

# City of Greater Geraldton Council Policy

## 4.14 PAYMENTS TO EMPLOYEES IN ADDITION TO CONTRACT OR AWARD

### STRATEGIC THEME

#### Leading

### OBJECTIVES

The objective of this policy is to ensure compliance with the *Local Government Act 1995* section 5.50, which requires all Local Governments to adopt a Policy relating to payments in addition to those paid under a contract of employment or award.

### POLICY STATEMENT

The purpose of this policy is to set out the circumstances when an employee who is ceasing employment with the City may be paid an amount in addition to their entitlements under an award, contract of employment, industrial instrument, or as ordered by a Court or Tribunal, and the manner of assessment of the additional amount.

### SCOPE

This policy applies to all employees of the City of Greater Geraldton, except those defined as Senior Employees.

### POLICY DETAILS

1. Subject to the Chief Executive Officer's approval, and the employee agreeing to sign a Confidential Deed of Settlement by resigning as an employee, the City may initiate a settlement payment in accordance with the following circumstances.
  - 1.1 Settlement of a Claim – in settlement of a claim or dispute where the employee has or proposes to act under industrial relations legislation, up to a maximum of 52 week's pay.
  - 1.2 Illness or Impairment – to facilitate a situation where an employee is unable to perform their role due to illness or impairment, and there has been mutual agreement that the employment must end, up to 26 week's pay.
  - 1.3 Poor performance/conduct – to facilitate a situation where the City determines an employee is not performing to the satisfaction of the City, and the City proposes that it is beneficial (to the City) to end the employment relationship by paying a settlement, up to 12 week's pay.
  - 1.4 Manner of assessment of the payment – where the settlement is based on the weekly pay, this is the normal ordinary pay (excluding overtime, vehicle or any other allowance, or superannuation.)
  - 1.5 In assessing the payment, the following will be considered:
    - 1.5.1 The amount recommended by a Court or Tribunal to settle a matter
    - 1.5.2 The exposure of litigation and the strength of the respective case
    - 1.5.3 The cost of legal services
    - 1.5.4 Disruption to operations
    - 1.5.5 Length of service and personal circumstances of the employee

1.5.6 Position held by the employee

2. Other circumstances when a payment in accordance with this policy is permissible:
  - 2.1 Employees who commenced prior to 1 July 2011 and have been continuously employed; and
  - 2.2 The payment will be a cash payment calculated using the following formula:  
\$1,000 plus \$200 per year after 5 years.
3. Council delegates to the Chief Executive Officer the authority to make payment to employees in addition to contract or award in accordance with this policy.
4. The CEO has discretion to determine whether:
  - 4.1 A Council function will be held for any employee who resigns, retires or is made redundant; and
  - 4.2 Any City allocated devices are retained upon request of the employee.

## KEY TERMS AND DEFINITIONS

City means City of Greater Geraldton

CEO means Chief Executive Officer

**Industrial Instrument** refers to an instrument that has legal application with respect to minimum entitlements to those covered within its scope, including modern awards, Industrial Agreements and any instrument made under the workplace relations system.

Industrial Tribunals are judicial bodies that hear and determine claims to do with employment matters.

Senior Employees means employees holding the position of Chief Executive Officer or Director in accordance with Section 5.37 of the *Local Government Act 1995*.

## ROLES AND RESPONSIBILITIES

The CEO must approve payments for circumstances under this policy.

The Manager People Safety & Wellbeing is responsible for implementing the policy.

## WORKPLACE INFORMATION

*Local Government Act 1995*

City of Greater Geraldton's Code of Conduct

City of Greater Geraldton Industrial Agreement 2023 - 2026

## POLICY ADMINISTRATION

Directorate		Officer	Review Cycle	Next Due
Corporate Services		Manager People Safety & Wellbeing	Biennial	2028
Version	Decision Reference	Synopsis		
5.		Council Review		