

## HR 002: STAFF ENTITLEMENTS

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### Objective

This policy details benefits and entitlements for Shire of Esperance Employees.

### Policy:

#### Employee Relocation Expenses

This policy has been designed to:

- assist with attracting of suitably qualified and experienced employees to vacant positions;
- outline guidelines and procedures for relocation expenses; and
- allow for co-contributions of relocation expenses.

Only employees who are permanent full time or on fixed term contracts of at least three years may be considered for entitlement to the Shire's relocation allowance.

The Chief Executive Officer may approve a housing benefit for employees relocating to Esperance by either –

- Providing a 50% rental subsidy to a maximum of \$125 per week or
- A contribution towards Mortgage payment, paid as an allowance, to a maximum of \$125 per week (gross).

These options to be available for a maximum of six months from the commencement of employment.

Subject to ATO rulings, rental payments may be salary sacrificed.

The Shire of Esperance may reimburse, up to the maximum amounts specified in the Policy, all or part, of the removal expenses that an employee incurs when relocating from other areas of Western Australia or other states of Australia as a result of accepting a position with the Shire of Esperance.

- Any relocation expenses are at the discretion of the Chief Executive Officer. It is not an automatic right for employees to receive any allowance or reimbursement prescribed by this policy, however the Chief Executive Officer agrees to apply this policy fairly and equitably within the workforce.

#### Associated Procedure – Relocation Expenses

1. The amount payable by the Shire of Esperance for relocation expenses shall be at the discretion of the Chief Executive Officer and may be negotiated during the offer of employment.
2. The employee is responsible for obtaining and providing to the Chief Executive Officer or other authorised officer at least three separate quotes for the relocation expenses for determination. One quote must be from an Esperance based removal business.
3. Employees will be responsible to provide and pay for their own insurance cover for the consignment of their furniture and personal effects.
4. The cost of removal of cars, boats, caravans and similar items will be the responsibility of the employee and will not be met by the Shire.

#### Reimbursement Criteria

The Shire may meet the costs of relocation based on the following –

1. Cost of removal of personal effects within Western Australia will be limited to \$5,500.
2. Cost of removal of personal effects from outside Western Australia will be limited to \$9,000.

#### Leaving employment

The employee will reimburse relocation expenses to the Shire of Esperance, if the employee does not provide two (2) years continuous satisfactory service to the Shire.

All staff receiving assistance under this Guideline will be required to sign an undertaking to repay 100% of the removal costs should the staff member leave within twelve (12) months and 50% of the removal costs should the staff member leave within two (2) years. This undertaking will also give the Shire the right to deduct any such monies from the final payment.

#### Staff Access to Bay of Isles Leisure Centre

In order to promote physical activities which will contribute to productivity in the workplace, full-time and permanent part-time Council employees may use the Bay of Isles Leisure Centre facilities free of charge (other employees at the Chief Executive Officer's discretion).

The free use of the facilities includes:

- One free personal fitness assessment each financial year; and
- Free crèche during crèche opening hours while the employee is using the facilities,

but does not include programmed activities where a fee is normally charged.

#### Staff Salary Packaging

Salary packaging is a process whereby existing salary is renegotiated by an employee, with the approval of the Shire of Esperance, into a combination of "cash" and benefits, to provide a higher nett salary for the employee.

Council's salary packaging program is designed to assist staff to tax effectively structure their remuneration package.

#### Costs

The salary packaging program must be at nil cash cost to the Council. The components of salary packaging are:

- a) The Benefits payable;
- b) The FBT and GST payable, where applicable;
- c) All other government taxes, levies and/or duties; and
- d) Any abnormal costs associated with the implementation or operation of the salary packaging program.

*What can be packaged?*

Any earnings that are not subject to superannuation such as leave loading, overtime, casual payments and higher duties allowances may not be packaged.

The following items are available for packaging:

*Superannuation* – is already available for salary sacrificing.

*Laptop/Notebook/PDA/Portable Printers* – employees may salary sacrifice the cost of one laptop/PDA and/or portable printer per FBT year (1 April to 31 March) and be exempt from FBT.

Only hardware and basic software required to make the unit operational can be packaged in line with Australian Taxation Office regulations. Only portable printers designed specifically for use with a notebook computer, a laptop computer or a similar portable computer are exempt and may be salary packaged. They must be marketed as a portable printer.

The total cost of the laptop/PDA/portable printer to the employee is the cost of the laptop/PDA/portable printer minus the Goods and Services Tax (GST). Repayments will be over a maximum term of one year.

If the employee's employment is terminated for any reason prior to the end of the repayment schedule, the total outstanding must be recouped to the Shire during the last full payroll period.

