

To: Council

**On:** 19 May 2022

Report by: Director of Finance and Resources

**Heading:** Remuneration, Expenses and Pensions for Elected Members

## 1. Summary

- 1.1 Renfrewshire Council's remuneration, expenses and pensions arrangements for elected members are in accordance with prevailing Scottish Government regulations and the current rates have been in place since 1 April 2022.
- 1.2 In addition to various mandatory remuneration and expenses rates set out in the Scottish Government regulations, the regulations contain a number of matters on which the Council has discretion. These matters are detailed in section 2 below, and are required to be considered at this statutory meeting of the Council.

# 2. Recommendations

- 2.1 It is recommended that the Council:
  - (a) considers which elected member is to be paid remuneration as Leader of the Council;
  - (b) considers whether to pay remuneration to an elected member as Civic Head and, if so, to consider which elected member is to receive remuneration as Civic Head;

- (c) considers whether any person receiving remuneration as Civic Head (or persons so deputising) should also be entitled to reimbursement of expenditure incurred in performing civic duties, up to a maximum yearly amount of £3,000, the yearly period to commence, in accordance with Scottish Government regulations, on 3 May each year (the previous maximum yearly amount was set at £1,000 by the Council at its meeting of 18 May 2017);
- (d) considers the number of elected members to be remunerated as Senior Councillors, up to a maximum of 14, and the amount of remuneration to be paid to each Senior Councillor;
- (e) considers which elected members are to be paid as Senior Councillors;
- (f) consider the means of publishing the records of expenditure and allowances paid to elected members;
- (g) approves the list of "approved duties" forming Appendix 1 to this report for the purposes of determining entitlement to allowances and expenses;
- (h) approves payment of remuneration and expenses to elected members on a four-weekly basis in arrears;
- (i) considers the allowances and expenses to be paid to the representatives on the Education and Children's Services Policy Board representing religious bodies.

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#### 3. **Background**

- 3.1 The current arrangements for the payment of remuneration and expenses and access to pension provision for elected members was introduced from 3 May 2007. Subsequent amendments have been made to remuneration and expenses rates as approved by the Scottish Parliament, including annual remuneration increases in most years and a change to the car mileage rate introduced from 14 November 2011. The regime is set out in the following statutory instruments:
  - (i) The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI 2007/183);
  - (ii) The Local Governance (Scotland) Act 2004 (Remuneration)Amendment Regulations 2008 (SSI 2008/415),2011 (SSI 2011/264), 2013 (SSI 2013/351), 2016 (SSI 2016/6),

- 2017 (SSI 2017/66), 2018 (SSI 2018/38), 2019 (SSI 2019/23), 2020 (SSI 2020/26), 2021 (SSI 2021/18) and 2022 (SSI 2022/18);
- (iii) The Local Government (Allowances and Expenses) (Scotland) Regulations 2007 (SSI 2007/108);
- (iv) The Local Government (Allowances and Expenses) (Scotland)
  Amendment Regulations 2008 (SSI 2008/414), 2010 (SSI 2010/45)
  and 2011 (SSI 2011/304);
- (v) The Local Government Pensions Etc. (Councillors and VisitScotland) (Scotland) Amendment Regulations 2007 (SSI 2007/71).
- In the paragraphs that follow, the term "remuneration regulations" refers to the statutory instruments listed at 3.1 (i) and (ii) above, the term "allowances and expenses regulations" refers to the statutory instruments listed at 3.1 (iii) and (iv) above and the term "pensions regulations" refers to the statutory instrument detailed at 3.1 (v) above.
- 3.3 Although the regime for remuneration, expenses and pensions is regulated by the regulations listed at paragraph 3.1, in some cases the regulations give discretion to local authorities to decide how they will implement particular provisions. These are dealt with in turn in the following paragraphs.
- The remuneration regulations provide that each local authority shall pay remuneration to one Leader of the Council, the yearly amount for that remuneration being £39,148. The Council must decide which elected member is to be the Leader of the Council for remuneration purposes.
- 3.5 The remuneration regulations give local authorities the discretion to pay remuneration to one Civic Head. If the Council decides to pay remuneration to an elected member as Civic Head, the yearly amount of remuneration shall be a maximum of £29,361. It should be noted that the Leader of the Council and the Civic Head for remuneration purposes cannot be the same person.
- In addition to paying remuneration to the Civic Head, the Council has discretion in terms of the allowances and expenses regulations to reimburse the Civic Head, or any person deputising for the Civic Head, any receipted expenditure incurred by that person to enable them to carry out their civic duties. The allowances and expenses regulations permit councils to set a civic allowance from which to reimburse to the Civic Head (or any person deputising for the Civic Head) any receipted

