

**REPORT TO: DUNDEE CITY COUNCIL - 1 JULY 2009**

**REPORT ON: MEMBERS' SALARIES FROM 2009/2010 ONWARDS**

**REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)**

**REPORT NO: 309-2009**

1 PURPOSE OF REPORT

The purpose of this report is to seek the Council's approval to a Scheme of Salaries and Expenses for elected members, with the scheme to be effective from 1 April 2009.

2 RECOMMENDATIONS

- 2.1 That the Council agrees the contents of this report, including the salaries proposals detailed in Appendix B.
- 2.2 That the Council agrees that a Scheme of Salaries and Expenses based on this report be prepared and issued to all elected members.

3 FINANCIAL IMPLICATIONS

- 3.1 A provision for members' salaries, pensions and expenses of £692,000, as detailed in Appendix A was made in the Finance (General) 2009/2010 Revenue Budget.
- 3.2 The members' salaries proposals for the financial year 2009/10 are detailed in Appendix B and total £547,921, and this sum can be contained within the budget provision of £551, 389, giving an underspend of £3,468.

4 BACKGROUND

- 4.1 The Scottish Local Authorities Remuneration Committee (SLARC) was established under the provisions of the Local Governance (Scotland) Act 2004. The remit of the Committee was to review, prepare and submit to the Scottish Ministers advice in relation to the payment by local authorities of remuneration (including pensions) and allowances to and reimbursement of expenses incurred by members of local authorities.
- 4.2 In January 2006, the SLARC published its report on the "Review of Remuneration Arrangements for Local Authority Councillors" and this report was submitted to Scottish Ministers for their consideration. The Minister for Finance and Public Service Reform issued the Scottish Executive's response to the SLARC report on 23 March 2006 and regulations were laid before the Scottish Parliament on 10 and 20 March 2007.
- 4.3 The SLARC issued its 2nd report in September 2008 and this report considered the remuneration and allowance and maximum expense levels which Councils could pay. The Scottish Government issued regulations to implement the SLARC recommendations and these regulations came into effect on 10 February 2009.

## 5 SALARIES, PENSIONS & EXPENSES

### 5.1 SALARIES

Under the aforementioned 2009 Regulations the elected members' salaries and other related issues for the City Council for the financial year 2009/2010 are detailed below:-

- The Leader of the Administration shall receive a salary of £32,470.
- The Civic Head, ie Lord Provost, shall receive a salary of £24,353. In addition, the Regulations allow the Lord Provost to incur expenditure up to £3,000 on expenses associated with the position. The present Lord Provost has advised me that he will not be incurring any expenditure under this heading.
- The City Council can pay remuneration up to 13 Senior Councillors.
- Each local authority shall pay to each of its Senior Councillors an amount to be determined by the authority, but which shall be greater than the basic Councillor's salary.
- The maximum total amount payable to Senior Councillors is determined by a formula and for the City Council this total sum is £263,822.
- Each Council shall not pay its senior Councillors any amount of remuneration as the Leader of Administration, the Civic Head or as a basic Councillor.
- The Depute Lord Provost post should, in theory, be paid a senior Councillors salary and this would count towards the upper limits of 13 Councillors and the total expenditure of £263,822. The present Depute Lord Provost has advised me that he would not accept a Senior Councillors salary, and will be paid a Basic Councillors salary.
- The remaining Councillors who are not the Leader of Administration, Civic Head or Senior Councillors shall each be a Basic Councillor and will receive remuneration of £16,234 per annum.
- In terms of the Police and Fire and Rescue Joint Boards, the regulations permit the payment of remuneration to The Convener and Vice-Conveners for each Joint Board. The remuneration is payable by the local authority of which the Convener or Vice-Convener is a member and then recovered from the Joint Board.
- Since 1995 the Convener and Vice-Conveners of the three Tayside Joint Boards, being Police, Fire & Rescue and Valuation, have rotated between the three Tayside Councils at each election. After the 2007 elections, the City Council has the Convener of Valuation Joint Board and the Vice-Conveners of Tayside Joint Police Board and Tayside Fire & Rescue Joint Board.

- The total amount payable to a Dundee elected member as convener of either the Police or Fire and Rescue Joint Boards, when added to his/her Basic Councillor or Senior Councillor remuneration, shall not exceed 75% of the Leader of Administration remuneration, being £24,352. It should be noted that the Convenerships are not held by a Dundee City Council elected member.
- In respect of the Vice-Convener of either of the Police or Fire and Rescue Joint Boards, the amount payable shall be an amount which equates to 75% of the Convener's remuneration, and shall not exceed £18,264. The Vice-Conveners of Tayside Joint Police Board and Tayside Fire and Rescue Joint Board who are Dundee City Council elected members will receive the salary of £18,264.
- In terms of any other Joint Board, being Tayside Valuation Joint Board and Tay Road Bridge Joint Board, the Convener shall be paid a total yearly amount of £20,294 (inclusive of any amount payable to the Convener as a Councillor or Senior Councillor), or if greater, the amount payable to the Convener as a Senior Councillor. The Convenership of Tayside Valuation Joint Board is held by a Dundee City Council elected member.
- The Vice Conveners of the two Joint Boards referred to immediately above shall be paid a total yearly amount of £19,279 (inclusive of any amount payable to the Vice Convener as a Councillor or Senior Councillor), or if greater, the amount payable to the elected member as a Senior Councillor. It should be noted that the Vice-Convenership of the Tay Road Bridge Joint Board is held by a Dundee City Council elected member.
- It should be noted that for the three year term 2009 to 2012, the City Council will provide the following Joint Boards posts at the following salaries:-
 

Vice Convener of Tay Road Bridge Joint Board	£19,279
Convener of Tayside Valuation Joint Board	£20,294
Vice Convener of Tayside Joint Police Board	£18,264
Vice Convener of Tayside Fire & Rescue Board	£18,264
- It should be noted that an elected member cannot receive more than one salary and he/she will receive the higher salary of the respective posts they are holding.
- If a member is suspended in terms of the Ethical Standards in Public Life etc (Scotland) Act 2000 for a period in excess of 2 calendar months, then the member's remuneration shall be reduced by 50%.

