

**Scottish Local Authorities Remuneration Committee -
Recommendations****Report by Saty Kaur, Chief Officer Corporate Solutions****Report for Decision****1 Recommendations**

Council is recommended to:

- Note that Scottish Government propose to set down regulations in relation to pay and banding changes to take effect from 1 April 2025
- To note that as of 1 April 2025, Midlothian will move from a Band A Council (for the purposes of Councillor Remuneration) to a Band B Council
- To determine if Council should appoint an additional two Senior Councillors from 1 April 2025 (as per paragraph 3.7).
- To determine if the payments to the Civic Head and Senior Councillors remain as per the existing % relative to the Council Leader salary (as per paragraphs 3.9 and 3.10).

2 Purpose of Report/Executive Summary

To update on the outcome of the Scottish Local Authorities Remuneration Committee review and the regulations that will be laid down by Scottish Government from 1 April 2025.

Date Tuesday 5 February 2025**Report Contact:**

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3 Background/Main Body of Report

- 3.1** The Scottish Local Authorities Remuneration Committee (SLARC) was re-convened by the Scottish Government in April 2023, at the request of COSLA, to undertake an independent review of Councillor remuneration.
- 3.2** SLARC was asked to review the remuneration of all Councillors and consider whether the present levels of remuneration, for ordinary and senior Councillors, were appropriate for the current context.
- 3.3** In addition, each council is currently placed into one of four bands based on various factors, including the size of the budget. The Committee was also remitted to review whether the current methodology for determining banding of Councils was appropriate and, if so, whether the current bands allocated to Councils remained accurate.
- 3.4** SLARC's report was published in February 2024 and contained 22 recommendations for Scottish Government, COSLA and other bodies to consider and take forward.
- 3.5** The Scottish Government accepted the pay and banding related changes recommended by SLARC and will introduce regulations early in 2025 to put these into effect from 1 April 2025.
- 3.6** The Scottish Government will introduce regulations to take effect from 1 April 2025 for all Band A Councils to move into Band B. Midlothian is currently in Band A (SLARC recommendation 4).
- 3.7** The Scottish Government will introduce regulations to take effect from 1 April 2025 to enable the appointment of up to 10 senior Councillors in existing Band A authorities (SLARC recommendation 3). Currently Midlothian Council has 8 Senior Councillors. Council is asked to determine the appointment of an additional 2 Senior Councillors (up to 10 Senior Councillors in total).
- 3.8** The Scottish Government has accepted SLARC recommendation 6 to set a new base salary for Councillors at 80% of the median salary for all employees in the public sector in Scotland, using the finalised data from the 2022 Annual Survey of Hours and Earnings (ASHE).
- 3.9** The Scottish Government will introduce regulations to take effect from 1 April 2025 which will set new salaries for Council Leaders, Civic Heads and Senior Councillors. For Band B Councils the salary of the Council Leader will be set at 70% of the salary of the Council Leader of a Band D Council. The salaries of Civic Heads and Senior Councillors will continue to be set at up to a maximum of 75% of the salary of their Council Leader (SLARC recommendations 8-10).
- 3.10** Council is to determine the payments of the Civic Head and Senior Councillors (up to 75% of the salary of the Council Leader). Currently the Civic Head is paid 75% of the salary of the Council Leader.

Currently Senior Councillors are paid 67% of the salary of the Council Leader.

- 3.11** The Scottish Government will introduce regulations to take effect from 1 April 2025 that the salaries of all Councillors continue to be uplifted on an annual basis as per the current arrangements introduced in 2017, which are in line with the median increase in earnings of public sector employees in Scotland, as published by the ASHE (SLARC recommendation 11).

4 Report Implications (Resource, Digital and Risk)

4.1 Resource

The impact of removing Band A is £102,940.94 per annum. The regulations being laid by Scottish Government will bring this change into effect from 1 April 2025.

If Council approve the changes in line with the existing % salary relative to the Council Leader for the Civic Head and Senior Councillors, the budget impact per annum is £122,550.73.

Any Councillor may renounce the receipt of any remuneration payable in terms of the regulations, in whole or in part, in which case the remuneration is not payable by the Council.

4.2 Digital

No implications

4.3 Risk

There are no risks associated with the report as the remuneration arrangements as set by regulations.

4.4 Ensuring Equalities (if required a separate IIA must be completed)

No implications

4.5 Additional Report Implications (See Appendix A)

See Appendix A

Appendices

Appendix A – Additional Report Implications

APPENDIX A – Report Implications

A.1 Key Priorities within the Single Midlothian Plan

Not applicable

A.2 Key Drivers for Change

Key drivers addressed in this report:

- Holistic Working
- Hub and Spoke
- Modern
- Sustainable
- Transformational
- Preventative
- Asset-based
- Continuous Improvement
- One size fits one
- None of the above

A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- One Council Working with you, for you
- Preventative and Sustainable
- Efficient and Modern
- Innovative and Ambitious
- None of the above

A.4 Delivering Best Value

Not applicable

A.5 Involving Communities and Other Stakeholders

Not applicable

A.6 Impact on Performance and Outcomes

Not applicable

A.7 Adopting a Preventative Approach

Not applicable

A.8 Supporting Sustainable Development

Not applicable