

## **SCHEME OF REMUNERATION**

**Report by Director Finance & Corporate Governance**

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### **SCOTTISH BORDERS COUNCIL**

**26 May 2022**

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#### **1 PURPOSE AND SUMMARY**

**1.1 This report seeks approval for amendments to the existing Scheme of Remuneration that will apply to the New Political Administration of Scottish Borders Council formed after the Local Government election of 5 May 2022.**

1.2 Payments to Councillors are governed by The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. The Regulations specify that, in the case of Scottish Borders Council, a maximum of 14 "Senior Councillors" may be appointed to positions of responsibility, in addition to the Convener and the Leader of the Council. The payment level to these latter two roles is included in the Regulations. The total allowed budget for Senior Councillors (excluding the Convener and Leader) is limited by Regulation to £342,524.

1.3 Following consideration of the responsibilities to be borne by Senior Councillors, a Scheme of Remuneration has been drawn up that seeks to recognise the differing significance of what is involved in each role. Details of the Scheme are contained in the Appendix to this report, along with the proposed payment rates for each role.

#### **2 RECOMMENDATION**

**3.1 It is recommended that Scottish Borders Council agrees that the Scheme of Remuneration is amended so that the 13 posts (excluding the Leader and Convener) detailed in the Appendix to this report be designated as Senior Councillors with their remuneration set at the levels shown.**

### **3 BACKGROUND**

- 3.1 The number and designation of Senior Councillors was agreed in the Scheme of Remuneration at the meeting of Scottish Borders Council held on 25 May 2017, and then amended at the meeting of Council 27 August 2020 to take account of subsequent changes to portfolio titles and responsibilities.
- 3.2 Payments to Councillors are governed by The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. In these Regulations, Local Authorities in Scotland are banded together for the purposes of calculating certain payments, and Scottish Borders Council is included in Band B. The Regulations specify that, in the case of Scottish Borders Council, a maximum of 14 "Senior Councillors" may be appointed to positions of responsibility, in addition to the Convener and the Leader of the Council.
- 3.3 Those designated as Senior Councillors will be paid at rates above that paid to other Councillors and it is for Council to decide how much each Senior Councillor will be paid; the total allowed budget for this is limited by the Regulation to £342,524.
- 3.4 It is open to any Councillor to refuse all or part of the amounts otherwise paid under the Regulations.

### **4 REMUNERATION**

- 4.1 With effect from 1 April 2022, each Councillor receives £19,571 per annum unless they are entitled to one of the higher amounts payable to the Leader of the Council, the Convener, and the "Senior Councillors". The Leader of the Council receives £39,148 per annum and the Convener £29,361 per annum, with these amounts specified in the Regulations. The amounts within this report are for full-year payment, but as the election was held on 5 May 2022 with Councillors elected at the Count on 6 May 2022, payments will be pro-rata for the financial year ended 31 March 2022.
- 4.2 Under the Regulations, no Senior Councillor may receive more than 75% of the amount payable to the Leader, so the effective top pay for such a Councillor could be the same as the Convener i.e. £29,361. None of the remuneration figures include employer National Insurance and pension contributions, which are payable by the Council.
- 4.3 Following consideration of the responsibilities to be borne by the Senior Councillors, a Scheme of Remuneration has been drawn up that seeks to recognise the differing significance of what is involved in each role. The Scheme proposes the payment rates for each role for approval by Council. Details of the Scheme are contained in the Appendix to this report.

### **5 IMPLICATIONS**

#### **5.1 Financial**

The Council's budget includes Councillors' salaries for 2022/23, before and after the election on 5 May 2022. The final cost of pension contributions payable by the Council for Elected Members will not be available until it is known whether any Members choose to opt out of joining the Local

Government Pension. Scheme. The cost of Senior Councillors is £342,524, which is the amount allowed in the Regulations.

## 5.2 **Risk and Mitigations**

No detailed guidance is provided by the Regulations about the duties of the Senior Councillors who are remunerated under the Scheme, or to the structure within which they operate. However, remuneration of Members is recognition of the significance of the duties they have to fulfil, and is also designed to remove the financial obstacles that might otherwise deter people from seeking election. The Administration has assessed the roles of Senior Councillors on the basis of:

- Size/breadth of responsibility
- Complexity
- Impact

## 5.3 **Integrated Impact Assessment**

No Integrated Impact Assessment has been carried out on this proposal but it is anticipated that there are no adverse equality implications.

## 5.4 **Sustainable Development Goals**

It is anticipated that by having a wide breadth of portfolios which take in many aspects contained within the UN Sustainable Development Goals that the Council will ensure that the work of the Portfolio holders will have a positive impact on these Goals.

## 5.5 **Climate Change**

It is anticipated that all the Portfolio holders, within their sphere of influence, will consider and take action to mitigate, where possible, climate change.

## 5.6 **Rural Proofing**

There is no impact on rural areas of the Borders from the details contained in this report.

## 5.7 **Data Protection Impact Statement**

There are no personal data implications arising from the proposals contained in this report.

