



Agenda Item 8

**The Local Governance (Scotland)
Act 2004 (Remuneration)
Amendment Regulations 2018**

Falkirk Council

Title: The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2018
Meeting: Falkirk Council
Date: 7 March 2018
Submitted by: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 This report advises of changes to the remuneration level for councillors and seeks a decision on those payments where the level of remuneration lies within the discretion of Council, namely payments to the civic head (Provost) and to senior councillors.

2. Recommendation

2.1 It is recommended that Council:-

- (1) notes the terms of the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2018;**
- (2) notes the increase in the level of remuneration that will be paid to councillors and to the Council leader, in accordance with the Regulations, and**
- (3) determines the level of remuneration to be paid to the Provost and to the senior councillors.**

3. Background

- 3.1 The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (the Regulations) set out that there are four grades of councillor in each local authority for the purposes of payment of remuneration, namely:-

- (a) the Leader of the Council;
- (b) the Civic Head;
- (c) Senior Councillors, and
- (d) Councillors.

- 3.2 Councillors' pay is increased each year in line with the percentage increase in the median annual earning of the public sector workers in Scotland. This information is published by the Office of National Statistics in the Annual Survey of Hours and Earnings. The 2018/19 increase will be implemented from 1 April 2018.

- 3.3 For the purposes of remuneration to councillors, each local authority is banded within one of four bands – A to D. Falkirk Council is a band B authority. The Regulations prescribe the remuneration levels for the Council Leader, councillors and conveners and vice-conveners of joint boards. The decision on remuneration levels for senior councillors lies within the discretion of the Council, within certain parameters. The maximum level of remuneration for the civic head and senior councillors can be no more than 75% of the Leader of the Council's salary.

4. Remuneration

Councillors and Council Leader

- 4.1 The basic remuneration to councillors will increase on 1 April 2018 from £16,927 to £16,994 p.a. The level of remuneration for the position of Leader of the Council will increase from £33,857 to £33,992 p.a. These are both set by the Regulations and represent an increase of 0.4%.

Civic Head

- 4.2 The level of remuneration to the Council's civic head (the Provost) is within the discretion of the Council, within certain parameters. The maximum payment available to the civic head will increase on 1 April 2018 from £25,392 to £25,494 p.a. At the statutory meeting of Council on 24 May 2017 following the local government elections on 4 May 2017, it was agreed to remunerate the Provost at the level of £23,179 p.a. An increase of 0.4%, consistent with the increases detailed in paragraphs 4.1 and 4.3, would raise this payment to £23,272.

Senior Councillors

- 4.3 As a band B authority, Falkirk Council may appoint up to 14 senior councillors. At the statutory meeting of Council on 24 May 2017, it was agreed to appoint ten senior councillors. The decision on remuneration levels for senior councillors rests with the Council provided that no councillor is paid more than 75% of the Leader's salary and that the total amount to be paid to all senior councillors does not exceed £297,416. This is calculated using a formula set out in the Regulations and reflects the increases noted in paragraph 4.1 above, representing an increase of 0.4%.

- 4.4 On 24 May 2017, Council agreed payments to senior councillors as:

Senior Councillor (Level 1)	Senior Councillor (Level 2)
£22,689p.a.	£19,020p.a.
Depute Provost	Leader of the main Opposition Group
Education Portfolio Holder	Convener of the Joint Consultative Committee
Environment Portfolio Holder	
Health & Social Care Portfolio Holder	
Housing Portfolio Holder	
Culture, Leisure & Tourism Portfolio	
Public Protection Portfolio Holder	
Resources Portfolio Holder	

- 4.5 Payments to senior councillors amounted to £219,552 which is within the allowable total. An increase of 0.4%, consistent with the increases outlined in paragraphs 4.1 - 4.3 above, would impact as undernoted:
- Level 1 – increase from £22,689 to £22,780 p.a.
 - Level 2 – increase from £19,020 to £19,096 p.a.
 - Total increase – from £219,552 to £220,432 p.a., thereby remaining well below the prescribed threshold.

5. Central Scotland Valuation Joint Board

- 5.1 The Regulations also provide for remuneration to be paid to conveners and vice conveners of joint boards. In Falkirk Council, this only applies to the Central Scotland Valuation Joint Board. Payment to the convener will increase from £21,160 to £21,245 while for vice conveners the payment will increase from £20,103 to £20,183.

6. Consultation

- 6.1 This report has not been subject to consultation.

7. Implications

Financial

- 7.1 There are no financial implications arising from the report.

Resources

- 7.2 There are no resource implications arising from the report.

Legal

- 7.3 There are no legal implications arising from the report.

Risk

- 7.4 There are no risk implications arising from the report.

Equalities

- 7.5 No equality and poverty impact assessment was carried out.

Sustainability/Environmental Impact

- 7.6 No sustainability assessment has been completed as part of compiling the report.

8. Conclusions

- 8.1 The basic remuneration for councillors and for the Leader of the Council is fixed by Regulations. However, Council may increase the level of remuneration of its civic head and up to 14 senior councillors, as outlined within the body of the report, to be consistent with the prescribed increases. All increases and any other changes agreed will be implemented with effect from 1 April 2018.

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Appendices:

None.

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2018
- Minute of statutory meeting of Falkirk Council held on 24 May 2017