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**Payments to Employees in Addition to a Contract or Award Policy**

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<b>Policy Owner:</b>	People and Culture
<b>Contact Person:</b>	Manager People and Culture
<b>Date of Approval:</b>	20 April 2021 (CS02-04/21)

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**POLICY STATEMENT**

The purpose of this Policy is to:

- a) set out the circumstances in which the City of Wanneroo (the City) will pay an employee who is leaving, an amount in addition to any amount to which the employee is entitled under a contract of employment, industrial instrument, or as ordered by a Court or Tribunal, and
- b) The manner of assessment of the additional amount.

**POLICY OBJECTIVE**

The objective of this Policy is to ensure compliance with *Section 5.50* of the *Local Government Act 1995*, which requires all Local Governments to adopt a Policy relating to payments in addition to contract or award to employees who are leaving the Local Government.

**SCOPE**

This Policy applies to City of Wanneroo employees except those defined as Senior Employees.

**IMPLICATIONS (Strategic, Financial, Human Resources)****1. When a Payment in Accordance with this Policy is Permissible**

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.

- **Settlement of a Claim**  
In settlement of a claim or dispute where the employee has or proposes to take action under industrial relations legislation, up to a maximum of 52 week's pay.
- **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.
- **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.

### **Manner of Assessment of the Payment**

Where the settlement payment is based on the weekly pay, this is the normal ordinary pay (excluding overtime, vehicle or any other allowance, or superannuation).

In assessing the payment, the following will be considered:

- The amount recommended by a Court or Tribunal to settle a matter
- The exposure to litigation and the strength of the respective cases
- The cost of legal services
- Disruption to operations
- Length of service and personal circumstances of the employee
- Position held by the employee.

## **2. Other Circumstances When a Payment in Accordance with this Policy is Permissible**

Employees who have worked with the City for a minimum of ten (10) years, and who have confirmed their intent to retire permanently from the workforce may receive a corporate gift to a maximum value up to \$500, subject to there being no recent performance or conduct concerns.

## **IMPLEMENTATION**

Section 5.50(5) of the *Local Government Act 1995* requires the Policy to be published and prepared under subsection (1) of the Act, and adopted by the local government on the local government's official website."

## **ROLES AND RESPONSIBILITIES**

Council must approve payments for circumstances covered under this Policy to the CEO.

The CEO (or nominee) must approve payments for circumstances under this Policy.

The Manager People and Culture is responsible for implementation, and compliance with this Policy, and for providing interpretation in the event of the need for clarification or a dispute.

## **EVALUATION AND REVIEW PROVISIONS**

This Policy will be reviewed within five years or sooner as changes to legislation may dictate.

## **DEFINITIONS**

*DEFINITIONS: Any definitions listed in the following table apply to this document only.*

*Industrial Instrument*

Refers to an instrument that has legal application with respect to minimum entitlements to those covered within its scope, including modern awards, enterprise agreements and any instrument made under the previous workplace relations system.

<i>Industrial Tribunals</i>	Are judicial bodies that hear and determine claims to do with employment matters
<i>Senior Employee</i>	Means employees holding the position of Chief Executive Officer or Director in accordance with Section 5.37 of the <i>Local Government Act 1995</i> .

**RELEVANT POLICIES/MANAGEMENT PROCEDURES/DOCUMENTS OR DELEGATIONS**

Managing Resignations and Retirements Procedure

**REFERENCES**

Local Government Act 1995

**RESPONSIBILITY FOR IMPLEMENTATION**

*Manager People and Culture*

<b>Version</b>	<b>Next Review</b>	<b>Record No:</b>
January 2016	January 2018	16/8372
May 2018	May 2021	16/8372
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