsequent introduction of the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025, providing for an increase in Councillors' pay.

# 2. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

2.1 This report contributes as a whole to the priorities in the Council Plan and supports the Council's governance and decision-making structures.

## 3. **RECOMMENDATIONS**

- 3.1 The Council is asked to:-
  - note the background details provided in relation to the remuneration of Councillors and the independent review of Councillor remuneration undertaken by the Scottish Local Authorities Remuneration Committee (SLARC);
  - (ii) note the Angus Council remuneration structure for Councillors agreed at Special Council on 26 September 2024, and amended by Council on 19 December 2024 to accommodate appointments to the new Housing Committee as set out in **Appendix 1**; and
  - (iii) note the updated remuneration figures for Councillors that will apply from 1 April 2025, as detailed in **Appendix 2**, in accordance with the Council's agreed remuneration structure and the levels set in the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025.

## 4. BACKGROUND

- 4.1 The Scottish Local Authorities Remuneration Committee (SLARC) was reconvened in April 2023 to undertake an independent review of Councillor remuneration, having last reported in 2011. SLARC was asked to review the remuneration of all Councillors and to consider whether present levels of remuneration, for ordinary and senior Councillors, were appropriate for the current context. The Committee issued an Interim Report in October 2023, with a <u>final report and recommendations</u> being published in February 2024. The <u>Scottish Government considered the recommendations</u> and confirmed in July 2024 that it was content to accept the pay and banding changes recommended by SLARC and would introduce regulations early in 2025 to put these into effect from 1 April 2025.
- 4.2 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 set out the remuneration arrangements for Councillors and provides 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 for the effects of inflation. 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.

## 5. CURRENT POSITION

5.1 Report No 297/24 considered by Special Council on 26 September 2024 provided background information relating to the remuneration of Councillors and set out definitions for specific roles. Special Council approved an updated remuneration structure for Councillors. Report No 391/24

considered by Council on 19 December 2024 provided details on the financial implications in terms of Councillors' remuneration if a new Housing Committee was approved. The structure was amended to accommodate appointments to the new Housing Committee and that new structure as it applied from 19 December 2024 is attached at Appendix 1 for noting.

5.2 The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 come into force on 1 April 2025. These Regulations implement the SLARC recommendations relating to remuneration of councillors and provide for a number of increases in remuneration. Appendix 1 sets out what the new Remuneration Structure for the Council would be based on the SLARC recommendations.

#### 6. PROPOSALS

6.1 Council is asked to note the updated remuneration figures for Councillors that apply from 19 December 2024 (Appendix 1) and the new remuneration figures which will apply from 1 April 2025, as detailed in Appendix 2, in accordance with the agreed remuneration structure and the levels set out in the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025.

#### **FINANCIAL IMPLICATIONS** 7.

- 7.1 Local authorities are responsible for paying Councillor salaries and expenses from their annual budgets. Scottish Government has reconfirmed that it does not provide funding specifically to meet these costs and that it is for local government to fund the salary increases associated with these changes.
- 7.2 Provision for the new remuneration levels set out in Appendix 2 was made by the Council in setting the 2025/26 revenue budget on 27 February 2025 and accordingly there is sufficient funding in the Members Services Revenue Budget to meet the costs of the new Remuneration structure for the Council.

#### 8. **RISK MANAGEMENT**

8.1 There are no specific risks to highlight in relation to this report.

#### **ENVIRONMENTAL IMPLICATIONS** 9.

9.1 There are no environmental implications to highlight in relation to this report

#### 10. EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

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

#### 11. CHILDREN'S RIGHTS AND WELLBEING IMPACT ASSESSMENT

11.1 A Children's 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:

- The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007
  The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025
- 3. Scottish Local Authorities Remuneration Committee (SLARC) "Recommendations for Councillors' Remuneration and Expenses" (Feb 2024)
- 4. Scottish Local Authorities Remuneration Committee Recommendations for Councillors' Remuneration and Expenses - Scottish Government Response (July 2024)

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# **Appendices**

Appendix 1 – Remuneration Structure following decisions by Council on 19 December 2024 Appendix 2 – Remuneration Structure from 1 April 2025 per the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025