

SPECIAL ANGUS COUNCIL – 8 MAY 2025

REMUNERATION OF COUNCILLORS 2025/26 - UPDATE

REPORT BY IAN LORIMER, DIRECTOR OF FINANCE

1. ABSTRACT

- 1.1 This Report provides background information relating to the remuneration of Councillors, the Council's current remuneration structure and asks that members determine the remuneration structure to apply from the date of this special Council meeting.

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:-

- (i) note the background details provided in relation to the remuneration of Councillors;
- (ii) note the existing Angus Council remuneration structure for Councillors as set out in Appendix 1;
- (iii) consider the remuneration proposals to apply from the date of this special Council meeting;
- (iv) approve a remuneration structure for Councillors which complies with the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007, ("Regulations");
- (v) agree to delegate authority to the Director of Finance to apply any non-material changes to the remuneration structure following consultation with both the Leader of the Council and the Leader of / Spokesperson for the Non-Administration / Opposition;
- (vii) note that opportunities for further reform of Committee and remuneration arrangements can be considered in due course if required.

4. BACKGROUND

- 4.1 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. There is a need, therefore, for members to take a number of decisions with regard to the pay structure for the Council at this Special Council meeting.

4.2 Recommended 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". Our Standing Orders set out that the definition of Leader of the Council is "the member appointed to that office by the Administration".

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”. It is recommended that Angus Council define the Civic Head as the Provost in line with the definition given in Standing Orders.

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”. It is recommended that Angus Council 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.

- 4.3 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 2025/26):-**

Leader

- The Council **must** pay a Leader of the Council and for Angus this Leader **must** receive a salary of £50,063.

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 £37,548.
- 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 2025 is **£412,940**. 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 £37,548. Note that it would only be possible to have 10 Councillors remunerated as Senior Councillors if this maximum salary was applied in each case.
- 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 £25,982. 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

- 4.4 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 £412,940 maximum total sum which can be expended on Senior Councillors' pay. Angus Council is a member of one joint board, namely the Tayside Valuation Joint Board. Angus Council's representation from June 2022 to May 2027 will be as Spokesperson which is not a remunerated position.

Other Boards / Committees

- 4.5 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 as it is not a joint board. 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 Tayside and Central Scotland Transport Partnership (TACTRAN), the Tay Cities Joint Committee or any other Joint Boards or Joint Committees to be considered on the agenda of this meeting.
- 4.6 Angus Council's representation on the Tayside Contracts Joint Committee through rotation custom and practice from June 2025 would be as Convener. Office holder positions on the Joint Committee are rotated annually.
- 4.7 The Council will appoint a non-executive member of the Tayside NHS Board which is currently remunerated directly by the Board. The Council will also appoint a member of the Cairngorms National Park Board which is also remunerated directly by the Board.

5. EXISTING ARRANGEMENTS FOR ANGUS COUNCIL MEMBERS' PAY

- 5.1 Report 113/25 submitted to the meeting of Angus Council on 20 March 2025 set out the latest position on Councillor Remuneration arrangements following changes made nationally as they were to apply from 1 April 2025. Appendix 2 to Report 113/25 has been included as Appendix 1 to this report for ease of reference to show the existing remuneration structure.
- 5.2 The following summary comments are provided to highlight key points with the existing arrangements:-
- The Provost is paid £32,540 which is below the maximum permitted under the Regulations (£37,548).
 - There are 13 Senior Councillors which is the maximum permitted number.
 - Senior Councillors are paid at a variety of levels, the highest being £37,548. Total Senior Councillors' pay is £396,144 and compares with a maximum sum allowed of £412,940 per the Regulations i.e. £16,796 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.

6. FUTURE ARRANGEMENTS FOR ANGUS COUNCIL MEMBERS' PAY

- 6.1 The immediate consideration within this Report is the pay structure for "senior-ranking" posts within Angus Council. An extensive number of remuneration options exist. The Regulations allow for different structures and remuneration levels to be applied within each local authority to take account of local factors. However, where discretion applies the Regulations incorporate constraints within which the Council must operate. The high level options available are:-

- Continue with the current pay structure – this will necessitate areas of dual committee responsibility being determined;
- Reduce the number of senior councillors;
- The remuneration level for the Leader and those Councillors not identified as Senior Councillors are the only ones predetermined in the Regulations. Remuneration levels of all other posts can be varied upwards or downwards up to the maximum level (£37,548);
- Amend the receipted expenditure that can be reimbursed to the Provost from the current maximum of £3,000 or decide not to allow any reimbursement.

6.2 In light of the foregoing, members are asked to determine the arrangements for Angus Council members' pay to apply from the date of this Special Council meeting. Members intending to make a proposal regarding member remuneration should have discussions with the Director of Finance at the earliest opportunity to allow such a proposal to be assessed against the requirements of the Regulations.

7. FINANCIAL IMPLICATIONS

7.1 The full year cost of the existing pay structure for Angus Council including employers on-costs (pension and national insurance costs) is £1.037 million and budget provision is in place to cover this cost. If members opted to increase the Provost's salary to the maximum permitted level this would increase costs by just over £6,000 including employers on-costs. If members opted to use the full amount of funding permitted for senior councillors this would increase costs by around £21,000 including employers on-costs. The overall members services revenue budget for 2025/26 could accommodate these additional costs (compared to the existing remuneration structure) if members decided to use the maximum amounts available under the Regulations.

8. RISK MANAGEMENT

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

9. ENVIRONMENTAL IMPLICATIONS

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) w h i c h 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 2025
3. The Local Governance (Scotland) Act 2004 (Remuneration) Amendment (Amendment) Regulations 2025

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APPENDICES

Appendix 1 – Existing Remuneration Structure from 1 April 2025 per Report 113/25