Relocation expenses not provided by the Shire of Esperance – an employee may salary package the actual costs associated with relocation, or the difference between the amount provided by the Shire's relocation policy and the total relocation expenses.

Expenses associated with relocation must be directly related to an employee accepting an appointment with the Shire of Esperance. Under certain conditions these expenses may be exempt from Fringe Benefits Tax (FBT).

Expenses associated with relocation should be discussed with the HR/Payroll Officer in the first instance, who will determine if they are exempt from FBT and, therefore, able to be salary packaged. Typical expenses associated with the relocation that may be packaged include:

- Removal and storage of household effects as a result of relocation that are not covered by the Shire –
  - applies to the employee and their immediate family;
  - the removal or storage commences no later than twelve (12) months after the employee commenced employment with the Shire.

The employee must provide the HR/Payroll Officer with documentary evidence of this expenditure on relocation costs associated with taking up employment at the Shire.

The employee is responsible for insuring any items involved in the relocation that are not covered by the Shire's relocation policy.

The total cost of the relocation to the employee, will include the cost of the relocation expense minus the Goods and Services Tax (GST).

An employee who leaves the Shire prior to repaying the costs associated with the relocation, will be required to repay the outstanding costs immediately.

*Novated car leases* – a Novated Lease is a tripartite agreement between the employee, the employer and a financier. Firstly, an employee enters into a finance lease and then by way of a Novation Agreement, transfers the lease to his/her employer. The employer undertakes to meet the lease rentals whilst the employee remains employed by the employer.

Motor vehicles are concessional treated for tax purposes which may result in some major savings when you salary package a vehicle. Essentially you pay Fringe Benefits Tax as opposed to income tax. If your FBT liability is less than your income tax liability you have the opportunity to save money. Employees are able to access Fleet Discount Rates/State Govt pricing for vehicles under a novated lease scheme.

Novated car leases for new or used cars may be packaged by employees. A car classified as 'luxury' by the Australian Taxation Office cannot be salary packaged.

The lease may be finance only, partly maintained or fully maintained. At the end of the period of the lease the employee can elect to purchase the vehicle for the residual price or have the finance company sell the vehicle. If the vehicle is sold for less than the residual price the employee must pay the difference.

Fringe benefits tax (FBT) applies to novated car leases but can be offset if an employee makes a personal contribution towards the car out of after tax salary.

Goods & Services Tax (GST) is applicable to car leases. An employee will be eligible to have the GST credited back to them provided the Shire receives a tax invoice provided by the Novated Lease provider. The GST on the residual due at the end of the lease period or on employee contributions made after tax will not be able to be claimed back.

It is not intended to provide employees with Council vehicles access to allow a higher standard than Council's Fleet Management Plan, other than the supply of additional private use vehicle/s for themselves or their immediate families.

Council is prepared to accept a prior novated lease that a new employee has with another employer.

#### General Conditions

1. Any information provided by the Shire of Esperance, its officers or employees is intended to provide only a summary of the subject matter covered. No person should act on the basis of any information provided. Each person should obtain his or her own professional advice.
2. An employee will have to terminate the salary packaging arrangement in order to take leave without pay.
3. Paid leave taken during the term of the salary packaging agreement will not affect the salary packaging arrangement.
4. During any period of sick leave without pay the employee would be responsible for paying items packaged if required – in particular, novated car lease and rent payment.
5. An employee may only package a total maximum of 50% of an employee's substantive, annual, base salary unless the employee can demonstrate that he/she can afford to sacrifice more of their income.

6. The Shire of Esperance retains the right to refuse to process an employee's application for salary sacrificing if this could increase the Shire's administration or other costs and liabilities in any way.

#### Staff Uniforms

That unless otherwise negotiated in salary considerations, the following be Council policy to assist with the provision of recognised uniforms to staff members:

1. That permanent officers be offered an annual uniform contribution for an approved staff uniform as per the Corporate Uniform Management Practice.
2. Those officers claiming Council's staff uniform contribution will be obliged to wear them for working purposes whilst in the employ of the Shire of Esperance.
3. Pro rata allowance for a staff uniform is extended to permanent part-time staff.

#### Staff Travel Allowance

Staff attending conferences, training courses and workshops/seminars will be paid appropriate allowances to cover reasonable costs and expenses. CEO approval is required for interstate conferences, workshops and training with reasonable costs and expenses approved on a case-by-case basis with the staff member providing a written report on the course/conference that they attended. Allowances and reimbursements for meals will be paid as per the Staff Training and Travel Management Practice.

The CEO is to ensure that all interstate attendances are reported in the monthly Human Resources report.