## 5.2 EXPENSES

Under the 2009 regulations, the following conditions will apply:-

- Expenditure on travel, subsistence or other expenses by an elected member on approved duties must be receipted and will be reimbursed by the local authorities.

- Each local authority shall not make any payments to its members by way of travel or subsistence allowances (as opposed to the reimbursement of receipted expenditure incurred) in respect of carrying out any approved duty, except where that is permitted by these Regulations.
- A member of a local authority shall be entitled to receive payments by way of a mileage allowance in respect of travelling (whether inside or outside the United Kingdom) which is reasonably incurred by them for the purpose of enabling them to perform any approved duty as a member of that local authority.
- The mileage allowance in respect of the types and rates of travelling are as follows:-
  - car or van - 40 pence per mile;
  - motorcycle - 24 pence per mile;
  - bicycle - 20 pence per mile; and
  - passenger travelling allowance (where both the member and the passengers are carrying out any approved duties) - 5 pence per mile, per passenger.
- Any member of a local authority may claim amounts of expenditure or allowance by completing and lodging a claim form with the local authority.
- The maximum subsistence rates payable by the local authority shall be as follows:-
 

○ Breakfast (where no overnight subsistence is claimed)	£8 per day
○ Lunch	£12 per day
○ Dinner	£25 per day
- Overnight accommodation away from home and local authority premises (per night)
 

• within London	£131.00
• elsewhere	£110.00
• staying with friends or family	£ 25.00
- Visits Abroad
 

Overnight deemed to cover 24 hours	
Per Central London limit	£131.00

The above limit is the maximum amount within which subsistence expenses may be incurred.

If all accommodation/meals etc are provided by host/conference/residential course then a maximum allowance of £40 per 24 hour period may be claimed to cover out of pocket expenses (eg coffees, incidental expenses etc) including hospitality, provided receipts are submitted.
- Road and Bridge tolls (no receipt required) actual cost of expenses

- Other transport cost eg parking charges, ferry fares, taxi fares and public transport fares      Received cost of expenses
- Telephone and computer line rental for use of personal telephone and computer for approved duties      50% of line rental costs
- Other telephone and computer costs (including business calls)      Received cost of expense
- Members may retain their Council Pay As You Go mobile or use their own mobile, but no business calls will be reimbursed.

Members will be offered a Council contract mobile phone and will be able to reclaim any business calls through its itemised billing.

- It should be stressed that all expenditure, with the exception of road and bridge tolls will only be refunded on production of a receipt.
- Every local authority shall keep a record of the payments of expenditure and allowances made by it in accordance with these Regulations.

### 5.3 PAYMENT OF SALARIES AND EXPENSES

The Remuneration Regulations make provision for local authorities to make payments either calendar monthly or every 4 weeks.

Dundee City Council payments of salaries and expenses will be paid on a calendar monthly basis.

### 6 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

### 7 CONSULTATIONS

The Chief Executive, Depute Chief Executive (Support Services) and Head of Finance.

### 8 BACKGROUND PAPERS

None.

**REVENUE BUDGET 2009/10****MEMBERS SALARIES & EXPENSES**

	<u>£</u>
Members Allowances	551,389
Superannuation	63,612
Allowances National Insurance	41,742
Conferences	10,000
Travel & Subsistence	12,000
Car Allowances	8,000
Telephones	5,000
	<u>691,743</u>
Rounded to	<u>692,000</u>

**MEMBERS' SALARIES 2009/10****APPENDIX B****EXPENDITURE MET BY CITY COUNCIL**

	<b><u>Salary (£)</u></b>
Leader	32,470.00
Lord Provost	24,353.00
Convener, City Developments Committee	21,562.00
Convener Leisure, Arts and Communities Committee	21,562.00
Convener Housing, DCS and Environmental Services Committee	21,562.75
Convener Education Committee	21,562.75
Convener Social Work Committee	21,562.75
Depute Convener, Policy & Resources	21,562.75
Convener Development Quality	21,562.75
Depute Convener, Education	18,264.00
Depute Convener, Leisure, Arts & Communities	18,264.00
Depute Convener, Licensing	18,264.00
Depute Convener, City Developments	18,264.00
Business Leaders Contact	18,264.00
Leader of Opposition	21,562.75
<b>TOTAL OF SENIOR COUNCILLORS SALARIES</b>	<b>£263,822.00</b>

Depute Lord Provost	16,234.00
Basic Councillor	16,234.00
Basic Councillor	16,234.00
Basic Councillor	16,234.00
Basic Councillor	16,234.00
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**£547,921.00**REVENUE BUDGET PROVISION 2009/10 **£551,389.00**PLANNED UNDERSPEND **£3,468.00****RECHARGE FOR JOINT BOARD CONVENER AND VICE-CONVENERS**

Tayside Valuation Joint Board Convener	20,294.00
Tay Road Bridge Convener	0.00
Vice Convener of Fire Joint Board	18,264.00
Vice Convener of Police Joint Board	18,264.00
Less 3 Basic Councillors converted to Conveners/Vices	-48,702.00

**RECHARGE FOR JOINT BOARD CONVENER AND VICE **8,120.00****