

**SCHEME OF REMUNERATION FOR COUNCILLORS**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 This report advises members that adjustments have been made to remuneration arrangements for Councillors in accordance with the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2016 which come into force on 1<sup>st</sup> April 2016.

This affects the salary level of the Provost, Leader and the basic salary of Councillors and that the adjustments relate to the financial year 2016-17. The intention is for arrears to be paid in May 2016.

As the Council has discretion on the remuneration for Senior Councillor roles the report invites Council to consider whether to apply the increases on a similar basis to Elected Member Policy Leads/ Area Chairs on the basis of parity and in recognition of the additional responsibilities they hold within their portfolio. This recommendation can be accommodated within existing budgetary provision for Elected Members.

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### **2.0 INTRODUCTION**

- 2.1 The Council has been notified that the Scottish Government has introduced legislation to increase the remuneration arrangements for Councillors, the Leader and the Civic Head.
- 2.2 The rise for 2016/17 is effective from 1<sup>st</sup> April 2016 and is 1%.
- 2.3 The Council is invited to consider whether to apply the same increase to Senior Councillors on the basis of parity.

### **3. RECOMMENDATIONS**

- 3.1 To note the increased payments as detailed in the report and to note that the arrears due will be paid in the May pay run.
- 3.2 To agree a similar increase to the remuneration of Senior Councillors by 1% for 2016/17 with effect from 1<sup>st</sup> April 2016 to be consistent with national decisions on payments determined by statutory instrument.

### **4.0 DETAIL**

- 4.1 Remuneration arrangements for the Council Leader, Civic Head and basic salary for Councillors are governed by Scottish Government regulations, which originally came into force on 3 May 2007 and which have been updated several times since then. These regulations cover Members Allowances, reimbursement of expenses and pensions rights. The regulations allow for a standardised procedure across all Scottish local authorities for the payment of Councillors' allowances and expenses.
- 4.2 The Scottish Parliament recently passed legislation amending the Local Governance (Scotland) Act 2004 (remuneration) regulations 2007. This confirms that Councillors have been awarded a 1% pay raise for 2016/17 to have effect from the 1<sup>st</sup> of April of this year. The legislation also determines the remuneration level for the leader of the Council and sets the maximum level for the remuneration of the Civic Head. Arrears will be paid in the May pay run.
- 4.3 The Council has discretion on the remuneration arrangements for Senior Councillors and has historically adopted the same percentage increase as that set nationally.
- 4.5 Within Argyll and Bute Council the standard rates for Councillors remuneration with effect from 1<sup>st</sup> April 2016 are as follows:

- Councillor - £16,893
- Provost/Civic Head - £25,341

- Leader - £33,789

#### Senior Councillor Remuneration

- The existing rate for a Policy Lead is £23,697 - with 1% increase this would be £ 23,934
- The existing rate for an Area Chair is £19,757 - with 1% increase this would be £ 19,955

In the event that a person holds more than one position they only receive the higher amount in respect of the relevant position.

## **5.0 CONCLUSION**

- 5.1 Remuneration arrangements for the Council Leader, Civic Head and basic salary for Councillors are governed by Scottish Government regulations and the award of 1% uplift will be applied retrospectively with effect from 1<sup>st</sup> April 2016.

It is recommended that there should be parity in the uplift with regards to the remuneration for Senior Councillors and Council is invited to agree a similar increase to the remuneration of Senior Councillors by 1% for 2016/17 with effect from 1st April 2016 to be consistent with national decisions on payments determined by statutory instrument.

All uplifts can be accommodated within existing budgetary provision.

## **6.0 IMPLICATIONS**

- 6.1 Policy - None
- 6.2 Financial - Uplift can be accommodated within existing budget provision.
- 6.3 Legal - None
- 6.4 HR - None
- 6.5 Equalities - None
- 6.6 Risk - None
- 6.7 Customer Service - None

**Douglas Hendry**  
**Executive Director of Customer Services**  
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**For further information contact:** Charles Reppke, Head of Governance and Law, telephone 01546 604192 or email [Charles.reppke@argyll-bute.gov.uk](mailto:Charles.reppke@argyll-bute.gov.uk)