

ANGUS COUNCIL – 14 JUNE 2017

REMUNERATION OF COUNCILLORS 2018 / 2019 AND BEYOND

JOINT REPORT BY THE CHIEF EXECUTIVE AND THE HEAD OF FINANCE & LEGAL

ABSTRACT

This Report provides background information relating to the remuneration of Councillors and makes proposals for the remuneration structure to apply for 2018/19 onwards.

1. RECOMMENDATIONS

1.1 The Council is asked to:-

- (i) note the background details provided in relation to the remuneration of Councillors:
- (ii) approve the remuneration proposals as detailed in this committee report.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT / CORPORATE PLAN

2.1 This report contributes to the following local outcome(s) contained within the following Council priorities:-

- Angus is a good place to live in, work in and visit;
- Appropriate and effective management arrangements in the Council contribute to the delivery of all outcomes within the Community Plan, SOA and Council Plan.

3. BACKGROUND

3.1 The Local Government (Scotland) Act 2004 (Remuneration) Regulations 2007 set out the remuneration arrangements for Councillors. The Regulations are amended annually to update the remuneration constraints contained therein e.g. basic councillor remuneration. 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 The key pay constraints within the Regulations which Members require to be cognisant of when framing the arrangements for paying Councillors a salary are as follows (**based upon the updated remuneration constraints for 2018/19**):-

Leader

- The Council **must** pay a Leader of the Council and for Angus this Leader **must** receive a salary of £33,991.

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 £25,494.
- 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 is £276,169. This total sum is fixed and does not vary dependent upon the number of Senior Councillors actually appointed.
- The **maximum** a Senior Councillor can be paid is 75% of the salary of the Leader of the Council. In Angus this equates to £25,494. 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 be observed.

#### Basic Councillor

- Those Councillors who do not hold a position, for remuneration purposes, of Leader, Civic Head or Senior Councillor **will** receive a basic remuneration of £16,994. 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

- 3.3 Conveners or Vice-Conveners of a Joint Board do not count towards the maximum 13 Senior Councillors permitted for Angus Council nor the maximum total sum which can be expended on Senior Councillors' pay. 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:-

<b>Board</b>	<b>Convener</b>	<b>Vice-Convener</b>
Tayside Valuation Joint Board	£21,244	£20,182

- 3.4 The Board will reimburse 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.

- 3.5 It has been custom and practice to rotate the Convener / Vice-Convener roles associated with the Joint Board amongst the three Constituent Tayside Councils. However, this is not prescribed by legislation or regulation and will be for the Board to determine themselves. Angus Council's representation from June 2017 has been:-

<b>Board</b>	<b>Representation</b>
Tayside Valuation Joint Board	Convener

- 3.6 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.

#### Other Boards / Committees

- 3.7 Tayside Contracts has Joint Committee status as opposed to Joint Board status and no extra provision has been made in the Regulations for a Tayside Contracts Convener or Vice-Convener(s). If the Council wishes to pay extra 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. Angus Council's representation on the Joint Committee through rotation custom and practice would be as Vice-Convener Elect.

- 3.8 This is similarly the case for any Angus Council member representation on the Tayside and Central Scotland Transport Partnership (TACTRAN) or any other Joint Boards or Joint Committees to be considered on the agenda of this meeting.
- 3.9 The Council will appoint a non-executive member of the Tayside NHS Board which is currently remunerated directly by the Board at £8,169. The Council will also appoint a member of the Cairngorms National Park Board which is currently remunerated directly by the Board at £7,394.

#### 4. ARRANGEMENTS FOR ANGUS COUNCIL MEMBERS' PAY

##### Current Arrangements

- 4.1 Angus Council's current Committee structure is shown diagrammatically in Appendix A.
- 4.2 The current arrangements for members' pay were approved through report 147/17 at the statutory meeting of the Council in June 2017 (hyperlink below).

[http://www.angus.gov.uk/sites/angus-cms/files/2017-07/147\\_0.pdf](http://www.angus.gov.uk/sites/angus-cms/files/2017-07/147_0.pdf)

##### Revised Arrangements

- 4.3 The proposed revised arrangements for members' pay are detailed in Appendix B.
- 4.4 The total cost of the proposed pay structure for Angus Council may be summarised as follows:-

<u>Post</u>	<u>Number</u>	<u>Pay</u> £	<u>Total</u> £
Depute Leader	1	22,943	22,943
Conveners / Depute Provost / Spokespersons	7	22,943	160,601
Vice-Conveners	4	19,969	79,876
<b>Senior Councillors Sub Total</b>	<b>12</b>		<b>263,420</b>
Leader of the Council	1	33,991	33,991
Provost	1	25,494	25,494
Convener of TVJB *	1	16,994	16,994
<b>"Senior Ranking" Councillors Sub Total</b>	<b>15</b>		<b>339,899</b>
Basic Councillors	13	16,994	220,922
<b>Pay Cost To Angus Council</b>	<b>28</b>		<b>560,821</b>
National Insurance / Superannuation			137,488
<b>Total Cost To Angus Council</b>			<b>698,309</b>

\* excludes £4,250 paid by Tayside Valuation Joint Board

- 4.5 The following summary comments are provided (all figures based upon the arrangements currently in place and thus based upon 2016/17 remuneration levels):-
- The Leader of the Council is paid £33,991 in accordance with the Regulations.
  - The Provost is paid £25,494 which is the maximum permitted under the Regulations.
  - There are 12 Senior Councillors compared with a maximum permitted number of 13. This is due to dual post holding by some elected members.
  - Senior Councillors are paid at a variety of levels, the highest being £22,943 which is below the maximum permitted under the Regulations. Total Senior Councillors' pay is £263,420 and compares with a maximum sum of £276,169 per the Regulations i.e.

£12,749 less.

- Custom and practice has deemed that the role of Convener of Policy & Resources 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. FINANCIAL IMPLICATIONS**

5.1 The full year cost of the current pay structure for Angus Council is £0.698 million.

5.2 There is a budget provision of £0.701 million for 2018/19.

Margo Williamson  
Chief Executive

Ian Lorimer  
Head of Finance & Legal

**NOTE:** No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above Report.

AUTHOR: Steven Mill, Service Lead (Finance)  
EMAIL: FINANCE@angus.gov.uk

## COMMITTEE STRUCTURE

