

POLICY NUMBER	- 7.23
POLICY SUBJECT	- STAFF SUPERANNUATION MATCHING POLICY
DATE ADOPTED	- 27 October 2026 (CMRef:XXXX)
RESPONSIBLE OFFICER	- Chief Executive Officer
REVIEWED	-

Objective

To support employee retention, recognise long-term service and keep the Shire of Dowerin competitive in attracting and retaining skilled employees, through a voluntary Additional Superannuation Matching Contribution Scheme for eligible permanent employees.

Recruitment and retention remain ongoing challenges for regional local governments, particularly as competition for experienced and suitably qualified employees increases. The scheme recognises employee commitment and long-term service, and encourages employees to contribute towards their own retirement savings.

The scheme is voluntary, financially manageable and linked to clearly defined eligibility criteria, including length of service, satisfactory performance and workplace conduct. It supports the Shire's workforce attraction, retention and organisational capability objectives, and its structured contribution tiers give a transparent and consistent way of recognising service.

Policy

1. Scope and Application

- 1.1 This policy applies to permanent full-time and part-time employees of the Shire of Dowerin who have completed their probationary period and met the relevant qualifying service requirements.
- 1.2 The additional contribution is separate from, and in addition to, the Shire's statutory superannuation obligations, including the superannuation guarantee and any other employer contribution required under an industrial instrument or employment contract. It does not replace or reduce those contributions.
- 1.3 The scheme operates subject to Council's approved budget and applicable employment obligations.

2. Definitions

Term	Meaning
CEO	The Chief Executive Officer of the Shire of Dowerin, or an authorised delegate of the CEO.
Matching contribution	The additional employer superannuation contribution paid by the Shire under this policy.
Ordinary time earnings (OTE)	Has the same meaning as in the Superannuation Guarantee (Administration) Act 1992 (Cth), calculated before any salary sacrifice. This is the earnings base for all contributions under this policy.
Qualifying service	Continuous service with the Shire of Dowerin, calculated under clause 5.
Substantiated finding	A finding of unsatisfactory performance or misconduct made at the end of a documented, procedurally fair process.
Voluntary contribution	A superannuation contribution the employee elects to make through the Shire's payroll, by salary sacrifice or after-tax deduction, under an approved voluntary contribution arrangement.

3. Contribution Structure

3.1 The contribution structure is:

Criteria		3% Match	4% Match	5% Match
Minimum qualifying service		3 years	5 years	10 years
Employment status		Permanent FT/PT	Permanent FT/PT	Permanent FT/PT
Employee contribution	voluntary	3%	4%	5%
Additional contribution	Shire	Up to 3%	Up to 4%	Up to 5%
Completed probation		Required	Required	Required
Continuous employment		Required	Required	Required
Satisfactory performance and conduct		Required	Required	Required

- 3.2 Employees must make an equivalent voluntary superannuation contribution to receive the matching benefit. The Shire matches the employee's voluntary contribution percentage, up to the maximum for their tier. An employee in the 5% tier who contributes 3% receives a 3% match; one who contributes 6% receives 5%.
- 3.3 The maximum additional employer contribution for any eligible employee is 5% of OTE, in addition to statutory superannuation contributions.
- 3.4 An employee moves to the next tier from the first full pay period after reaching the relevant service milestone. To receive the higher match, the employee must also lift their voluntary contribution to at least the new tier percentage.
- 3.5 Matching contributions are calculated on the OTE actually paid in each pay period, including paid leave. No matching contribution is payable for periods of unpaid leave or any period in which no OTE is paid.
- 3.6 Matching contributions are paid to the employee's nominated superannuation fund at the same time as the employee's superannuation guarantee contributions.

4. Employment Status

- 4.1 The scheme is available to permanent full-time and part-time employees who have completed their probationary period and met the relevant qualifying service requirements.
- 4.2 Fixed-term, casual and contract employees are not ordinarily eligible, unless the CEO approves otherwise in writing or eligibility is required under an applicable employment instrument.
- 4.3 The CEO and any designated senior employee are employed under contracts under section 5.39 of the *Local Government Act 1995*. They may participate only where their employment contract provides for it, and any matching contribution forms part of the Total Reward Package set by the Salaries and Allowances Tribunal.

5. Continuous Service

- 5.1 Qualifying service is calculated from the employee's recognised commencement date with the Shire, and includes continuous service before this policy was adopted.
- 5.2 Service with another local government does not count, including service recognised for long service leave purposes.
- 5.3 Paid annual leave, personal leave, long service leave and other applicable paid leave count towards qualifying service.
- 5.4 Approved unpaid leave does not break continuous employment. However, unpaid leave of more than two consecutive weeks does not count towards qualifying service, unless legislation or an applicable industrial instrument requires otherwise.
- 5.5 Approved unpaid parental leave does not break continuous employment. Its treatment for qualifying service and contribution purposes is determined in accordance with applicable legislation and employment instruments.
- 5.6 If an employee's employment ends and they are later re-employed, qualifying service starts again from the new commencement date.

