**4.3 Gratuity Payments to Terminating Staff**

# STRATEGIC PLAN OBJECTIVE

3.5 To improve organisational culture, health, welfare and safety.

# PURPOSE

To establish a policy in relation to the approval of a gratuity payment to members of staff who retire or resign from employment with the EMRC.

# DEFINITION

A ‘gratuity payment’ means any payment of monies in addition to any contractual or award entitlement, which is paid to a staff on termination of employment with the EMRC.

# LEGISLATION

*Local Government Act* *1995* s 5.50

*Local Government (Administration) Regulations* 1996 r.19A

# POLICY STATEMENT

1. Gratuity payment may be made to a staff member in recognition of their exemplary service or extensive term of service with the EMRC.
2. Gratuity payment may be made only when the staff member retires or resigns from employment with the EMRC.
3. The Chief Executive Officer will give consideration to whether a gratuity payment should be made to a member of staff, and the matter will be referred to the Council for consideration.
4. In the instance where the intended recipient of the gratuity is the CEO, the matter shall be considered by the Council.
5. The value of the payment made to the staff member will not exceed any amount as prescribed or provided for by r.19A of the Regulations.
6. Any taxation implications associated with the gratuity payment will be borne by the staff member.
7. In the event that a gratuity payment is made, the Council will give local public notice of its decision to make that payment in accordance with the provisions of s 5.50 of the *Local Government Act 1995*.

# FINANCIAL CONSIDERATIONS

Unbudgeted and to be referred to Council for funding.

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| Adopted/Reviewed by Council | 1. 29 May 1997 2. 22 July 1999 3. 02 May 2002 4. 20 May 2004 5. 23 February 2006 6. 18 September 2008 7. 23 September 2010 8. 18 September 2014 9. 06 December 2018 |
| Next Review | Following the Ordinary Elections in 2021 |
| Responsible Directorate | Corporate Services |