It is recommended all travel, accommodation and conference/training registration fees be arranged by Shire staff with additional incidental costs inclusive of taxi fares and general expenses reimbursed on production of receipts. Petrol costs when using Shire vehicles are to be booked against corporate fuel card.

Alternative private arrangements will be based on the following:

- Private Accommodation – A general allowance of \$120 per overnight stay without production of evidence of expenditure to cover all expenses.
- Private Use of Motor Vehicle – Director's approval is required for employees proposing to travel to Perth by private motor vehicle and travel time is to be negotiated with the Director. The employee will be reimbursed the equivalent of a single return flight to Perth (equivalent to the cost of a Rex Community Fare) for travel by private motor vehicle.

#### Employee Assistance Program

It is recognised that employees may suffer a range of personal problems, which can have effect on work or performance. Where such personal problems are identified by a Manager or Supervisor, appropriate counselling is the preferred form of intervention to help an employee restore their performance to a satisfactory level.

Employee assistance programs are aimed at providing assistance for a wide range of personal problems including alcohol and drug use, marital and family problems, financial and legal issues, interpersonal or social problems, physical or health problems and stress.

#### *Responsibility*

It is the Supervisor's responsibility to ensure that the Employee Assistance Program is made available within the context of this policy. Employees or Supervisors wishing to utilise the Employee Assistance Program will first consult the Manager Human Resources who will make the necessary arrangements. The Shire will pay for up to three counselling sessions.

#### Administration Staff Rostered Day Off (RDO)

The Shire of Esperance supports the implementation of a 19-day month to allow its administration staff the flexibility of working hours subject to the mandatory 152 hours per 4-week cycle (for full-time employees) is maintained. A rostered day off may be taken in each 4-week cycle. This equates to 13 rostered days off per calendar year.

#### Associated Procedure – RDOs

##### *Purpose*

- To give staff a better balance between private and work life.
- A contributing factor towards staff recruitment and retention.
- The potential for increasing staff morale, job satisfaction and working effectiveness.
- To improve Customer Service to the community.

##### *Availability*

Adjusted working hours are available to staff at any level where it can be applied without detriment to the Shire's operations. Adjusted working hours are generally not available to:

- Employees who already have set rosters and their hours cannot be adjusted.
- Employees engaged in part-time and job-share positions.
- Casual employees.

##### *How to make it work*

The success of this Policy depends on cooperation of all staff to ensure that:

- The BEST possible levels of working efficiency and service to internal and external customers are maintained.
- Hours worked are correctly recorded.
- Adequate staffing requirements are maintained at all times [team leaders' responsibility].
- Communication and plenty of notice is given to ensure the needs of the Shire and the employee can be met.

##### *Standard hours*

A standard day for full-time employees is 7 hours 36 minutes (7.6 hours). The week's standard is 38 hours. Four (4) weeks total is 152 hours.

##### *Rostered Day Off (RDO)*

To have a Rostered Day Off (RDO) an employee is required to work 152 hours in a 4-week period. That means 8 hours a day for 19 days in a 4-week period.

A full RDO for a 4-week period may also be reduced in part or forfeited if the equivalent of 152 hours worked or paid has not been completed.

#### *Administration opening and working hours*

The front door opening hours of the Administration Building are:

	Opening Hours **
Monday	8:30 – 4:45
Tuesday	8:30 – 4:45
Wednesday	*9:30-4:45
Thursday	8:30 – 4:45
Friday	8:30 – 4:45

\* The late opening on Wednesdays will enable staff to have team meetings, general staff meetings or training.

\*\* To ensure face-to-face and telephone coverage, each team member will need to share the customer service for opening and office hours (8:30am to 5pm) so that you work 8 hours a day with shorter lunch break, if necessary.

Other Shire services outside of the Administration Building may achieve the same objectives so long as customer service requirements are still met.

#### *When to take RDOs*

Generally, RDOs should be taken once, at an agreed time, per 4-week period. One RDO may be taken in two half-days by consultation with your Managers.

No more than 5 RDOs may be accrued at any given time without the express approval of the Chief Executive Officer. 13 RDOs may be taken during a calendar year.

#### *Annual Leave and Public Holidays*

Annual leave or public holidays do not stop eligible employees from accruing their RDO within each 4-week period.

#### *Sick Leave and Long Service Leave*

There is no accrued RDO during periods of Sick Leave or Long Service Leave. That means the standard 7.6 hours per day applies to full days of Sick Leave or Long Service Leave.

Therefore, the equivalent of 152 hours must be worked or paid in a 4-week period in order to claim an RDO.

#### *Overtime*

For those staff where overtime payments are applicable, hours worked daily or weekly outside the working hours (8 hours a day or 40 hours a week) and approved by your Supervisor are still considered as overtime.