6. Voluntary Employee Contributions

- 6.1 Employees must contribute the equivalent percentage of their OTE through an approved voluntary superannuation contribution arrangement. For example:
 - (a) an employee with three years of qualifying service contributing 3% receives an additional 3% from the Shire;
 - (b) an employee with five years of qualifying service contributing 4% receives an additional 4% from the Shire; and
 - (c) an employee with ten years of qualifying service contributing 5% receives an additional 5% from the Shire.
- 6.2 Participation requires a written election by the employee, nominating their contribution percentage, whether it is made by salary sacrifice or after-tax deduction, and the receiving fund. Only contributions made through the Shire's payroll are matched.
- 6.3 An employee may change or stop their voluntary contribution by giving written notice. Where an employee ceases their voluntary contribution, the Shire's matching contribution also ceases from the corresponding payroll period, subject to payroll processing requirements.
- 6.4 Salary sacrifice and matching contributions are concessional contributions and count towards the employee's concessional contributions cap. Employees are responsible for their own cap and tax position. The Shire does not provide financial advice and encourages employees to get independent advice before electing to participate.
- 6.5 Matching contributions stop on the employee's last day of employment. No payment is made in lieu of future matching contributions.

7. Performance and Conduct Requirements

- 7.1 The scheme is intended to recognise employees who demonstrate satisfactory performance, professional conduct and commitment to the Shire.
- 7.2 Employees must comply with the Shire's Code of Conduct for Employees, workplace policies and reasonable performance expectations.
- 7.3 Informal coaching, routine performance discussions and developmental feedback do not affect eligibility.
- 7.4 Where formal performance management or disciplinary action is undertaken, clause 8 applies.

8. Performance Management, Disciplinary Action and Reinstatement

- 8.1 This framework is intended to keep the scheme fair, consistent and supportive of improved employee performance.
- 8.2 A formal disciplinary process does not automatically result in the suspension of additional superannuation contributions.
- 8.3 Any decision to suspend eligibility must follow an appropriate process, be supported by documented findings and comply with relevant employment obligations.

Suspension and Reinstatement Timeframes

- 8.4 The following timeframes apply:

Circumstance	Suspension	Reinstatement
Informal counselling or coaching	No suspension	Not applicable
Formal Performance Improvement Plan (PIP)	During formal PIP, where approved	Successful completion plus 3 months' satisfactory performance
First formal written warning	3 months	Following review satisfactory
Final written warning	6 months	Following review satisfactory
Serious or repeated misconduct	6 months, or longer where justified	CEO determination following review
Investigation with no substantiated finding	No suspension	Eligibility maintained

- 8.5 These timeframes are administrative guidelines and do not override applicable employment rights or entitlements.

Commencement of Suspension

- 8.6 Where disciplinary action results in a substantiated finding, the CEO may determine that an employee's eligibility for additional matching contributions be temporarily suspended.
- 8.7 Subject to applicable legal and contractual requirements, suspension commences from the first practicable payroll period following the final disciplinary decision and written notification to the employee. The notice must set out the reasons, the suspension period, the reinstatement requirements and how to request a review.
- 8.8 An employee will not lose eligibility merely because an allegation has been raised or an investigation has commenced.
- 8.9 Where an employee is already receiving matching contributions, any proposed suspension must first be assessed against the employee's contractual and industrial entitlements.

Reinstatement Following Disciplinary Action

- 8.10 An employee whose eligibility has been suspended may be reinstated following completion of the applicable review period, provided they have:
- (a) demonstrated satisfactory performance and workplace conduct;
 - (b) complied with any formal improvement requirements;
 - (c) had no further substantiated disciplinary findings during the review period; and
 - (d) continued to meet the general eligibility requirements of the scheme.
- 8.11 Reinstatement will be confirmed in writing by the CEO or authorised delegate and takes effect from the next practicable payroll period following approval. Matching contributions are not back-paid for the suspension period.
- 8.12 Where an employee is unsuccessful in meeting the reinstatement criteria, a further review period of up to three months may be established, with reasons documented and communicated to the employee.

Repeated Disciplinary Action

- 8.13 Where further substantiated disciplinary action occurs during a suspension or review period, the CEO may determine a revised suspension period, taking into account the seriousness, frequency and circumstances of the conduct. A further six-month review period may apply where justified.

