

## **Executive Note**

### **The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 S.S.I. 2007/183**

The above instrument was made in exercise of the powers conferred by Section 18 of the Local Government and Housing Act 1989 and Section 11 and Section 16(2) of the Local Governance (Scotland) Act 2004 (“the 2004 Act”). The instrument is subject to negative resolution procedure.

### **Policy Objectives**

The general purpose of the regulations is to abolish the various allowances that councillors currently receive, and to replace them with a remuneration structure. This structure follows on recommendations from the Scottish Local Authorities Remuneration Committee (SLARC) as part of a package of measures being introduced for the 2007 local government elections. The change to multi member wards means that each councillor will be one of 3 or 4 councillors serving a much larger ward than previously.

The 2004 Act provides for the payment by local authorities of remuneration to their members. The regulations propose that all councillors should receive the same remuneration, but that higher levels of remuneration are payable for the Leader of the Council, and those designated by the council as Senior Councillors, including the Civic Head. It provides for different levels of higher remuneration based on the banding of each council. These bands are based on the local authority’s Estimated Service Expenditure. It allows councils to determine different levels of remuneration for Senior Councillors, including the Civic Head up to a specified maximum. It provides for each council to have one Council Leader or equivalent, one Civic Head, and a specific number of Senior Councillors (for the purposes of the remuneration arrangements) .

The regulations specify the remuneration for council members who are conveners and vice conveners of joint boards, and enable councils with sole responsibility for police and fire and rescue functions to determine the remuneration paid to conveners and vice conveners, within specified minimum and maximum levels. The regulations provide for the local authority of which the convener or vice convener is a member to pay such remuneration.

### **Consultation**

The following bodies have been consulted on a draft of the instrument in accordance with the requirements of Section 11(4) of the Local Governance (Scotland) Act 2004.

The Scottish Local Authorities Remuneration Committee

The following organisations were also consulted

Convention of Scottish Local Authorities  
Society of Local Authority Chief Executives and Senior Managers  
National Association of Councillors  
Standards Commission for Scotland  
Society of Local Authority Lawyers and Administrators in Scotland

## **Financial Effects**

The instrument will have financial implications for Local Government. Current expenditure on councillors' Basic Allowances and Special Responsibility Allowances is around £17.3m per annum. These proposed changes to the arrangements for leaders' remuneration and the consequential effect on senior councillors' remuneration, will result in expenditure of around £21.2m (an increase of £3.9m over current spend). It is for councils to continue to meet the costs of paying their councillors, as at present.

Scottish Executive Finance and Central Services Department  
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