

Agenda Item	<b>15</b>
Report No	<b>HC/23/24</b>

## THE HIGHLAND COUNCIL

**Meeting:** The Highland Council

**Date:** 27 June 2024

**Report Title:** Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024

**Report By:** Chief Executive

### 1. Purpose/Executive Summary

1.1 The purpose of this report is to provide members with an update on the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 and the implications for councillor remuneration for those councillor roles specifically covered in the Regulations, as well as those other senior councillor roles which are for the Council to determine remuneration levels. Separate recommendations on the Council agenda of this meeting propose uplifting those other senior councillors by the same uplift as that covered in the Statutory Instruments passed by Scottish Parliament.

### 2. Recommendations

2.1 The Council is asked to: -

- I. note the implementation of the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 which will provide for an uplift in councillor remuneration for those roles specifically included in the regulations;
- II. note that separate agenda recommendations propose the same uplift applying to other senior councillors at the discretion of the Council;
- III. note that to provide mechanisms for addressing any uplifts in future years, the next review of the scheme of delegation will consider revisions which could delegate authority to an appropriate officer to implement uplifts in accordance with the relevant regulations.

### Implications

#### 3.1 Resource

Resource implications are set out in paragraph 4.3, 4.4, 4.5 and 4.6.

#### 3.2 Legal

There are no specific legal implications arising from this report.

3.3 **Community (Equality, Poverty, Rural and Island)**

There are no specific Community implications arising from this report.

3.4 **Climate Change / Carbon Clever**

There are no specific climate change/carbon clever implications arising from this report.

3.5 **Risk**

There are no specific risk implications arising from this report.

3.6 **Health and Safety** (risks arising from changes to plant, equipment, process, or people)

There are no specific Health and Safety implications arising from this report.

3.7 **Gaelic**

There are no specific implications for the Gaelic Language Plan.

**4. Background**

- 4.1 The structure and remuneration of councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 and subsequent updates, the latest of which is the Local Governance (Scotland) Act 2024 (Remuneration) Amendment Regulations 2024 which has recently been agreed by Scottish Parliament.

The 2007 regulations made provision for the remuneration for councillors, grading of councillors for remuneration, banding of local authorities and the remuneration arrangements for Leader, Civic Head and Senior Councillors.

Highland Council has been placed in band C and can have a Leader, Civic Head and up to a maximum of 19 further Senior Councillors.

The current senior councillor structure and remuneration arrangements were approved by Council on 9 June 2022. This report is based on uplift to the remuneration as per the amended 2024 regulations.

- 4.2 In relation to the amount of remuneration for senior councillors, the regulations provide the following: -
- a. Each local authority shall pay remuneration to each of its Senior Councillors of an amount to be determined by the local authority, but which shall for each Senior Councillor be more than the amount payable to a Councillor in terms of regulation 10.
  - b. Subject to paragraph (4), each local authority may pay remuneration of the same or different amounts to each Senior Councillor (in any combination of the same or different amounts), but up to a maximum yearly amount for each as provided in paragraph (3).

- c. The maximum yearly amount that may be paid to a Senior Councillor is 75 per cent of the total yearly amount payable to the Leader of the Council of the local authority as provided in regulation 6.
- d. The total yearly amount payable by each local authority for remuneration of all of its Senior Councillors shall not exceed an amount calculated as follows—

$$\left\{ \frac{(A \times 0.75) - B}{2} + B \right\} \times C,$$

where

A is the yearly remuneration of a Leader of the Council of the local authority as provided in regulation 6;

B is the yearly remuneration of a Councillor as provided in regulation 10; and

C is the maximum number of Senior Councillors of the local authority to which remuneration may be paid, as provided in regulation 8(2).

- e. No local authority shall pay its Senior Councillors any amount of remuneration as a Councillor.

4.3 The 2024 regulations which came into force on 1 April 2024 made provision to increase salaries for the following Members by 6.2% as follows: -

- 1) Leader £49,810
- 2) Convener £37,360
- 3) Councillors £21,345

4.4 While the regulations do not specifically mention an increase for Members fulfilling a senior role other than those specifically listed in the regulations, there clearly is a requirement to address that. The legislation provides for an element of discretion in determining the amounts subject to a maximum quantum as determined by the legislative formula.

4.5 Applying the legislative formula would give the Council a maximum quantum of £557,664 for senior councillors. If the Council applied the same percentage increase of 6.2% to Senior Councillors as has been awarded to other Councillors through the regulations, then the total would come to £502,717 which would be £54,957 below the quantum for senior councillors.

4.6 Overall, the Members salary budget would increase by £100,371 to £1,719,382 and will be funded from within the budget agreed by Council on 29 February which included additional funding for pay awards across all pay budgets.

*Designation: Head of Corporate Finance, Brian Porter*

*Date: 22 May 2024*

*Authors: Brian Porter, Head of Corporate Finance and Gordon Morrison, Policy Manager*

Appendices:

**Appendix 1** Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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SCOTTISH STATUTORY INSTRUMENTS

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**2024 No. 24**

**LOCAL GOVERNMENT**

The Local Governance (Scotland) Act 2004  
(Remuneration) Amendment Regulations 2024

<i>Made</i>	- - - -	<i>25th January 2024</i>
<i>Laid before the Scottish Parliament</i>	- - - -	<i>29th January 2024</i>
<i>Coming into force</i>	- -	<i>1st April 2024</i>

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 11(1) and 16(2)(b) of the Local Governance (Scotland) Act 2004<sup>(1)</sup> and all other powers enabling them to do so.

**Citation and commencement**

1. These Regulations may be cited as the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 and come into force on 1 April 2024.

**Amendment of the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007**

2.—(1) The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007<sup>(2)</sup> are amended as follows.

(2) For the table in regulation 6(2) (remuneration of the Leader of the Council) substitute—

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“(a)	Band A – £35,580
(b)	Band B – £42,698
(c)	Band C – £49,810
(d)	Band D – £64,043.”.

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(3) For the table in regulation 7(2) (remuneration of the Civic Head) substitute—

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(1) 2004 asp 9.

(2) S.S.I. 2007/183. Relevant amending instruments are S.S.I. 2008/415, S.S.I. 2013/119, S.S.I. 2013/351, S.S.I. 2015/7, S.S.I. 2016/6, S.S.I. 2017/66, S.S.I. 2018/38, S.S.I. 2019/23, S.S.I. 2020/26, S.S.I. 2021/18, S.S.I. 2022/18 and S.S.I. 2023/21.

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- “(a) Band A – £26,686  
(b) Band B – £32,024  
(c) Band C – £37,360  
(d) Band D – £48,032.”.
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(4) In regulation 10 (councillors’ remuneration) for “£20,099” substitute “£21,345”.

(5) In regulation 12 (joint boards)—

(a) in paragraph (8) (payment to conveners) for “£25,128” substitute “£26,686”, and

(b) in paragraph (9) (payment to vice-conveners) for “£23,872” substitute “£25,352”.

St Andrew’s House,  
Edinburgh  
25th January 2024

*JOE FITZPATRICK*  
Authorised to sign by the Scottish Ministers

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. They substitute increased annual amounts for different categories of local authority remuneration to their members. These changes take effect on 1 April 2024.

Regulation 2(2) makes provision for Council Leaders' remuneration.

Regulation 2(3) provides new maximum levels for remuneration of Civic Heads. It is for each local authority to determine whether and to what extent such remuneration should be paid.

Regulation 2(4) sets new levels for councillors' remuneration.

Regulation 2(5) sets new levels of remuneration for councillors who perform the role of convener or vice-convener of a joint board.