

Local Government, Housing and Planning Committee
Tuesday, 25 February 2025
6th Meeting, 2025 (Session 6)

Note by the Clerk on the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 (2025/8)

Overview

1. At this meeting, the Committee will consider the following Scottish Statutory Instrument (SSI), which is subject to annulment by resolution of the Parliament until 12 March 2025. The Committee is invited to consider the instrument and decide what, if any, recommendations to make.
2. The Cabinet Secretary for Finance and Local Government wrote to the Committee on 19 February to highlight errors in the Regulations. She said the Scottish Government planned to lay further amendment regulations as discussed further in paragraphs 16 to 19 below.
3. Further information about the instrument is summarised below:

Title of instrument: [The Local Governance \(Scotland\) Act 2004 \(Remuneration\) Amendment Regulations 2025 \(2025/8\)](#)

Laid under: [Local Governance \(Scotland\) Act 2004](#)

Laid on: 23 January 2025

Procedure: Negative

Deadline for committee consideration: 10 March 2025

Deadline for Chamber consideration: 12 March 2025

Commencement: 1 April 2025

Procedure

4. Under the negative procedure, an instrument is laid after it is made, and is subject to annulment by resolution of the Parliament for a period of 40 days beginning on the day it is laid.
5. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - a lead committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.

6. Any MSP may propose, by motion, that the lead committee recommend annulment of the instrument. If such a motion is lodged, it must be debated at a meeting of the Committee, and the Committee must then report to the Parliament (by the advisory deadline referred to above).
7. If there is no motion recommending annulment, the lead committee is not required to report on the instrument.
8. The 23 January Regulations are subject to the negative procedure and are already “made”. Draft instruments may be withdrawn (under Rule 10.8 of the Standing Orders) but not those which are already “made”.

Delegated Powers and Law Reform Committee consideration

9. The DPLR Committee considered the instrument on 4 February 2025 and [reported on it](#). The DPLR Committee made no recommendations in relation to the instrument.

Purpose of the instrument

10. The [Policy Note](#) accompanying the instrument is attached at Annexe A and explains that the purpose of these Regulations is “to amend the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (“the 2007 Regulations).”
11. The Policy Note further explains that “...these amendments implement recommendations of the independent Scottish Local Authority Remuneration Committee (SLARC) which reported in February 2024, to which the Scottish Government responded in July 2024.”
12. The Policy Notes states that—
 - The amendments increase the salary paid to all levels of councillors across all local authority bands¹; and
 - The amendments also increase to ten² the maximum number of senior councillors able to be appointed in specific local authorities and also moves those authorities from Band A to Band B.
13. The Policy Note provides further detail of specific changes in relation to certain officeholder roles within councils.
14. In terms of financial implications, the salary and banding related changes, including the annual uplift are expected to increase the overall cost of councillor

¹ The Scottish Government [guidance on councillor’s roles, conduct and pay](#) explains that councils bands are based on various factors including the size of budgets. The bands determine the level of pay for senior posts and the maximum number of senior councillors that can be appointed.

² The [SLARC Recommendations for Councillors’ Remuneration and Expenses](#) recommended that “councils which currently have the capacity to appoint up to either eight or nine Senior Councillors have funding increased to enable them to appoint up to a maximum of 10 Senior Councillors.”

remuneration by approximately £5.4 million. The Policy Note states that the “...uplift in General Revenue Grant 2025-26 ensures that the recommendations are affordable within the Local Government Settlement.”

15. The Policy Note includes a summary of the consultation undertaken on the instrument, impact assessments carried out, and the anticipated financial effects. It confirms that a [Child Rights and Wellbeing Impact Assessment \(CRWIA\)](#) was published alongside the Regulations.

The Local Governance (Scotland) Act 2004 (Remuneration) Amendment (Amendment) Regulations 2025 (SSI 2025/36)

16. The [Cabinet Secretary for Finance and Local Government wrote to the Committee on 18 February](#) to inform members that after laying the Amendment Regulations being considered at this meeting, her officials had become aware of errors in them and that further amending Regulations would be required as follows—

“my officials become aware of two errors in these regulations. To rectify these errors a set of amendment regulations will be laid on 19 February. The maximum salaries specified for Band B Civic Heads and Senior Councillors were wrong, with the January regulations stating £37,458 rather than £37,548 - a transposition of two numbers. The new regulations correct that transposition and ensure that the correct maximum salaries can be paid. The regulations also omitted to provide for the annual uplift to the salaries of Conveners and Vice-Conveners of Joint Boards and these are now included. The new salaries will be £28,207 and £26,797 respectively. The amendment regulations will come into force on 31 March 2025. This ensures that the January regulations are amended as necessary and that the increased salaries can be paid from 1 April 2025.”

