

REPORT TO: East Lothian Council
MEETING DATE: 24 May 2022
BY: Executive Director for Council Resources
SUBJECT: Councillors' Remuneration and Expenses

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1 PURPOSE

- 1.1 To assist the Council in setting Councillors' remuneration and allowances for expenses.

2 RECOMMENDATIONS

- 2.1 To approve the proposed remuneration structure set out within Appendix 1.
- 2.2 To note the continued use of a national expenses and allowances process including the use of a standardised claim form and the payment of remuneration and expenses paid monthly in arrears.
- 2.3 To note that all remuneration and expense information forms part of the public record, which will be subject to annual publication by the Council.

3 BACKGROUNDThe Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2022 set the pay of Councillors. The Regulations provide arrangements for the remuneration of Councillors, the re-imbursment of Councillors expenses and the annual publication of information on Councillors expenses.

- 3.2 The level of remuneration depends on the role of the Councillor and the banding of the Council, as set out in the Regulations. The Regulations also sets out the number of Councillors and roles within the Council, and any areas where the Council can exercise discretion. Under these Regulations East Lothian is classified as a Band A Council.
- 3.3 The banding of the Council is based on various factors, including the size of the Council's budget. The band determines the level of pay for senior posts within the council, namely the Leader of the Council, Civic Head and senior councillors (those with additional responsibilities, such as a cabinet spokesperson). The band also

determines the maximum number of senior councillors which can be appointed by each council.

3.4 As a Band A Council, East Lothian is permitted to have:

- 1 Leader of the Council
- 1 Civic Head or Provost
- Up to 9 Senior Councillors
- 11 Councillors (variable but assumes 9 Senior Councillors)

3.5 The level of remuneration for each of these roles is set out below:

Leader of the Council (fixed – Band A)	£32,622
Civic Head/Provost (fixed – Band A)	£24,467
Senior Councillors (max 75% of Leaders salary)	£24,467
Councillors (fixed)	£19,571

3.6 The Regulations do not specify the pay for senior councillors, but set the maximum amount (75% of the pay of the Leader of the Council) and the minimum amount (the basic pay of a councillor) that a senior councillor can be paid.

3.7 The Regulations also specify the maximum amount of money which can be spent on senior councillor salaries by each council. In accordance with these regulations, the total amount payable on senior councillor allowances by this Council must not exceed £198,169. The Council has discretion to decide how much to pay its senior councillors within these boundaries.

3.8 Proposed allowances for 2022/23 are set out within Appendix 1 to this report. This appendix also demonstrates compliance with the Regulations described above.

3.9 In addition to their salaries, councillors are eligible to join the Local Government Pension Scheme and entitled to payment of allowances for subsistence and travel, and reimbursement of expenses incurred when undertaking Council duties. In line with requirements, Councillors will be auto-enrolled into the Pension Scheme, administered by Lothian Pension Fund, but have the right to opt out.

3.10 Remuneration and expenses will be paid monthly in arrears and subject to tax and national insurance. All of the remuneration, expense and tax rates are based on current information and are subject to change when indicated by the relevant national organisation.

Expenses and Allowances

- 3.11 All Councillors are entitled to the reimbursement of expenses incurred in carrying out Council business as specified in The Local Government (Allowances and Expenses) (Scotland) Regulations 2007.
- 3.12 Travel and subsistence expenses may be claimed for approved duties (as defined in Section 49 of the Local Government (Scotland) Act 1973). For the majority of instances of expenditure, councillors will be required to produce a receipt. Approved duties are defined as:
- Attendance at a meeting of the local authority or any of its committees or sub-committees
 - The carrying out of any other duty approved by the local authority, or anything of a class so approved for the purposes of, or in connection with, the discharge of functions of the local authority or any of its committees or sub-committees
 - The performing of any duty as a member of any other body, prescribed by the Scottish Ministers for the purpose, to which the councillor has been appointed by the local authority.

Travel Rates

- 3.13 Councillors are encouraged to use public transport where possible. Councillors may also claim costs incurred when travelling by private car or van, motorcycle and bicycle, on approved duties, and may also claim costs for travelling with passengers where both the councillor and the passenger are carrying out any approved duties. These rates are:
- 45p per mile for travel by car or van
 - 24p per mile for travel by motorcycle
 - 20p per mile for travel by bicycle
 - 5p per passenger per mile when both the Councillor and passenger are carrying out approved duties.

