

## REPORT TO ABERDEENSHIRE COUNCIL - 08 JUNE, 2015

### REMUNERATION OF ELECTED MEMBERS

#### 1 Recommendations

##### 1.1 It is recommended that the Council:-

- (a) notes the legislative framework that controls the payment of remuneration to Councillors in Aberdeenshire;
- (b) notes the scheme and arrangement of the scheme of remuneration which currently applies; and
- (c) notes that payments apply from the date of taking up appointment to the relevant position.

#### 2 Background

2.1 Councillors in Scotland are remunerated in accordance with the provisions of The Local Government (Scotland) Act 2004 (Remuneration) Regulations 2007 as amended by The Local Government (Scotland) Act 2004 (Remuneration) Amendment Regulations 2008 ("2007 Regulations"). These detail the arrangements for the payment of remuneration by each Local Authority. Further non-statutory guidance was issued by the Scottish Government in April 2010 entitled Scottish Government Guidance on Councillors' Remuneration.

2.2 There are a number of key points relating to the payment of remuneration to Councillors. These are:

- No payment of remuneration shall be made to Councillors unless it is provided for in the 2007 Regulations – this is different to the payment of allowances, reimbursement of expenses or by way of pension;
- No body controlled by the local authority shall make payments to its Councillors by way of remuneration;
- Any Councillor may renounce (in part or in whole) receipt of remuneration payable to him in terms of the Regulations;
- A local authority shall pay contributions or other payments as required of an employing authority under the Local Government Pension Scheme (Scotland) Regulations 1998;
- Where remuneration is payable for any period less than one year, the remuneration payable shall be a proportionate part of the yearly rate;
- Remuneration shall be payable either calendar monthly or every four weeks, as determined by the local authority

2.3 For the purposes of payment of remuneration, four categories are provided for Councillors. These are detailed below with the respective definitions provided in the 2007 Regulations. The 2007 Regulations provide that each local authority can pay remuneration to one Leader of the Council and to one Civic Head.

- **The Leader of the Council** means the convener of a local authority 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 Civic Head** means the depute convener of a local authority or such other councillor as that local authority decides has the title of Civic Head for the purposes of payment of remuneration;
- **Senior Councillor** means for the purposes of payment of remuneration, a councillor who is designated as such by the local authority. The Scottish Government Guidance on Councillors' Remuneration provides that it means a councillor who holds a **significant** position of responsibility in the Council's political management structure such as a convener of a major committee or the leader of a significant opposition group;
- **Councillor** means for the purposes of payment of remuneration a councillor who is not the Leader of the Council, the Civic Head or a Senior Councillor.

2.4 All Scottish Local Authorities are banded into four bands for the purposes of payment of remuneration to councillors. Aberdeenshire Council is categorised as Band C. The equation applicable in relation to Band C Councils results in a current limit on the total remuneration to Senior Councillors in Aberdeenshire on an annual basis of £436,972 with a maximum of 19 Senior Councillors that may be appointed. Although the amount in total to be allocated for payments to Senior Councillors has a ceiling, each local authority can determine the amount of remuneration to pay each of its Senior Councillors. This can be of the same or different amounts subject to it being **more** than the amount payable to a Councillor and **no more** than 75 % of the total amount payable to the Leader of the Council. The total amount of remuneration payable to Senior Councillors on an annual basis is in addition to the amounts payable to the Leader of the Council and the Civic Head and any Convener and Vice-Convener of Joint Boards.

2.5 The following table sets out the level of remuneration which may be paid to each of the categories;

Category of Councillor	Total Yearly Amount*
Leader	£39,028 p.a. as currently set by Band C level
Civic Head	to be determined by Local Authority up to a current maximum of £29,272 p.a.
Senior Councillor	to be determined by Local Authority up to a current maximum pool p.a. for all Senior Councillors of £436,972 and up to a maximum of 19 Senior Councillors in total; subject to each individual payment being <b>more</b> than the amount payable to a Councillor and <b>no more</b> than 75 % of the total amount payable to the Leader of the Council.
Councillor	£16,726 p.a. as currently set in 2007 Regulations

\*At April 2015 levels.

The position as it relates to Conveners and Vice Conveners of Joint Boards is dealt with separately and is outlined in paragraph 2.9 below.

2.6 On 17<sup>th</sup> May 2007, Aberdeenshire Council resolved to class a Senior Councillor as:

- Deputy Provost
- Chair of Central Policy Committees and Scrutiny & Audit Committee
- Vice Chair of Central Policy Committees and Scrutiny & Audit Committee
- Chair of Area Committee
- and Leader of Main Opposition

2.7 This classification resulted in 17 Senior Councillors.

2.8 Following the election in May 2012, a scheme of remuneration was adopted as follows (the figures have been updated to reflect April 2015 allowances):

Leader of the Council	£ 39,028
Provost	£ 29,272
Senior Councillors (17) totalling	£ 435,408 (Max permissible £436,972)

Senior Councillors	Remuneration 2015 £	Number	Total 2015 £
Deputy Provost	25,611	1	25,611
Deputy Leader	29,272	1	29,272
Chair of Committee*	29,272	4	117,088
Vice-Chair of Committee*	21,953	4	87,812
Chair Area Committee	25,612	6	153,672
Leader Main Opposition	21,953	1	21,953
<b>Total</b>		<b>17</b>	<b>435,408</b>

\* Committee being Infrastructure Services Committee; Education, Learning & Leisure Committee; Social Work & Housing Committee; and Scrutiny & Audit Committee. This excludes the Policy & Resources Committee.

- 2.9 The 2007 Regulations provide that remuneration may also be paid to the Convener and not more than two Vice Conveners of each Joint Board and that this must be paid by the authority from which the member emanates. The difference between any remuneration that a councillor would have been in receipt of in their own authority and the payment to be made to them as a result of their appointment as a Convener or Vice-Convener of a Joint Board is met from the Joint Board budget. Currently the Vice-Convenership of the Grampian Joint Valuation Board is held by Councillor Owen of this authority.
- 2.10 The Monitoring Officer and the Head of Finance have been consulted in the preparation of this report and their comments incorporated.

### **3 Equalities, Staffing and Financial Implications**

- 3.1 There are no staffing implications arising directly as a result of this report.
- 3.2 The financial implications of the scheme are as outlined at para 2.8 above.
- 3.3 An equality impact assessment is not required because the changes proposed do not have a differential impact on any of the protected characteristics.

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