expenditure, subject to an upper limit, incurred by the Civic Head to enable him/her to carry out his/her civic duties.

- 3.7 The upper limit set by the allowances and expenses regulations for the civic allowance is a yearly amount of £3,000, however the Council at its meeting of 18 May 2017 agreed to restrict the civic allowance to a yearly amount of £1,000 (the yearly period to commence, in accordance with the regulations, on 3 May each year). It is for the Council to decide on the maximum yearly amount of civic allowance payable to the Civic Head (or any person deputising for the Civic Head).
- 3.8 The remuneration regulations provide that Renfrewshire Council can have a maximum of 14 Senior Councillors for remuneration purposes. The Council has flexibility to determine which positions should be considered "Senior Councillors" meriting the higher remuneration. It is for the Council to decide how many Senior Councillor posts it wishes to allocate but the maximum number of 14 must not be exceeded.
- 3.9 Senior Councillors must be paid a yearly amount which is more than the total yearly amount payable to a Councillor (that is, more than £19,571 per annum) and no more than 75% of the total yearly amount payable to the Leader of the Council (that is, no more than £29,361 per annum).
- 3.10 A further restriction when allocating remuneration to Senior Councillors is that payment of Senior Councillors' remuneration comes out of a sum of money, the amount of which is calculated using a formula set out in the remuneration regulations. For Renfrewshire Council the formula brings out an aggregate yearly amount payable of £342,524 available for the payment of remuneration for all Senior Councillors.
- 3.11 Therefore, if the Council decides to have the maximum number of 14 Senior Councillors and decided to pay them all at the same amount, those Senior Councillors would each receive around £24,466 per annum. It should be emphasised that the Council can choose to pay different amounts of remuneration to individual Senior Councillors and there is no requirement that they are all paid the same.
- 3.12 If the Council were to decide to pay all of its Senior Councillors the maximum allowable yearly amount (that is, £29,361 per annum per paragraph 3.9), there would only be sufficient money available from the £342,524 indicated at paragraph 3.10 to pay remuneration to 11 Senior Councillors.

- 3.13 The allowances and expenses regulations require each local authority to publish information on elected members' salaries, allowances and expenses in respect of the previous financial year in a standard format on the local authority's website by 1 June in each year. In addition to these requirements, the local authority is free to decide whether to use any other forms of publication, including in what form and how often it wishes to publicise the information.
- 3.14 The allowances and expenses regulations require that local authorities may only reimburse claims for allowances and expenses where the expenditure has been incurred by an elected member performing an approved duty. A list of approved duties was approved by Council on 18 May 2017 and it is proposed that that list be adopted for the purposes of the allowances and expenses regulations. The list of approved duties forms Appendix 1 to this report.
- 3.15 The remuneration regulations give the local authorities the option to pay remuneration either every calendar month or every four weeks. Renfrewshire Council employees are paid every four weeks and it would be consistent if remuneration for elected members continued to be paid at the same intervals. It is also proposed to follow guidance issued by the Scottish Government that payment should be in arrears.
- In terms of Section 124 of the Local Government (Scotland) Act 1973 the Council is obliged to appoint three representatives of religious bodies as specified in that section to the Education and Children's Services Policy Board. The Council has previously reimbursed the expenses incurred by these representatives in attending meetings of the Board at the same rates paid to elected members. It is proposed to continue that arrangement by reimbursing expenditure relative to attendance at Board meetings at the rates set out in the allowances and expenses regulations.
- 3.17 The pensions regulations allow local authority councillors to become members of the Local Government Pension Scheme. However, it is for individual elected members to decide whether to join the Scheme and no decision is required from the Council.