Preservation of Qualifying Service

- 8.14 Temporary ineligibility resulting from performance or disciplinary matters does not reset an employee's accumulated qualifying service, and service continues to accrue during a suspension.
- 8.15 For example, an employee with ten years of recognised service who is temporarily suspended from the scheme remains eligible for consideration at the 5% matching tier following reinstatement.

9. Review and Procedural Fairness

- 9.1 All decisions affecting eligibility must be documented, proportionate and applied consistently.
- 9.2 Employees will be given an opportunity to respond to relevant concerns before a decision is made.
- 9.3 An employee may request a review of a decision affecting their eligibility by writing to the CEO within 14 days of being notified. This does not limit any right the employee has under the Shire's grievance procedure, an industrial instrument or legislation.
- 9.4 Where disciplinary allegations are not substantiated, or a suspension is set aside on review, the employee's eligibility remains unaffected and any contributions legally owing will be paid.
- 9.5 Approved leave, illness, disability, workers' compensation claims or the exercise of lawful workplace rights do not, in themselves, constitute grounds for exclusion.
- 9.6 Where a matter concerns the CEO, decisions regarding eligibility, suspension or reinstatement are determined by Council or its authorised representative.

10. Administration of the Scheme

- 10.1 The Corporate Services team maintains a register of participating employees, including:
- recognised commencement date and qualifying service;
 - applicable matching contribution tier;
 - employee voluntary contribution percentage;
 - commencement and cessation dates;
 - any approved suspension and reinstatement dates; and
 - relevant written approvals.

- 10.2 Employee eligibility is reviewed annually and when an employee reaches a new qualifying service milestone. Corporate Services will notify employees in writing when they become eligible or move to a higher tier.
- 10.3 Participation requires written employee election and payroll authorisation.
- 10.4 Records are kept in line with the *State Records Act 2000* and the Shire's Record Keeping Plan, and are treated as confidential personnel records.
- 10.5 The scheme is reviewed as part of the annual budget process. Any proposed amendment or cessation affecting existing participants is subject to applicable legal and contractual requirements, and participants will be given reasonable written notice.
- 10.6 This policy is not intended to create additional contractual entitlements beyond those required by law or expressly agreed, although the legal effect of its terms will depend on the relevant employment arrangements.

11. Financial Management

- 11.1 The scheme is voluntary and is funded through the Shire's annual operating budget.
- 11.2 The financial impact depends on employee participation, qualifying service and salary levels. An annual cost estimate, based on employee eligibility and anticipated participation, is prepared before implementation and as part of each budget.
- 11.3 Council considers the scheme's ongoing affordability as part of the annual budget process.
- 11.4 The scheme commences from the first full pay period after Council has adopted this policy and provided funds for it in the budget.

12. Risk Management

- 12.1 The principal risks associated with the scheme are financial sustainability, inconsistent administration, employee expectations and compliance with employment obligations.
- 12.2 These risks are managed through:
- clearly defined eligibility and contribution criteria;
 - annual budget consideration and cost monitoring;
 - documented employee elections and approvals;
 - consistent application of the performance and disciplinary provisions;
 - appropriate procedural fairness and review mechanisms; and
 - legal and industrial review prior to implementation.
- 12.3 The suspension and reinstatement framework is intended to balance accountability with an opportunity for employees to demonstrate improvement and regain eligibility.

Legislative Context

- *Local Government Act 1995* – s.2.7 (role of Council, including determining policies), s.5.39 (CEO and senior employee contracts), s.5.41(g) (CEO responsible for the employment, management, supervision, direction and dismissal of employees), s.6.8 (expenditure not included in the annual budget)
- *Salaries and Allowances Act 1975* – Salaries and Allowances Tribunal determination for local government CEOs
- *Superannuation Guarantee (Administration) Act 1992* (Cth)
- *Income Tax Assessment Act 1997* (Cth) – concessional contributions cap (Division 291)
- *Industrial Relations Act 1979* (WA) and *Minimum Conditions of Employment Act 1993* (WA)
- *Equal Opportunity Act 1984* (WA)
- *Workers Compensation and Injury Management Act 2023* (WA)
- *State Records Act 2000* (WA)
- Applicable industrial instruments and employment contracts

Related Documentation

- Code of Conduct for Employees
- Performance management and disciplinary procedures
- Grievance procedure
- Additional Superannuation Matching Contribution – Employee Election Form
- Council Report – Additional Superannuation Matching Contribution Policy, October 2026

Related Delegation

Nil. Decisions under this policy are made by the CEO under section 5.41(g) of the *Local Government Act 1995*. The CEO may delegate administrative functions under section 5.44.

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