17. The [Local Governance \(Scotland\) Act 2004 \(Remuneration\) Amendment \(Amendment\) Regulations 2025 \(SSI 2025/36\)](#) (“the 19 February Regulations”) were laid on 19 February and [the Policy Note](#) explains that they “correct an error in the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 (“the 23 January Regulations”). They also set out the increased salaries to be paid to Conveners and Vice-Conveners of Joint Boards from 1 April 2025.”

18. In terms of financial implications, the 19 February Policy Note further confirms that “there is no impact on business or the third sector and the impact on the public sector (council budgets) is not expected to cause a significant financial pressure. The uplift in General Revenue Grant 2025-26 ensures that the salaries are affordable within the Local Government Settlement.”

19. The reporting deadline for the 19 February Regulations is 24 March and the Committee will have the opportunity to consider them in the coming weeks but is unable to do so until the DPLR Committee has considered and reported on them.

Background information

20. The Committee has been closely monitoring progress with SLARC as part of its wider work on [understanding barriers to participation in local politics](#). It previously

considered [SLARC's recommendations](#) in [evidence with COSLA and SLARC on 28 May](#) although the Scottish Government had yet to respond to them at that point.

21. The Committee then took further evidence from COSLA, former members of SLARC and the Cabinet Secretary on [17 September 2024](#). The Cabinet Secretary stated in oral evidence that she was prepared to consider the matter further in the event that there was cross-party support for the salary increase.

22. In its [pre-budget letter](#), the Committee made the following recommendation—

“The Committee welcomes SLARC’s recommendations and considers that a total cost of around £5.1 million is a relatively small price to pay, given the importance of the role of councillors to Scotland’s democracy, and the widely acknowledged need for greater diversity of representation.

The Committee therefore recommends, on a cross-party basis, that the Scottish Government work with its partners in COSLA, in keeping with the principles laid out in the Verity House Agreement, to give effect to SLARC’s recommendations on councillor remuneration. It is vital that COSLA and the Scottish Government agree on this matter before secondary legislation is laid before Parliament in the new year.”

23. In her [response to the Committee](#), the Cabinet Secretary stated that—

“The Scottish Government will lay regulations early in 2025 to implement the pay and banding related changes recommended by SLARC with effect from 1 April 2025. More frequent and meaningful budget engagement has been a cornerstone of the 2025-26 budget process, and the substantive uplift in General Revenue Grant subsequent to that engagement ensures that the recommendations are affordable within the Local Government Settlement.

Recommendations relating to expenses and the introduction of a severance payment better sit with local government. My officials are engaging with COSLA on these recommendations and will make any required regulations to implement any changes when required and before the next planned local elections.”

24. The full list of SLARC’s recommendations can be accessed at Table 7 (page 44) of its [final report](#). The Scottish Government’s [response to them](#) is also available online.

25. It is understood that COSLA’s Barriers to Elected Office Special Interest Group will be considering next steps in respect of SLARC’s wider recommendations in the coming weeks and COSLA has been invited to provide a written update after the meeting.

26. The final SLARC report also provides a list of current council bandings and corresponding payments at Table 1 (page 33). Table 4 (page 40) then sets out comparative salaries on the basis of SLARC’s recommendations having been applied with effect from 1 April 2024.

Committee consideration

27. So far, no motion recommending annulment has been lodged.

28. Members are invited to consider the instrument and decide whether there are any points they wish to raise. If there are, options include:

- seeking further information from the Scottish Government (and/or other stakeholders) through correspondence, and/or
- inviting the Minister (and/or other stakeholders) to attend the next meeting to give evidence on the instrument.

29. It would then be for the Committee, at the next meeting, to consider the additional information gathered and decide whether to make recommendations in relation to the instrument.

30. If members have no points to raise, the Committee should note the instrument (that is, agree that it has no recommendations to make).

31. However, should a motion recommending annulment be lodged later in the 40-day period, it may be necessary for the Committee to consider the instrument again.

