

36th SESSION

Financial compensation of local and regional elected representatives in the exercise of their office

Recommendation 434 (2019)¹

1. To ensure the effectiveness of local and regional governance and to minimise the risk of corruption, it is vital that local and regional representatives receive appropriate and adequate compensation for their work. Article 7 of the European Charter of Local Self-Government sets an important European standard in this respect and deserves to be applied more thoroughly.
2. Financial compensation for local and regional elected representatives needs to be sufficient to enable them to carry out their duties properly. This could take the form of salary scales for heads of local and regional authorities and those with executive functions, setting out minimum and also maximum thresholds of remuneration, at the national or regional level, as appropriate.
3. It may be appropriate to apply equalisation measures with regard to financial compensation, so that local and regional representatives carrying out comparable duties are compensated in line with the national framework and not with reference to the relative wealth of the region in which they are holding office.
4. Financial compensation needs to be tailored to the needs and individual circumstances of local and regional representatives. Representatives with a higher workload should receive greater compensation as a matter of course but also with a view to reducing the risk of corruption. It is acceptable to link financial compensation to the actual time spent on duties related to an elected office, including as travel and attendance at meetings.
5. As social welfare protection for local and regional representatives in member States tends to reflect the development of social welfare protection in general in a country, special consideration may need to be given to the circumstances of local and regional representatives if they are not adequately covered by the general social welfare protection. For example, single parents or disabled persons should be offered adequate compensation in all member States to enable them to fulfil the duties of elected office.
6. Corruption in all its forms is a destructive threat to the efficiency and quality of good governance at both local and regional level. For this reason, not only should the financial compensation of local and regional representatives be appropriate and adequate, it should also be publicly transparent. Applying such transparency at the local and regional level will contribute to instilling trust in local and regional governments. The means, levels and sources of financial compensation for local and regional representatives should be made clear and accessible.
7. Reliance on systems of local and regional elected representation which are voluntary and non-remunerated representation can result in certain socioeconomic groups of the population dominating elected positions. Only in the smallest councils, where duties are light, should it be considered acceptable for elected representatives to be voluntary or unrecompensed.

¹ Debated and adopted by the Congress on 3 April 2019, 2nd sitting (see Document [CG36\(2019\)10](#), explanatory memorandum), co-rapporteurs: Marta CAMPANARI-TALABER, Hungary (L, EPP/CCE) and Robert GRUMAN, Romania (R, EPP/CCE).

8. Since all member States of the Council of Europe now have some form of financial compensation in place for local and regional elected representatives, it is to be regretted that 13 member States have yet to ratify Article 7.2, whereas recent monitoring missions of the Congress have established that several of these member States have seen their national legislations evolve to a point where they can be considered to be in compliance with this article.

9. It is a cause for concern that over half of the member States that responded to the 2016 NALAS survey do not provide financial compensation for loss of earnings in the exercise of elected office, despite the explicit reference to such compensation in Article 7.2.

10. In the light of the above considerations, the Congress, bearing in mind:

- a. Recommendation 385 (2015) on the Congress on Conditions of office of elected representatives;
- b. The Council of European Municipalities and Regions (CEMR) report on the Status of local elected representatives in Europe (2010);

11. Invites the Committee of Ministers to encourage the governments and parliaments of member States and, where applicable, regions with legislative powers, to:

- a. ratify Article 7.2 as soon as possible, if they have not yet done so;
- b. consider adopting salary scales, at the national or regional level, as appropriate, setting minimum and maximum remuneration levels for heads of local and regional authorities, and those with executive functions;
- c. ensure that such pay scales and other forms of compensation for local and regional representatives are transparent and open to public scrutiny;
- d. ensure that financial compensation takes into account individual needs, such as dependent relatives;
- e. ensure that local and regional representatives are compensated for loss of earnings;
- f. phase out the practice of non-remunerated or voluntary representation, where it exists, except in the smallest councils, where elected office can be shown not to significantly hinder other professional activities.