



Australian Capital Territory Remuneration Tribunal

## Determination 10 of 2019

### Part-time Statutory Office Holder: Integrity Commissioner

made under the  
Remuneration Tribunal Act 1995, section 10 (Inquiries about holders of certain positions)

## ACCOMPANYING STATEMENT

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### Background

Under section 10 of the Remuneration Tribunal Act 1995 the Remuneration Tribunal (the Tribunal) must inquire into and determine the remuneration, allowances and other entitlements for certain full-time public offices, including the ACT Integrity Commissioner appointed under the *Integrity Commission Act 2018*.

### Considerations

The Tribunal's 2019 review of remuneration and entitlements for the ACT Integrity Commissioner was advertised in August 2019. A submission was received from the ACT Integrity Commissioner. The Tribunal met on 21-22 October 2019 and this determination sets out the Tribunal's decision following the review.

The ACT Integrity Commission partially commenced on 1 July 2019 and is due to begin receiving complaints from 1 December 2019.

### Decision

The Tribunal determined that a remuneration increase of approximately 2 per cent be provided to the ACT Integrity Commissioner consistent with judicial relativities. The Integrity Commissioner is entitled to be paid remuneration calculated at the daily rate of 1/230 of \$468,020. In any 12-month period, the remuneration paid to the Integrity Commissioner must not exceed \$468,020.

The Tribunal increased the fringe benefit tax payment from \$7,000 to \$7,500 and adjusted the provision to align with those that apply to other statutory office holders.

The Tribunal also increased the maximum relocation allowance amount to \$55,000 and made provision for the ACT Integrity Commissioner to repay this allowance if they terminate their appointment within twelve months of the date of their appointment.

December 2019



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#### 1 Commencement

This instrument is taken to have commenced on 1 November 2019.

#### 2 Remuneration

2.1 The Integrity Commissioner is entitled to be paid remuneration calculated at the daily rate of 1/230 of \$468,020.

2.2 In any 12 month period, the remuneration paid to the Integrity Commissioner must not exceed \$468,020.

#### 3 Salary Packaging

3.1 A person appointed to an office mentioned in clause 2.1 of this Determination may elect to take the remuneration outlined in Clause 3, as:

- a) salary; or
- b) a combination of salary and other benefits (a *salary package*).

3.2 Salary packaging must be consistent with:

- a) taxation laws and guidelines issued by the Australian Taxation Office; and
- b) any salary packaging policy and/or procedures issued for the ACT Public Service, with up to 100% of the remuneration able to be taken as benefits and related costs such as fringe benefits tax.

3.3 Salary packaging must be administered without additional cost to the employer and any fringe benefits tax associated with the provision of a benefit must be included in the salary package.

3.4 Salary for superannuation purposes is not affected by salary packaging.

#### **4 Employer provided benefits**

- 4.1 A person, appointed to an office mentioned in clause 2.1 of this Determination, is entitled to either the employer provided benefits mentioned below or the relevant cash payment in lieu of the benefit mentioned below.

Note: employer provided benefits or cash payment in lieu of the benefit do not change the remuneration component of the total remuneration package.

#### **5 Vehicle arrangement**

- 5.1 A person appointed to an office mentioned in clause 2.1 is entitled to an executive vehicle and associated arrangements, including a parking space, in accordance with the same entitlements as a Band 4 Senior Executive Service (SES) member under the *Public Sector Management Standards 2016* and the *Guidelines for the Management and Use of Executive Vehicles*.
- 5.2 Any allowance in lieu of a vehicle is paid on a pro rata basis in accordance with the proportion of hours worked throughout the year.

#### **6 Employer's superannuation contribution**

- 6.1 A person, appointed to an office mentioned in clause 2.1 of this Determination, is only eligible for the employer's superannuation contribution if their superannuation entitlements are not provided elsewhere.
- 6.2 For a person, appointed to an office in clause 2.1 of this Determination, who is a member of the Commonwealth Superannuation Scheme (CSS) or Public Sector Superannuation (PSS) Scheme:
- a) the person's annual rate of remuneration for the purposes of the scheme is the base remuneration as provided in clause 2.1 of this Determination; and
  - b) the value attributed to the employer's superannuation contribution is taken to be a notional 16% of the person's base remuneration.
- 6.3 For a person, appointed to an office mentioned in clause 2.1 of this Determination, who is not currently a member of the CSS or PSS but was a member of the PSS Accumulation Plan (PSSap) until it closed to the Territory on 30 June 2006, and has maintained continuous employment with the Territory:
- a) the value of the employer's superannuation contribution is a notional 16% of the base remuneration as provided in clause 2.1 of this Determination; and
  - b) the employer will contribute that amount to an agreed superannuation fund nominated by the person appointed to an office mentioned in clause 2.1 of this Determination.
- 6.4 For a person, appointed to an office mentioned in clause 2.1 of this Determination, who is a member of any other superannuation fund, the employer's superannuation contribution is to be made at a rate no less than the Employer Superannuation Guarantee Charge Percentage as provided by the *Superannuation Guarantee (Administration) Act 1992* (which at the commencement of this Determination is 9.5%).
- 6.5 A person, appointed to an office mentioned in clause 2.1 of this Determination, is entitled to the enhanced employer contribution superannuation arrangements that apply to an SES member in the ACT public sector under associated arrangements.