#### Appendix 1: list of approved duties

(a) Attendance at a meeting of the Council or any of its Boards or other meetings approved by the Council.

- (b) Undertaking a duty in connection with the Council's functions provided it has been approved in advance by the appropriate Board or, in an emergency, reported to the next meeting of that Board.
- (c) Performance of any duty similar to (a) or (b) above as a member of some other body to which an elected member has been appointed as a nominee of the Council.
- (d) Attendance at any annual inspection or other function (excluding functions of a social nature) of the Council to which a formal invitation has been extended by, or on behalf of, the Council.
- (e) Attendance at Political Group meetings.
- (f) Attendance by the Convener and Depute Conveners of the appropriate Board or, with their authority, other elected members at meetings with the Chief Executive, service directors, second-tier officers and appropriate senior managers, to consider matters relative to the appropriate Board.
- (g) Attendance at surgeries, subject to the condition that the allowance claimed shall not exceed 2 full days in any one month (except in particular circumstances with the approval of the Leader of the appropriate group) and that public intimation of the surgeries be given.
- (h) Reasonable attendance at meetings of Community Planning Forums / Community Councils and tenants' / ratepayers' / council tax payers' association meetings.
- (i) Undertaking within the Council's area, and on not more than 3 days per week, any activity other than an activity appropriate to headings (a) to (h) above considered by an elected member necessary for the proper discharge of duties.
- (j) Political Group Officer duties:
  - (i) Political Group Leaders and Group Secretaries Group duties on up to 3 days in any one week;
  - (ii) Depute Group Leaders of the largest Political Group forming the political administration of the Council Group duties on 2 days per week (may be aggregated monthly).
- (k) Conveners and Depute Conveners 7 days in any one month.
- (I) Attendance by the Leader or Depute Leader of the Council at meetings to further the interests of the Council, its operations or policies and attendance at such meetings, when this has been or as may be

- requested by the Leader or Depute Leader of the Council, by the Leader or Secretary of any minority Political Group on the Council or another elected member.
- (m) Attendance at a school ceremony in the elected member's own locality with the limit of one attendance per school per year.
- (n) Attendance by an elected member at any meeting of a School Board or Committee or Sub-committee relating to an elected member's constituents' interests.
- (o) Attendance at any meeting of a College Council or Committee or Subcommittee thereof by an elected member who is appointed by the relevant Board. 2.1 It is recommended.

### Implications of the Report

- 1. **Financial** The report relates to the appointment, following the May 2022 local government election, of the Leader of the Council, a Civic Head and Senior Councillors, and to the decisions that the Council requires to take regarding the yearly remuneration to be paid to elected members appointed to these posts. It is anticipated that the overall costs will be comparable to the cost of the arrangements prior to the May 2022 local government election.
- 2. **HR & Organisational Development** none
- 3. **Community/Council Planning** none
- 4. Legal The Council is statutorily required to put in place appropriate arrangements for the remuneration of its elected members, including the appointment of the Leader of the Council and various Senior Councillors as deemed appropriate. Further, the Council is required to consider whether to appoint one of its elected members as a Civic Head and, if so, to decide on the level of remuneration to be paid to the Civic Head and whether any additional monetary allowance should be allocated for the Civic Head (or persons so deputising) to carry out their civic duties.
- 5. **Property/Assets** none
- 6. **Information Technology** none
- 7. **Equality & Human Rights** none

- 8. **Health & Safety** none
- 9. **Procurement** none
- 10. **Risk** none
- 11. **Privacy Impact** none
- 12. **Climate Risk** none
- 13. **COSLA Policy Position** none

# **List of Background Papers**

None

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