## 5.8 **Changes to Scheme of Administration or Scheme of Delegation**

Changes will be required to the Scheme of Administration should the proposals in this report be approved. These changes are detailed in a separate report on the agenda for this meeting.

# 6 **CONSULTATION**

- 6.1 *The Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), and Corporate Communications are being consulted and any material comments received will be reported at the meeting.*

## Approved by

**Name**         **David Robertson**  
**Title**         **Director Finance & Corporate Governance**

### Author(s)

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**Background Papers:** Nil

**Previous Minute Reference:** Scottish Borders Council, 27 August 2020

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jenny Wilkinson can also give information on other language translations as well as providing additional copies.

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**Scheme of Payment for Senior Councillors**

**1. Application of The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007**

The Regulations allow the Council to appoint a Leader, a Convener and up to 14 other Senior remunerated posts i.e. up to 16 in total.

The Leader’s remuneration is fixed by regulation, currently £39,148. The Leader is responsible for leading the Council, strategic oversight, Council communications, Sport and International Relations.

The Convener’s remuneration can be up to 75% of the Leader’s remuneration. It is £29,361. The Convener is the Civic Head of the Council.

The remuneration for Senior Councillors is inclusive of the basic Councillor remuneration.

The descriptions below are not intended to be an exhaustive list of duties.

**2. Senior Councillors**

	<b>ROLE</b>	<b>DESCRIPTION</b>	<b>SALARY</b>
1.	Portfolio holder for Community and Culture	<ul style="list-style-type: none"> <li>• Culture and Heritage</li> <li>• Emergency Services Oversight</li> <li>• Crime Prevention and Safer Communities</li> <li>• Emergency Planning</li> </ul>	£25,531
2.	Portfolio holder for Estate Management and Planning	<ul style="list-style-type: none"> <li>• Planning</li> <li>• SBC Estates</li> </ul>	£25,531
3.	Portfolio holder for Social Work and Community Enhancement	<ul style="list-style-type: none"> <li>• Adult Social Work</li> <li>• Youth Justice</li> <li>• Adult Protection</li> <li>• Adult Day Services</li> </ul>	£25,531
4.	Portfolio holder for Health and Wellbeing	<ul style="list-style-type: none"> <li>• IJB</li> <li>• Homecare</li> <li>• Independent Living</li> <li>• National Care Service</li> <li>• Social Care</li> </ul>	£28,000
5.	Portfolio holder for Community and Business Development	<ul style="list-style-type: none"> <li>• Tourism and Events</li> <li>• Regeneration</li> <li>• Broadband and connectivity</li> <li>• International Relations</li> <li>• Economic Development</li> </ul>	£28,000
6.	Portfolio holder for Service	<ul style="list-style-type: none"> <li>• Finance and Budget Oversight</li> <li>• HR</li> </ul>	£28,000

	Delivery and Transformation	<ul style="list-style-type: none"> <li>• Council Service Improvement and Performance</li> <li>• IT</li> <li>• Transformation Programme</li> </ul>	
7.	Portfolio holder for Roads Development and Maintenance	<ul style="list-style-type: none"> <li>• Roads improvement and maintenance</li> <li>• Winter Maintenance</li> <li>• Fleet Management</li> <li>• Public Space maintenance and development</li> <li>• SB Contracts</li> </ul>	£25,531
8.	Portfolio holder for Developing Our Children and Young People	<ul style="list-style-type: none"> <li>• Social Work and Child Protection</li> <li>• Creating Opportunities</li> <li>• Wellbeing of Young People</li> <li>• The Promise</li> </ul>	£25,531
9.	Portfolio holder for Education and Lifelong Learning	<ul style="list-style-type: none"> <li>• Education Policy</li> <li>• Building Capacity in Schools</li> <li>• New School Builds</li> <li>• Inquiry Improvements</li> </ul>	£28,000
10.	Portfolio holder for Environment and Transport	<ul style="list-style-type: none"> <li>• Recycling/Waste</li> <li>• Public Transport</li> <li>• Chair of Sustainability Committee</li> <li>• Climate Change Leader</li> </ul>	£25,531
11.	Portfolio holder for Communities and Equalities	<ul style="list-style-type: none"> <li>• Equalities</li> <li>• Poverty and Homelessness</li> <li>• Manage Key Community Assets</li> <li>• Homes</li> <li>• Customer Service</li> <li>• Volunteer and Third Sector</li> <li>• Gypsy and Traveller Lead</li> </ul>	£28,000
12.	Portfolio holder for Community Engagement	<ul style="list-style-type: none"> <li>• Area Partnerships</li> <li>• Community Capacity</li> <li>• Community Planning Partnership</li> <li>• Customer Engagement</li> <li>• Place Shaping</li> </ul>	£28,000
13.	Chair of Scrutiny	<ul style="list-style-type: none"> <li>• Chair of Scrutiny</li> </ul>	£21,338

### 3. Pay Structure

In order to appropriately reward Senior Councillors, different pay levels were created to reflect the varying size, complexity and impact of roles.