

## Council Policy

Payment to Employees  
above Contract or Award  
when Finishing



Legislation/local law requirements	Local Government Act Section 2.7 – The Role of Council Local Government Act 1995 Section 5.50 – Payments to employees in addition to contract or award. Local Government (Administration) Regulations 1996 – Regulation 19A – Payments in addition to contract or award – limits of.
Relevant Delegation	Nil
Related policy procedures and documents	

## Introduction

This Policy defines the circumstances in which Council may authorise payment of an additional amount to the contracted entitlement to an employee on finishing employment with the City.

## Purpose

The purpose of this policy is to provide a consistent and transparent framework for the assessment and payment of additional benefits to employees whose employment with the City of Kwinana is finishing. This policy ensures compliance with the requirements of the *Local Government Act 1995* and associated regulations relating to termination and severance payments.

## Objective

The objective of this policy is to:

- Recognise and acknowledge the dedicated services and contributions of employees who have provided continuous service to the City of Kwinana.
- Establish clear criteria and procedures for determining when additional payments may be made to employees upon cessation of employment.
- Ensure that all payments are made in accordance with legislative requirements, Council decisions and principles of fairness and accountability.

## Scope

This policy applies to all employees of the City of Kwinana whose employment is concluding whether through resignation, redundancy, retirement or voluntary severance. It does not apply to employees whose employment is terminated for disciplinary or performance related reasons.

This policy outlines:

- The circumstances under which additional payments may be made.
- The method for assessing such payments.
- The process for providing public notice of payments in accordance with the *Local Government Act 1995*.

## Policy Provisions

### Definitions

**Act** means the *Local Government Act 1995*.

**Additional Payment** means any payment made to an employee upon cessation of employment that is in addition to their statutory or contractual entitlements.

**Council** means the Council of the City of Kwinana.

**Employee** means any person employed by the City of Kwinana on a full-time, part-time or casual basis under a contract of employment.

**Continuous Service** means unbroken service with the City of Kwinana, excluding periods of authorized leave without pay.

**Local Public Notice** means notice given in accordance with section 1.7 of the *Local Government Act 1995*.

**Severance payment** means a payment made to an employee whose position has been made redundant or who accepts voluntary severance, in accordance with Regulation 19A of the *Local Government (Administration) Regulations 1996*.

**Termination** means the ending of an employee's employment with the City of Kwinana, whether by resignation, retirement, redundancy or dismissal.

### Policy

The *Local Government Act 1995* requires that a local government prepare a policy in relation to employees whose employment with the local government is finishing, setting out:

- a) the circumstances in which the local government will pay an employee an amount in addition to any amount to which the employee is entitled under a contract of employment or award relating to the employee; and
- b) the manner of assessment of the additional amount and cause local public notice to be given in relation to the policy.
- c) payment is not to exceed that prescribed by regulations.

### Assessment:

In recognition of long periods of service to the City of Kwinana, Council will therefore consider the payment to an employee who is finishing, of an additional payment to which they would be entitled.

### Recognition of Service:

Completed Continuous Years of Service	Monetary Value
10 years	\$250
15 years	\$500
20 years	\$750
25 years +	\$1,000

Note: An employee who has been dismissed by the City of Kwinana for any reason other than redundancy will not be eligible to receive the Council Contribution under this policy.

### Voluntary Severance:

A severance payment may be offered to employees who accept voluntary severance. This payment will be made in accordance with Regulation 19A *Local Government (Administration) Regulations 1996* pertaining to such a payment.

### Public Notice:

A local public notice is to be given as soon as practicable of the adoption of this policy, in accordance with the *Local Government Act 1995*.

A local public notice is to be given as soon as practicable of any payment to an employee that is in excess of the amounts provided for in this Policy.

Note: A payment in excess of this Policy must still be within the limits prescribed in the Act and Regulations.

### OFFICER USE ONLY

Officers may amend this section without council approval.

Responsible Team	Human Resources	
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