

POLICY: EXEC-OD-002 GRATUITY PAYMENTS AND FAREWELL GIFTS FOR EMPLOYEES

PURPOSE

The policy sets out the guidelines with regard to gratuity payments or farewell gifts that the City can confer on an employee who retires or resigns from employment with the City.

This policy aims to recognise the contribution of employees who have provided continuous high level service to the City of Kalgoorlie-Boulder.

This policy shall be administered and published in accordance with Section 5.50 (1) of the *Local Government Act 1995* and Regulation 19A of the *Local Government (Administration) Regulations 1996*.

DEFINITIONS

A 'gratuity payment' means any payment of monies in excess of any contract or award entitlement and/or the disposition of City property.

STATEMENT

1. The City may confer a gift or a gratuity payment to an employee who after continuous employment with the City retires or resigns. The maximum value allowed for the gift or gratuity will accord with the length of continuous employment by the employee with the City as follows:-

1.1 Between 0 to 5 years

Nil requirement unless the Chief Executive Officer deems that the employee has proved exceptional performance and then the gift should not exceed \$100.00

1.3 5 to 10 years

At the discretion of the Chief Executive Officer an employee with between 5 and 10 years continuous service may receive a gift to the value of the sum of \$70 per year of service.

1.4 Between 10 and 20 years

At the discretion of the Chief Executive Officer an employee with between 10 and 20 years continuous service may receive a gift or a gratuity payment up to the value of the

sum of \$150 per year of service. The relevant employee may choose whether to receive a gift or gratuity payment. Any tax implications associated are to be borne by the employee.

1.5 20 Years and Over

At the discretion of the Chief Executive Officer an employee with continuous service of 20 years or more may receive a gift or a gratuity payment up to the sum of \$200 per year of service to a maximum value of \$5,000 excl GST. The relevant employee may choose whether to receive a gift or gratuity payment. Any tax implications associated are to be borne by the employee.

- 2 If the City wishes to approve an amount for a gratuity payment or farewell gift that is in excess of the maximum for the relevant term of service stipulated in this policy then it must seek the approval of the Council. Upon approval by the Council, notice of the proposed payment must be advertised in accordance with the provisions of Section 5.50 (2) of the *Local Government Act 1995*.
- 3 The values listed in this policy for gratuity payments and farewell gifts are a maximum value with the exact value to be approved by the Chief Executive Officer for each individual case.
- 4 Continuous employment does not include unpaid maternity, unpaid paternity or unpaid leave in excess of three months.

RELEVANT DOCUMENTS