Clerks to the Committee
February 2025

Annexe A: Scottish Government Policy Note

POLICY NOTE

THE LOCAL GOVERNANCE (SCOTLAND) ACT 2004 (REMUNERATION) AMENDMENT REGULATIONS 2025

SSI 2025/8

The above instrument was made in exercise of the powers conferred by sections 11(1) and 16(2)(b) of the Local Governance (Scotland) Act 2004 and all other powers enabling them to do so. The instrument is subject to negative procedure.

Summary Box

The purpose of these Regulations is to amend the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 ("the 2007 Regulations").

These amendments implement recommendations of the independent Scottish Local Authority Remuneration Committee (SLARC) which reported in February 2024, to which the Scottish Government responded in July 2024.

The amendments increase the salary paid to all levels of councillors across all local authority bands.

The amendments also increase to 10 the maximum number of senior councillors able to be appointed in specific local authorities and also moves those authorities from Band A to Band B.

Policy Objectives

This instrument amends the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 to make banding changes, increase the maximum number of senior councillors in specific local authorities and set new salaries for councillors.

Increased salaries for Leaders

Regulation 2(2) sets new increased salaries for Leaders of all local authorities. SLARC recommended new salaries be paid from 1 April 2024 on the following basis:

- a. the salary for leader of Band D authorities is benchmarked to that of Members of the Scottish Parliament as at 1 April 2023.
- b. the salary of a Band C Leader is set at a value equivalent to 85% of Band D Leader
- c. the salary of a Band B Leader is set at a value equivalent to 70% of Band D Leader.

The rates set out in Regulation 2(2) are based on the SLARC recommended salaries but uplifted by 5.7% in line with the median increase in earnings of public

sector employees in Scotland, published in Table 25.7a of the Annual Survey of Hours and Earnings (ASHE) 2024 data. This reflects the uplift that would have been due had the recommendations been implemented from 1 April 2024.

Increased Salaries for Civic Heads

Regulation 2(3) sets new increased salaries for Civic Heads of all local authorities. The new salary represents a maximum of 75% of the respective Leader's salary for the relevant Band.

Increased Maximum Number of Senior Councillors

Regulation 2(4) increases to 10 the maximum number of senior councillors able to be appointed in the local authorities listed, as well as retaining the local authority which already has a maximum of 10 senior councillors.

Increased Salaries for Senior Councillors

Regulation 2(5) provides for new increased salaries for senior councillors which represent a maximum of 75% of the respective Leader's salary for the relevant Band.

Increased Salaries for Councillors

Regulation 2(6) sets a new increased salary for councillors. The amount is initially based on 80% of the median salary for all employees in the public sector in Scotland as published in Table 25.7a of the October 2022 Annual Survey of Hours and Earnings (ASHE) data. However, an uplift of 5.7% has been applied in line with the median increase in earnings of public sector employees in Scotland for 2024, as published in ASHE table 25.7a. This reflects the increase that would have been due had the recommendations been implemented from 1 April 2024.

Merge Band A Authorities into Band B

Regulation 2(7) lists Band B local authorities which comprises those authorities which were previously in Band A and existing Band B authorities. Band A has been retained as a heading in the 2007 Regulations should it be required in case of any future banding changes although no authorities now come under that classification. For local authorities moved from Band A to Band B there are, therefore, two separate changes – the move from Band A to Band B and the increase to 10 of the maximum number of senior councillors.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children's rights.

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (the Act), the Scottish Ministers certify that, in their view, the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

No formal consultation was required to be carried out in relation to these Regulations. These regulations implement the recommendations of the independent Scottish Local Authority Remuneration Committee and have the support of local government. There has been engagement with local government on the draft provisions and their effect.

Impact Assessments

The instrument amends existing principal Regulations to implement the recommendations of an independent Committee and deliver increases to councillor salaries. Councillor salaries are normally uplifted on an annual basis. An equality impact assessment has not been undertaken as the increase in councillors remuneration applies to all local authority members. A child rights and wellbeing impact assessment has been prepared.

Financial Effects

The Cabinet Secretary for Finance and Local Government confirms that no Business Regulatory Impact Assessment is required as there is no impact on business or the third sector and the impact on the public sector (council budgets) is not expected to cause a significant financial pressure.

The salary and banding related changes, including the annual uplift, will increase the overall cost of councillor remuneration by approximately £5.4 million. The uplift in General Revenue Grant 2025-26 ensures that the recommendations are affordable within the Local Government Settlement.

Scottish Government

Local Government Directorate

23 January 2025