



CP 2.13 | Payments under section 5.50 of the Local Government Act 1995

Objective

To provide the policy of the City of Perth in relation to payments made above contractual, award or agreement entitlements under section 5.50 of the *Local Government Act 1995* (Act) and *Local Government (Administration) Regulations 1996* (Regulations).

Scope

This policy defines the circumstances where the City will make a payment, additional to any entitlement under a contract or award, to a finishing or former employee.

Policy statement

1. The City is committed to ethical, transparent and accountable decision-making in its use of ratepayer funds. Discretionary operational expenses such as payments made under this Policy, will only be made where it will ensure a beneficial outcome for the City and its community.
2. The Chief Executive Officer will determine and authorise the decision to make, and value of, additional payments in the circumstances provided for in this Policy, in accordance with section 19A of the Regulations.
3. The City must not make any payment to a finishing or former employee that exceeds:
4. their contractual, award or agreement entitlements; or
5. an amount prescribed in section 19A of the Regulations.

Voluntary severance

6. The Chief Executive Officer may offer voluntary severance to an employee however, voluntary severance will not be offered to a finishing or former employee who is:
7. found to have engaged in misconduct; or
8. subject to an external investigation; or
9. subject to a disciplinary process; or
10. a senior employee in accordance with section 5.37 of the Act.



11. The CEO, subject to clause 3, will assess and determine the amount to be paid to an employee who accepts a voluntary severance under clause 4 by considering:
 - a. a recommendation from an internal or external legal practitioner
 - b. the benefit to the City; and
 - c. The length and quality of service provided to the City by the employee.
12. The voluntary severance payment will apply the base rate of pay for ordinary hours worked of the finishing or former employee's substantive position excluding:
 - a. allowances; and
 - b. penalty rates.

Document control

Policy context

Legislation, standards & external guidelines	<i>Local Government Act 1995</i> <i>Local Government (Administration) Regulations 1996</i>
Policies and procedures	Nil.
Strategies, plans and frameworks	Organise Offboarding for Departing Employee

Document custodian

Alliance	CEO	Service unit	Governance
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Review management

Next review due	July 2023	Document management ref.	EDRMS-1336483316-664
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Document management

Version	Adopted by	Adoption date	Synopsis of changes
1.0	Ordinary Council Meeting	27 July 2021	Council Policy 2.13 adopted