Accommodation Rates

- 3.14 Maximum overnight accommodation rates away from home and local authority premises (costs for bed and breakfast) are as follows:
- Within London £131.00
 - Elsewhere £110.00

Overnight Accommodation Away from Home with Family & Friends

- 3.15 An elected member staying away from home with friends or family may in addition to travelling expenses be paid £25 per night if the Council determines that the expense is reasonably incurred for approved duties, otherwise no allowance is payable.

Cost of Meals

- 3.16 Receipted costs of meals when they are necessarily incurred as part of approved duties are reimbursed provided that the Councillor is outside their ward and not eating on Council premises. The maximum costs that will be reimbursed in these circumstances are:

- Lunch £12
- Dinner £25
- Breakfast £8 (only if overnight accommodation is not claimed)

Telephone Calls

- 3.17 The cost of business telephone calls and rental on private telephones are to be reimbursed subject to a maximum of 50% of the line rental costs of any phone that has shared personal and business use. Any reimbursement of shared rental cost is taxable.

Civic Head and Deputy

- 3.18 The Provost may claim up to £2,000 receipted expenditure per year for costs incurred in performing their duties, and this is a taxable allowance. A person deputising for the Provost may be reimbursed for any receipted expenditure. All such reimbursement is limited to this total amount for both the Provost and the Deputy.

2011 Amendment – Councillors on outside bodies controlled by the Council

- 3.19 This amendment prevents the Council from allowing any body controlled solely by the council from making payments to Councillors by way of remuneration.

Claim Forms

- 3.20 All expenses and allowances have to be claimed on the standardised national expense form in line with national guidance. This means that all expenses are paid in arrears as part of monthly remuneration. Expense claims can be provided from the Payroll department.

Publication of Expense Information

- 3.21 Each year the council must publish the amount of remuneration and expenses paid to each Councillor. The format of the information is specified in the national guidance.

- 3.22 This information is a summarisation of all the expense forms. All of the supporting information associated with the published figures is open to public inspection.

4 POLICY IMPLICATIONS

- 4.1 There are no direct policy implications arising from the recommendations in this report.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The need for an integrated impact assessment has been considered. Given that the recommendations in this report will not give rise to any changes in existing policy, no further assessment will be necessary.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – as detailed within Appendix 1.
- 6.2 Personnel - none
- 6.3 Other – none

7 BACKGROUND PAPERS

- 7.1 Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2022

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DATE	17 May 2022

Proposed Councillors' Salary Structure

APPENDIX 1

Post	Regulatory Structure			Proposed Salary	Complies with Regulations?
	Role under Regulations	Salary Fixed by Regulation	Maximum Salary Allowed		
Council Leader (Cabinet Spokesperson for Planning)	Leader of the Council	32,622		32,622	✓
Provost (Cabinet Spokesperson for Environment, Economic Development and Tourism)	Civic Head	24,467		24,467	✓
Depute Leader (Cabinet Spokesperson for Health & Social Care)	Senior Councillor		24,467	24,467	✓
Cabinet Spokesperson for Education & Children and Family Services	Senior Councillor		24,467	24,467	✓
Cabinet Spokesperson for Community Wellbeing and Sport, Countryside & Leisure	Senior Councillor		24,467	24,467	✓
Depute Provost (Cabinet Spokesperson for Housing and Property Maintenance)	Senior Councillor		24,467	24,467	✓
Leader of the Opposition	Senior Councillor		24,467	24,467	✓
Councillor	Councillor	19,571		19,571	✓
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Councillor	Councillor	19,571		19,571	✓
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Councillor	Councillor	19,571		19,571	✓
Councillor	Councillor	19,571		19,571	✓
Councillor	Councillor	19,571		19,571	✓
		19,571	122,335	472,989	

Total expenditure on Senior Councillors

122,335

The number of Senior Councillors is 9 or less?

✓

No Senior Councillor is paid more than 75% of Leader of Council?

✓

The total salary cost for Senior Councillors is not more than the regulatory limit of £198,169

✓