



Gladstone Regional Council

Council Policy

Title	CONTRACT STAFF REMUNERATION POLICY
Policy Number	P-2020-14
Business Unit/s	PEOPLE, CULTURE & SAFETY
Date of Adoption	
Resolution Number	
Review Date	
Date Repealed	

1.0 PURPOSE:

To provide direction on individual contract staff remuneration and contract duration terms.

2.0 SCOPE:

This policy applies to all people employed on individual contracts into positions not covered by the Certified Agreement. Typically, this includes the Chief Executive Officer, General Managers, Level 3 Managers and some specialists reporting directly to General Managers.

3.0 RELATED LEGISLATION:

- Local Government Act 2009

4.0 RELATED DOCUMENTS:

- Employer Branding and EVP Strategy/Plan (in development)
- Organisational Culture Improvement Strategy/Plan (to be developed)
- Contract Staff Remuneration Corporate Standard
- Recruitment, Onboarding & Probation Corporate Standard
- Individual Employee Employment Agreements (i.e. contracts)

5.0 DEFINITIONS:

To assist in interpretation of this policy the following definitions apply:

Benchmark means, for the purpose of this document, it is the Local Government sector Large Metropolitan / Regional Councils with a recurrent Expenditure Budget greater than \$160m. Referred to in the document as *The Benchmark*. The McArthur Remuneration survey is the most comprehensive Local Government Survey and is used as reference.

Contract Staff means employees not covered by the Certified Agreement such as the Chief Executive Officer, General Managers, Level 3 Managers and specialists reporting to General Managers.

Level 1 Position means the Chief Executive Officer (CEO).

Level 2 Position means a position that reports directly to the CEO and is ordinarily considered to be a senior position in the organisational structure (i.e. General Manager).

Level 3 Position means a position that reports directly to a General Manager and is ordinarily considered to be a leader position in the organisational structure (i.e. manager or specialist reporting to a GM).

Percentile means a measure used in statistics indicating the value below which a given percentage of observations in a group of observations falls. Example: if the 75 percentile is equal to \$120000.00 as the TRP of a position against the benchmark, it means that the TRP is more than 74% of the benchmark and 24% less than the top TRP of the benchmark.

Remuneration Survey means an assessment of the relativity of Councils remuneration to the local government sector performed by a reputable service provider with statistically relevant participation from the local government sector.

Total Remuneration Package (TRP) means the total remuneration inclusive of all entitlements the incumbent may have under a modern award or an enterprise agreement.

6.0 POLICY STATEMENT:

6.1 Council's chosen remuneration market position

Gladstone Regional Council competes in a dynamic regional labour market with the rest of the Local Government Sector, local industries and resource companies, such as Rio Tinto, Gladstone Ports Corporation, Central Queensland University, Aurizon and other services companies. Most of Council positions in the individual Contract Staff category can work across industries with very few bound to the Local Government Sector.

Council as a public service organisation accepts that it is not able to compete on the same basis for talent as large, especially first tier, industries which are structured for profit. Council does not offer variable income in the form of incentives, bonuses or share options. Council cannot rely solely on the TRP to attract the required talent from the labour market and then to retain the required skills and talent. Council's Employee Value Proposition, Organisational Culture and Employer Brand must support attraction and retention and create a reputation as a Great Place to Work and Regional Employer of Choice.

The chosen competitive position of Council is to remunerate in a range between **the 50th and 75th percentile** of the **Local Government Sector** for Very Large Metropolitan/ Regional Councils with a recurring budget greater than \$160m based on the McArthur Remuneration Survey which covers in excess of 200 Councils across Australia.

6.2 Individual Contract Terms for Level 1 and 2 Positions

Level 1 and Level 2 Positions are permanent however individual employment contract durations are fixed term. Renewable Fixed Term Contracts of up to 5 years can be negotiated with the successful incumbent. The Mayor has delegation to negotiate the term for the CEO contract and the CEO has delegation to negotiate the term for Level 2 (i.e. General Managers) contracts.

6.3 Individual Contract Terms for Level 3 Positions

The majority of Level 3 Positions are permanent and individual employment contract durations generally have no end of date term. However, where the position has been classified as fixed term, the successful incumbent may only be appointed up to the maximum term of the approved position. The CEO or relevant General Manager (that the position directly reports to) has delegation to negotiate the term for Level 3 contracts in accordance with approved position term.

6.4 Determining remuneration during recruitment

The Mayor has delegation to approve the remuneration for the CEO contract and the CEO has delegation to approve the remuneration for Level 2 (i.e. General Managers) contracts within the range specified in section 6.1 above.

6.5 Annual Remuneration Review of Individual Contract Staff

The CEO Remuneration is reviewed annually and determined by the Mayor who may elect to appoint a CEO Performance and Salary Review Committee to support the process.

Remuneration review of Level 2 and other individual contract staff should occur annually with the decision to be effective 1 July. Any amendments to remuneration levels are at the discretion of the CEO.

7.0 ATTACHMENTS:

Nil.

8.0 REVIEW MECHANISM:

This policy will be reviewed when any of the following occur:

1. The related legislation or governing documents are amended or replaced; or
2. Other circumstances as determined by resolution of Council or the CEO; or
3. Three years from date of adoption.

TABLE OF AMENDMENTS			
Document History	Date	Council Resolution No.	Notes (including the prior Policy No, precise of change/s, etc)
Originally Approved			
Amendment 1			
Amendment 2			
Amendment 3			

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LEISA DOWLING
CHIEF EXECUTIVE OFFICER