



EX-GRATIA PAYMENTS POLICY

Document No: A4555802

1.1 Objectives: The objective of this policy is to ensure an efficient, fair, open and transparent approach to the resolution of claims.

1.2 Policy Statement:

The purpose of this policy is to provide guidelines for the determination of the appropriateness of an ex-gratia payment.

1.3 Scope:

Following the receipt of a claim against Council that has been assessed and rejected on the basis that negligence by Council has not been established, Council may agree to make an ex-gratia payment, where both the following circumstances apply:

1. The claim has considerable factual and/or legal substance albeit that, on the balance of probabilities, there is a strong expectation that Council would be able to successfully defend the claim; and
2. The potential financial costs involved in Council defending the claim dictate that an early commercial settlement would be prudent.

The following circumstances shall not be considered when determining whether an ex-gratia payment should be made:

1. The financial position of the claimant;
2. The adherence or otherwise of Council's Officers to the Council's Customer Service Policy unless any non-compliance has resulted in financial loss to the claimant.

Any such payment shall be subject to:

- A. The receipt of a claim in writing from the claimant setting out the circumstances that have given rise to the claim;
- B. The claimant confirms (if necessary by way of Statutory Declaration) that any loss incurred has not or shall not be reimbursed from any insurance policy or other source;
- C. The claimant signs an appropriate discharge form that may, depending upon the particular circumstances, contain a confidentiality clause.

All requests for an ex-gratia payment shall be handled by the Corporate Services and Risk Manager who shall prepare a report for consideration by the Chief Executive Officer. The Chief Executive Officer may make an ex-gratia payment up to the limit of Council's insurance deductible as at the date this policy is amended.

1.4 Roles and responsibilities: All identified staff within the Corporate Services Branch involved in the management of insurance and claims.

1.5 Definitions:

An ex-gratia payment is a payment made in circumstances where no legal obligation exists to make the payment.

1.6 Policy Author: Corporate Services Branch, Finance and Corporate Services

Amended Policy Adopted: 28 February 2017

Date of Council Resolution: 28 February 2017

Committee Reference and Date: City Management, Finance and Community Engagement Board No. 2017(02) of 21 February 2017

No. of Resolution: 3

Date to be Reviewed: 28 February 2019

Policy Amended: 3 June 2016

Date of Council Resolution: 23 November 2005

Committee Reference and Date: City Management and Finance Committee No. 2005(14) of 15 November 2005

No. of Resolution: 42.02

Date to be Reviewed: 1 June 2018