



Granting of Ex-gratia Payment Policy

Policy Identification:	
Policy Type:	Council
Summary:	To offer guidance in instances where it is recommended that payment be made that is under the excess payable by the LGAMLS, in some cases this may be where council is not deemed liable..
Record number:	7.63.1
Date of adoption or approval:	21 October 2011
Last review date:	21 October 2016
Next review date	October 2020 (Every 4 years)
Authorised by:	Council
Responsible department:	Executive
Responsible officer:	Chief Executive Officer
Review officer:	Governance Officer
Consultation required:	
Relevant references:	
Delegations:	
Legislation:	
Related policies:	
Related procedures:	

1. Introduction

The LGA Mutual Liability Scheme (LGAMLS) provides South Australian councils with fully integrated risk, claims and legal services for civil liabilities.

The LGA Mutual Liability Scheme (LGAMLS) commenced operations in 1989 as a result of the need to find a new risk based structure to deal with major difficulties finding cost effective public liability insurance. The LGAMLS was established within the Local Government Act on 30 June 1989.

All councils in South Australia are members of the LGAMLS and therefore participate in the self managed mutual fund that services the complex civil liabilities of local government in South Australia.

The LGAMLS provides South Australian councils with -

- Cost effective protection;
- Tailored civil liability risk management advice which is created through the identification and analysis of pooled claims data;
- Specialised claims management support that is based upon a balance between member input and legal support for every claim;
- Risk services that support existing and emerging risks;

- A mutual industry approach that supports positive financial outcomes and minimises the effect of external influences.

Council staff are responsible to the LGAMLS to report any incident that could expose council to public liability risk. The claim process is managed by the LGAMLS with assistance as required by council staff.

Recommendation is made to council from the scheme to deny or accept a claim. However, there may be instances where it is recommended that payment be made that is under the excess payable by the LGAMLS. There may also be instances where, whilst council has not been deemed liable, considerable risk to reputation may be incurred by not accepting a genuine claim. Ex-gratia, or goodwill, payment may be recommended by the LGAMLS.

2. Policy

A deed of release must be sought and provided prior to the issue of any ex-gratia or goodwill payment. The deed of release ensures that council can not be subject to any further actions, claims or proceedings and that no admission of liability is given.

This policy is not intended to cover claims where the LGAMLS accepts the claim on behalf of council and it exceeds the excess that applies.

It is the policy of the District Council of Loxton Waikerie to authorise the chief executive officer to make ex-gratia payments upon the recommendation of the LGAMLS up to the value of the designated policy excess.

Budget allocation is made to enable the operation of this policy.

3. Strategic reference

Leadership and engagement: strategy 4.2.1: implement a transparent, accountable and consistent decision making process.

4. Availability of the Policy

This policy will be available for inspection at the council offices at Loxton or Waikerie during ordinary business hours at no charge.

Copies of this policy will also be available from councils website

www.loxtonwaikerie.sa.gov.au or postal copies may be obtained from the council office free of charge.

5. Document history and version control

Date	Version	Authorisation: Council/ Committee or Senior Management Team	Document history
21/10/2016	1.1	Council, ordinary meeting of 21 October 2016 (Item8.5)	Minor changes to extend the review period and to note the strategic reference.