#### *Payment associated with RDOs*

The nature of a Rostered Day Off (RDO) is that it is a non-working day which means it is not paid as additional hours. Therefore, RDOs must be taken as unpaid. Any accrued RDOs at the time of termination of employment will be paid as ordinary hours of employment.

### Employee Study Assistance

The Shire of Esperance encourages employees to pursue professional/personal development by enhancing skills, qualifications and knowledge required to:

- Meet the key responsibilities of their position.
- Achieve the Shire's strategic and operational objectives.
- Maximise personal and professional potential.
- Reduce personnel turnover and maintain high morale levels through providing satisfying and challenging professional growth opportunities.
- Enable the Shire of Esperance to continually improve the level of advice and standard of service provided to the Esperance community.

### *Guidelines*

The Shire of Esperance is supportive of reimbursing Study Expenses, within budgetary constraints, for employees who are undertaking studies relevant to their Shire of Esperance role and responsibilities. All permanent employees are eligible for consideration for study assistance. Permanent part time employees are eligible for consideration on a pro-rata basis.

A Training Plan will be formulated each year during the Annual Performance Review process, or in the case of new appointments, proposed training will be agreed upon at the time of appointment. Training assistance required must be identified during the performance appraisal process so that budgetary allowance can be made for the following financial year.

Education (being the acquisition of general, tertiary and professional skills and qualifications) is the responsibility of the individual employee. This does not preclude the Shire from assisting an employee (eg assistance with tertiary fees) but such assistance is extended at the discretion of the Shire and is not an employee right.

Training (being the extension and/or enhancement of skills and knowledge to enable employees to be more effective in their jobs and/or to provide for future progression) is the joint responsibility of the Shire and the employee.

A maximum of \$3,000 per annum may be paid by the Shire for approved training or education. For qualifications relevant to your position which are greater than the annual training allowance, the Shire may contribute up to 75% of the course cost, subject to CEO approval. Note: travel and accommodation are considered separately to these limits.

### *Professional Qualifications*

The Shire of Esperance supports career path progression. Directors have an ongoing responsibility to consider the training and development needs of their employees and to identify deficiencies and emerging skills gaps.

In all instances, staff must seek approval prior to commencing studies. Subject to prior approval, the fees for relevant professional education may be met or subsidised by the Shire on the following basis:

- The course must be relevant to the employee's position and assist in achieving the objectives of the key responsibility areas of the position description.

- The course must be of benefit to the Shire either in the employee's current role or future area of work.
- The Shire is committed to providing options for permanent employees to improve their skills. In instances where the proposed training is deemed to have a greater benefit to the employee than the Shire, the employee will be expected to make a contribution towards the cost of the training. This contribution will be at the discretion of the CEO. For example, if it is considered that the employee and the Shire will both benefit by 50%, the employee will be expected to contribute 50% of the cost of the training.
- Employees must pay for the approved unit(s) up front and pass the unit(s) prior to requesting reimbursement of fees.
- The Shire of Esperance may consider reimbursement of non tuition fees such as books up to a maximum of \$200 per semester.
- Student fees, parking and incidental expenses are the responsibility of the student and do not qualify for assistance under this Guideline.
- When an Employee is required to attend an examination held during normal working hours for a subject receiving assistance under this Guideline, paid leave will be granted for the time of the examination as well as one half day prior to the examination for study.
- Staff must be mindful of the fact that achieving a higher level of qualification does not automatically entitle the staff member to a higher classification.
- Termination Clause – if the Shire agrees to cover the cost of elective education, it is on the condition that the staff member undertakes to remain in the employment of the Shire of Esperance for a period of twelve (12) months from the successful completion of the course. All staff receiving assistance under this Guideline will be required to sign an undertaking to repay fees should the staff member leave within twelve (12) months. This undertaking will also give the Shire the right to deduct any such monies from the final payment. The reimbursement sum will be based on a sliding scale of eight percent (8%) per month.

### *Training*

Training expenditure will be allocated according to the needs of the Shire and reviewed on an annual basis. The CEO will have final arbitration over training priorities according to the Shire's strategic requirements.

Directors have an on-going responsibility to consider and identify the training and development needs of their employees through the performance and development review process. Any training approval must be considered in conjunction with the training plan established at the employee's performance review.

The Shire of Esperance will actively encourage employees to attend training courses or further education to enhance skill levels, as required by the staff review process.

### *Associated Procedure – Employee Study Assistance*

1. Applications for study assistance must be submitted to the relevant Director prior to commencement of study.
2. The Director will review the application and make a recommendation to the Chief Executive Officer.
3. Approval of study assistance shall be at the discretion of the Chief Executive Officer. Approval to be provided to the staff member in writing.

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