

## **SALARY PACKAGING**

### *Objective*

To provide the option of salary packaging to Council employees employed under the Local Government (State) Award 2023.

### *Scope*

All full-time and part time employees employed under the Local Government (State) Award 2023 with the exception of those on probation.

### *Policy*

Where Salary packaging is made available to employees of Gilgandra Shire Council the following information and guidelines will provide the framework in which such arrangements will operate:

1. There is no compulsion for any employee to participate in salary packaging. It is entirely voluntary
2. Salary packaging can only be made available to eligible employees. An eligible employee is:
  - a full or part time permanent employee of Gilgandra Shire Council employed under the Local Government (State) Award 2023
  - General Manager, Directors and other Senior Staff where individual contracts provide for access to salary packaging

Note: Employees on probation shall not be eligible for salary packaging.

3. Packaging will only be available on normal salary and wages and standard allowances that are paid each and every pay period

Note: This does not include overtime.

4. Packaging of benefits is to be carried out at no cost to Council.
5. Employees will:
  - obtain independent financial advice prior to commencing salary packaging
  - sign an agreement setting out components to be salary packaged and acknowledging that Council is not responsible or liable for salary packaging decisions made by the employee and/or their financial advisor
  - be able to select from an approved menu of items to be included in salary packaging
  - provide Council with declarations relevant to components requested to be packaged

6. The General Manager will:
  - circulate and maintain a policy on salary packaging at Gilgandra Shire Council;
  - approve and release from time to time an updated menu of items which can be accessed under salary packaging.
7. Except as otherwise agreed, the employee may request in writing to change the items to be salary packaged once per year and Council shall not unreasonably refuse such request
8. The value of the items included in the package shall be treated as approved items for superannuation purposes, and shall not reduce the employee's superable salary
9. The value of the items to be packaged shall be agreed between Council and the employee and shall include fringe benefits tax where applicable
10. Superannuation and expense payment benefits may be paid/reimbursed by Council by annual payment at the commencement of a Salary Packaging period where an employee has and maintains adequate value in Long Service Leave accrued and owing to match the value of the superannuation or expense payment benefits being packaged
11. In all other cases except that referred to in clause 10 of this policy, items of the package shall be paid by Council to or on behalf of the employee on an arrears basis at regular periods agreed by Council and the employee
12. Allowable input tax credits (ITC) will be passed on to the employee while any workers' compensation premium or any other salary related savings will be retained by Council
13. Government benefits such as Centrelink payments should not be accessed by Council employees where entitlement to access these benefits has accrued solely through the reduction in gross cash salary by salary packaging. In addition, employees should not use salary packaging to reduce gross salary in an attempt to reduce child support or other legally binding payments.

## Relevant Legislation

Local Government (State) Award 2023 (NSW)

## Associated Documents

Salary packaging menu (available on Council's Intranet – C&BS Documents)

<b>Responsible Officer:</b>	Executive Leader Transformational Change		
<b>Date Adopted:</b>	15/3/07 18/2/15 20/3/18 21/02/23 20/02/24	<b>Resolution No:</b>	107/07 15/15 48/18 11/23 6/24
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