



Superannuation Contributions

KFA	Governance and Civic Leadership
Status	Council
Responsible division	Office of the Chief Executive Officer
Objective	To establish employer and employee superannuation contributions

Context

This policy sets out the criteria for the payment of government guaranteed superannuation to employees as well as additional superannuation contributions to employees where employees elect to make a voluntary contribution.

Statement

The City shall provide superannuation co-contribution payments to all employees regardless of their modes of employment when certain criteria are met.

Definitions

Employee - means an employee of the City of Nedlands

Mode of employment - mean full time, part-time or casual employment.

Superannuation co-contribution scheme - a system for payments made to an employee's superannuation scheme over and above those made in the superannuation guarantee payment.

Superannuation guarantee payment - payments set at a minimum rate by the Federal Government, to be paid to complying funds or retirement savings accounts.

Objectives

To determine the criteria for the payment of employee superannuation co-contributions in addition to payments made in accordance with the Superannuation Guarantee (Administration) Act 1992.



Policy Principles

The purpose of this policy is to:

- provide an employment incentive for employees, commensurate with the employment market; and
- provide an incentive to all employees to voluntarily contribute to their superannuation fund.

Policy Guidance

The City offers its superannuation co-contribution scheme to all employees.

Under the superannuation co-contribution scheme, the City will contribute 2% of an employee's base salary to the employee's superannuation where the employee contributes a minimum of 5%, or more, of their base salary to superannuation.

The co-contribution paid by the City is in addition to the City's mandatory Superannuation Guarantee Payment prescribed by the Federal Government.

The co-contribution will be paid to the employee's nominated superannuation fund.

All employees can contribute to their superannuation via salary sacrifice (pre-tax amount) or salary deduction (post-tax amount) as allowed under the Australian Taxation Office guidelines.

Salary sacrificed superannuation contributions are classified as employer superannuation contributions, rather than employee contributions. This reduces the amount of superannuation guarantee contributions that the City is required to make. Employees should consider whether the additional salary they wish to sacrifice combined with the City's co-contribution will cause them to exceed their concessional (before-tax) contributions cap and attract additional tax or attracts Division 293 tax.

Related documentation

Contracts between the City and Employees / CEO
Enterprise Bargaining Agreements between the City and employees
Staff Superannuation Contributions Procedure

Related Local Law/legislation

Superannuation Guarantee (Administration) Act 1992 Local Government Act 1995
Local Government (Employee Superannuation) Regulations 2016



Related delegation

Nil.

Review History

Adopted Council Resolution Item 13.4 – Policy Reviews – 24 September 2019