

REPORT TO: THE MORAY COUNCIL ON 16 DECEMBER 2004

SUBJECT: LOCAL GOVERNANCE (SCOTLAND) ACT 2004

BY: CHIEF LEGAL OFFICER

1. Reason for Report

- 1.1 To inform the Council of this new piece of legislation which makes provision for the introduction of the Single Transferable Vote for the next local government elections in 2007; the establishment of the Scottish Local Authorities Remuneration Committee, and introduces changes intended to widen access to Council membership.
- 1.2 Although now law all the provisions of the Act are not yet in force. The provisions of the Act will come into force on a phased basis by order of the Scottish Ministers. So far the only parts of the Act in force are those relating to review of Council ward boundaries by the Boundaries Commission, an exercise which has commenced and the establishment of the Scottish Local Authorities Remuneration Committee.
- 1.3 Members will be kept informed as each part of the Act is brought into force.

2. Background

- 2.1 The Local Governance (Scotland) Act takes forward the commitments made in “A Partnership for a Better Scotland” and is an important part of Scottish Ministers’ wider modernisation agenda. Aspects of this agenda have already been taken forward through other legislation, or by non-legislative measures. These include a four year term of office to allow for effective planning over a longer timescale; a statutory duty of Best Value; a power to advance well-being and a statutory basis for community planning to ensure effective partnership working.

3. Report

- 3.1 The Act is the next stage in the modernisation process. The overall objective of the legislation is to strengthen local democracy. It makes changes to the way Councils are elected, and to the way they are remunerated for the role they undertake on behalf of their constituents and the community. It also makes changes to the rules concerning political restrictions on Council staff and introduces other measures as part of the Executive’s drive to widen access to Council membership.
- 3.2 The key points of the legislation are:-
 - The introduction of the Single Transferable Vote for council elections;
 - Amendments to existing legislation to bring the conduct and administration of council elections further into line with Scottish Parliamentary elections;
 - Changing the age for standing as a councillor from 21 to 18;

- The repeal of legislation establishing a salary threshold for politically restricted posts within local authorities;
- The amendment of current legislation so that council employees have to resign on election as a councillor to their employing council, rather than on nomination as a candidate;
- The reduction to three months of the period during which most former councillors are unable to take up employment with the council after their period of service comes to an end. The current twelve month period will be retained for politically restricted posts and for councillors who have been involved in the appointment of senior council staff;
- The abolition of the current system of basic and special responsibility allowances and the introduction of a new system of remuneration, supplemented by a limited number of payments to reflect members' additional responsibilities;
- Powers to introduce a pension scheme for councillors to allow future service to count for pension purposes; a severance arrangement for councillors; and the establishment of an independent committee to advise on the detailed arrangements for, and the level of, the remuneration package for councillors.

4. Financial, Staffing & Environmental Implications

- 4.1 Until such times as the Act is fully in force and detailed guidance issued by the Scottish Executive the full financial and staffing implications in particular will remain unknown. As Members will be kept informed as each part of the Act is brought into force the financial, staffing and other implications will be made known at that time.

5. Recommendations

That the meeting note:-

- 5.1 the overall objective of this legislation to strengthen local democracy, change the way Councils are elected; to the way Councils are remunerated; to the rules concerning political restrictions on Council staff and the introduction of other measures as part of the Executive's drive to widen access to Council membership.**
- 5.2 Members will be kept informed as each part of the legislation is brought into force together with the financial, staffing and other implications.**

Author of Report: Roddy Burns, Chief Legal Officer

Background Papers:

Ref: RDB/CH