



COUNCIL POLICY

Ex-Gratia (Special) Payments

Policy Number	CP101
Directorate	Organisational Services
Owner	Financial Services
Last Approved	27/05/2026
Review Due	27/05/2028

1. PURPOSE

This purpose of the policy is to establish protocols for facilitating ex-gratia payments, or special payments.

2. SCOPE

This policy applies to all ex-gratia payments made by council to third parties, as well as to employees, including terminated employees. This policy does not cover payments required by law or contractual obligation.

3. HEAD OF POWER

- Local Government Act 2009

4. POLICY STATEMENT

This policy outlines the process under which Fraser Coast Regional Council (council) may offer ex-gratia payments to individuals, groups, or organisations in situations where there is no legal obligation to provide compensation, but it is deemed appropriate as a goodwill gesture and is considered reasonable in all the circumstances.

Council must ensure special payments are appropriate, defensible, and transparent. Council supports the use of alternative strategies to achieve a mutually agreeable outcome, prior to considering progressing with an ex-gratia payment.

Each ex-gratia payment is voluntary and made based on the facts and circumstances relevant to each particular matter. The making of an ex-gratia payment does not create a precedent for other claims or payments and does not constitute an admission of liability on the part of either party.

The making of an ex-gratia payment under this policy also does not imply that payments of a similar value will be made in other matters.

4.1. Process and payment amount

The decision to make an ex-gratia payment will be determined on a case-by-case basis and must, where applicable and appropriate, be supported by independent legal advice, particularly in more sensitive matters that may have potential broader implications. This ensures the payment is defensible and does not set an unintended precedent.

The value of an ex-gratia payment must be reasonable and proportionate to the facts and circumstances of each matter.

4.2. Approval

The Chief Executive Officer (CEO) is authorised to negotiate and approve all ex-gratia payments up to \$100,000, for both employee-related and third-party matters, where the requirements of this policy are satisfied.

Any proposed ex-gratia payment exceeding \$100,000, or any ex-gratia payment that relates directly to the CEO, must be determined by Council.

Council may, by resolution, delegate authority in respect to a specific matter to the CEO or the Mayor to negotiate and approve a specific ex-gratia payment that exceeds \$100,000, subject to any conditions Council considers appropriate.

4.3. Record-Keeping

All documentation relating to the determination of an ex-gratia payment must be recorded and stored according to council's records management policies and procedures.

A formal record of all ex-gratia payments will be maintained by the CEO.

Council must keep proper records supporting each ex-gratia payment, including evidence of key decisions made and who they were made by. These records include:

- the payment date and the recipient of the payment;
- the reason for the payment and how the payment amount was determined;
- whether independent (legal) advice was obtained to support the basis and value of the payment;
- how the payment represents an appropriate use of public money;
- who approved the payment; and
- other payment details that council consider relevant.

The Chief Executive Officer will provide quarterly reports to Council outlining ex-gratia payments made under this policy, including payment value, purpose, and approval authority, subject to confidentiality and legal requirements.

4.4. Confidentiality / non-disclosure agreement

While council must ensure ex-gratia payments are appropriate, defensible, and transparent, there may be aspects of the payments that must be treated confidentially by both parties unless otherwise required by law.

Non-disclosure Agreements (NDA) (or Confidentiality Agreements) may be entered into for such payments, to ensure appropriate confidentiality obligations apply to both parties. NDA's must not be utilised to contravene any legislative requirements or obligations, such as the Public Interest Disclosure Act 2010 or the Crime and Corruption Act 2021.

5. DEFINITIONS

To assist in the interpretation of this Policy, the following definitions apply:

"Chief Executive Officer" means Chief Executive Officer – appointment held under section 194 of the Act. This includes any person acting in this position.

"Council" means Fraser Coast Regional Council

"Councillor" means all elected representatives who hold (current) office with council, including the mayor.

“Employee/s” includes a person who carries out work in any capacity for council (i.e. permanent employee (including those engaged through an employment contract). **For the purposes of this policy, employee does not include volunteers, labour hire, casual employees or contractors and subcontractors.*

“Ex-gratia Payments” means a discretionary, voluntary payment made by council without any legal or contractual obligation. These payments are made as an act of goodwill and are not an admission of liability or wrongdoing by the organisation. **These payments are separate, and should not be confused with donations, grants or other general payments related to such incidents as floods or natural disasters.*

“Terminated Employee” means an employee who has either resigned or their employment has been terminated.

6. ASSOCIATED DOCUMENTS

- Litigation Resolution and Ex-Gratia Payments Policy
- Code of Conduct

7. REVIEW

This Policy will be reviewed when related legislation/documents are amended or replaced, other circumstances as determined from time to time by Council or at intervals of no more than two years.

Version Control

Version Number	Key Changes	Approval Authority	Approval Date	Document Number
1	New Policy	Council	27/05/2026	5341938