

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Chief Executive

Council : 16 December 2009

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**Subject: Scottish Local Authorities Remuneration Committee – Annual Review of Remuneration for Local Authority Councillors**

### **1. Purpose**

- 1.1** The purpose is to seek Council's views on the 2009 report from the Scottish Local Authorities Remuneration Committee (SLARC) on Councillors Remuneration and to seek Council's views on the subject matter of the 2010 review to be carried out by SLARC.

### **2. Background**

- 2.1** SLARC is set up under the Local Governance (Scotland) Act 1994 with a primary purpose to advise on Councillors remuneration. Each year it produces a report, the latest report being published on 19 November 2009. In due course the Cabinet Secretary for Finance and Sustainable Growth will consider the recommendations of the report and decide whether they are to be adopted by the Scottish Government.
- 2.2** The 2009 report makes 15 recommendations, which are detailed in Appendix 1. The key recommendations are as follows:-
- 2.3** That Members salaries should remain at April 2009 levels over the next two financial years (2010–2012). The considerations taken into account by the committee were affordability, current public sector pay policy and pay settlements and public acceptability, with affordability being the foremost factor. They noted that Councillors whom they met indicated that they did not wish Members uplifts to be significantly different to that being offered to local government staff.
- 2.4** No change to the system or amount of allowances and expenses, with the exception of a minor change relating to travel by private boat for Islands Councillors.
- 2.5** No change to the current system for Civic Head expenses. This provides for payment of £3,000 which can be claimed by the Provost and Depute Provost over and above normal expenses and allowances. The Committee did recommend that Scottish Government guidance regarding this sum should be reviewed to clarify the purpose of the fund.

**2.6** The Council's web site should publish additional information on Councillors salaries, allowances and expenses. In particular from June 2010 it should include conference costs. It will no longer be necessary to include capital costs of telephone and ICT equipment where the Council retains ownership of this (such as Blackberries). It is also recommended that Councils should publish, for each Councillor, the total costs of telephone calls made by them on Council business and line rental costs, including broadband. It will also be necessary to publish the costs of the use of the Council Car by all Members excluding the Provost or Depute Provost.

**2.7** The 2008 and 2009 reports recommended that the 2010 review looked at a number of other matters including:-

- The banding of Councils – Councils are placed in four bands with the maximum payment to a Leader based on which band the Council occupies. In turn the salaries of the Provost and other Senior Councillors are based on a proportion of the Leader's salary. West Dunbartonshire Council is in Band B.
- Payment to Members on Arms Length Companies. It is noted that in one authority Members receive additional payment for sitting on Arms Length Companies which broadly deliver the same service as previously carried out by the Council. SLARC's concerns are that the principles which underpin the remuneration scheme are being undermined.
- A review of Councillors' basic salary. SLARC know that much of the debate around Councillors' salaries centres on the question of whether a Councillor's role should be regarded as full time or part time. Accordingly SLARC wish to consider in more depth what impact the introduction of multi-member wards has had on the ability of Councillors to combine their Council work with other things, e.g. employment, caring, voluntary work etc. SLARC welcome CoSLA's offer to work in partnership with them on this question.
- Leader's salary and salary of Civic Head. This is a particular issue in Bands A and B. In 2006 Scottish Ministers reduced the recommended salaries of all Leaders by £5,151 which had a more marked impact in Leaders in Band A and B Councils, this resulting in the reduction of 14% in Band B (compared to 10% in Band D). Some Councils have also raised concerns with SLARC about the salary level of the Civic Head being restricted to the maximum Senior Council level since in many instances the responsibility of the Civic Head and time spent on civic duties was greater than that of a convenor of a major committee.
- Joint Board and Community Justice Authorities salaries. The issue is whether Joint Boards should determine the salary to be paid to senior positions on their Board, or whether this should be restricted. SLARC believe there is merit of looking at the levels of salary paid to Convenors and Vice Convenors of Joint Board based on their workload and responsibilities.

- The compatibility of a Senior Councillor being employed by another local authority.
- Some Councils in other public bodies offer paid time off for staff to carry out their role as a Councillor. SLARC would like to consider the appropriateness of this given that the Councillors are now in receipt of a basic salary.
- SLARC wishes to consider in more detail the arrangements that apply to Councillors who are appointed to public bodies. Should this be seen as part and parcel of their role as a Senior Councillor and should this be covered by their Senior Councillor salary?
- In their 2008 report SLARC indicated that it was appropriate to consider the following items as part of a fundamental review – workload of Councillors, number of Senior Councillors, differential between basic and Senior Councillor salaries, particularly in Band A and Band B Councils, travel from place of employment and use of leased cars.

**2.8** It should also be noted that the 2008 report recommended that the Standards Commission should be able to reduce or remove a Councillor's salary if, after a Hearing, that Councillor has been suspended from carrying out any part of his or her role. While noting that such cases would have to be treated on their individual merits, SLARC are concerned that Councillors who are suspended by the Standards Commission continue to receive their salaries. The Scottish Government has confirmed that it will look for a legislative opportunity to make this change.

### **3. Main Issues**

**3.1** The Cabinet Secretary for Finance and Sustainable Growth has written to the Chief Executive inviting the Council's views on two matters. Firstly it seeks views on the SLARC report recommendations.

**3.2** Secondly the Cabinet Secretary requests views on the scope of SLARC's 2010 review. He indicates that the review might include, for example, Arms Length Companies, basic salaries, responsibilities, Leaders issues, Joint Board and Community Justice Authority salaries.

### **4. Personnel Issues**

**4.1** There are no personnel issues.

### **5. Financial Implications**

**5.1** Insofar as no change is proposed to Councillor's salaries for the next two financial years and no change is proposed to allowances and expenses for next year, there are no financial implications.

## 6. Risk Analysis

- 6.1 There are conflicting risks. On the one hand, if Councillors' salaries are increased it will make it more difficult to achieve a pay settlement with local government employees which is realistic. On the other hand, there is a risk that inadequate salaries will provide insufficient incentive for persons to stand as Councillors.

## 7. Conclusions and Officers Recommendations

### 7.1 Council is asked to:-

- i) Provide views to the Cabinet Secretary for Finance and Sustainable Growth on the recommendations contained in the 2009 report from SLARC.
- ii) To provide views to the Cabinet Secretary on the scope of the 2010 review by SLARC. Should the review consider all or some of the matters detailed in paragraph 2.7 and should it include any further matters.
- iii) To note the proposed requirements on publication of information regarding conference costs and chauffer driven cars, albeit these recommendations still require to be considered by the Cabinet Secretary.

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**David McMillan**  
**Chief Executive**  
**Date: 4 December 2009**

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**Appendices:** Annual Review of Remuneration for Local Authority Councillors Report

**Background Papers:** Review by SLARC

**Wards Affected:** All