- 6.6 The employer provides an additional employer superannuation contribution. The additional employer superannuation contribution is the same rate provided under clause D7 of the ACT Public Sector Administrative and Related Classifications Enterprise Agreement 2018-2021, as follows:
- (a) From 1 July 2019: 1.50%.
  - (b) From 1 July 2020: 2%.
- 6.7 In respect of a person appointed to an office mentioned in clause 2.1 of this Determination, who is not a CSS or PSS member:
- if the person contributes 3% or more of their remuneration component to an agreed superannuation fund in the form of employee contributions, the Territory will contribute an additional 1% employer superannuation contribution above the amount indicated in clause 6.6.
- 6.8 The value of the employer's superannuation contribution must not be paid in cash to a person appointed to an office mentioned in clause 2.1 of this Determination.

## **7 Fringe benefit tax – vehicle**

- 7.1 The employer incurs fringe benefits tax liabilities for vehicles provided to their employees. Fringe benefits tax is determined and calculated under the *Fringe Benefits Tax Assessment Act 1986*. For the purposes of this section, the fringe benefits tax year is 1 April of one year to 31 March of the following year.
- 7.2 During the fringe benefits year, where the person appointed to the office mentioned in clause 2.1 elects to receive an employer-provided vehicle instead of a payment, if the employer's liability in relation to the office holder's vehicle provided by the employer for the fringe benefits tax year is less than \$7,500, the difference is payable to the office holder as an allowance at the end of the fringe benefits tax year.
- 7.3 To avoid doubt, if the assessed liability for fringe benefits tax exceeds the \$7,500 threshold, the office holder will not be required to pay any component in excess of the \$7,500.
- 7.4 During the fringe benefits tax year, where the office holder elects to receive a payment instead of an employer provided vehicle, the amount of \$7,500 per annum is paid as an allowance to the office holder on a fortnightly basis.
- 7.5 The fringe benefits tax allowance of \$7,500 under clause 7.4 is reduced proportionally where the office holder is engaged for less than a full fringe benefits tax year.

## **8 Relocation allowance**

- 8.1 In this clause, **ACT** means the Australian Capital Territory and its surrounding district, including Queanbeyan.
- 8.2 Relocation allowance is provided to assist an individual with the costs to relocate from their home location to the ACT in order to take up the engagement as the ACT Integrity Commissioner.
- 8.3 The person appointed to the office mentioned in clause 2.1 may be reimbursed an amount of up to \$55,000, for receipted, reasonable costs of the following:

- a) packing personal effects and furniture belonging to the person and their family;
- b) necessary storage of personal effects and furniture;
- c) removal costs and associated insurance of personal effects and furniture;
- d) unpacking of personal effects and furniture;
- e) costs of travel, accommodation and meals between the former location and the ACT;
- f) temporary accommodation costs at the former location and in the ACT up to a maximum aggregate period of six months, or, in exceptional circumstances, nine months with specific approval of the ACT Remuneration Tribunal (Tribunal);
- g) costs of disconnection and reconnection of utilities;
- h) cost of stamp duty and legal and professional services associated with the sale of the residence at the former location and/or the purchase of a residence or lease on a block of land in the ACT;
- i) subject to the approval of the Tribunal, any other reasonable expenses necessarily incurred in relocating to the ACT.

8.4 The Tribunal may decide to reimburse a higher amount of allowance if the Tribunal agrees:

- a) there are unusual or exceptional circumstances; and
- b) the unusual or exceptional circumstances were unforeseen or unable to be dealt with without exceeding the maximum relocation allowance.

8.5 If a person, appointed to an office mentioned in clause 2.1, thinks that unusual and exceptional circumstances exist, they may ask the Tribunal to consider the matter and determine whether the maximum relocation allowance can be exceeded. A request must be in writing and must include—

- a) details of the unusual or exceptional circumstances; and
- b) details of the relocation; and
- c) their expenses incurred; and
- d) their expected total relocation expenses; and
- e) the level of assistance the person considers should be provided; and
- f) any other relevant information.

8.6 If the person appointed to an office mentioned in clause 2.1 terminates their employment with the Territory within twelve months of the date of their appointment, the person may be required to repay the following amount:

- a) If the person terminated employment within six months from the date of their appointment – 100% of the amount reimbursed under clause 8.3;
- b) If the person terminates employment more than six months and less than twelve months from the date of their appointment – 50% of the amount reimbursed under clause 8.3.

Note: Relocation allowance does not apply to any expenses incurred at the conclusion of employment.

## 9 Other entitlements

- 9.1 For the avoidance of doubt, under section 115 of the *Public Sector Management Standards 2016*, Part 9.4 (statutory office-holder financial entitlements), or its replacement, of the *Public Sector Management Standards 2006 (repealed)* continue to apply in relation to a person appointed to an mentioned office in clause 2.1 of this Determination.

## 10 Travelling arrangements

- 10.1 In this clause:

**home base** means the town or city in which the traveller's principal place of residence is located.

**international travel** means official travel to a destination outside Australia.

**reasonable expenses** means legitimate work-related expenses incurred while conducting official business efficiently and effectively.

**traveller** means a person, appointed to an office mentioned in clause 2.1 of this Determination, who is travelling away from their home base for official purposes.

- 10.2 If a traveller is required to travel for official purposes, the employer must pay the cost of the transport and accommodation expenses outlined below. The reasonable amounts set out in the relevant Australian Taxation Office Determinations<sup>1</sup> relating to meal and incidental expenses will be paid to the traveller as a reimbursement. These expenses are not to be paid to the traveller where their home base is within the ACT or surrounding districts and the travel for official purposes is within the ACT or surrounding districts.
- 10.3 All reasonable expenses incurred by a traveller can be reimbursed. It is the intention of these travel arrangements that no traveller who travels for official purposes should be out of pocket, however they must be reasonable expenses.
- 10.4 All official travel is to be appropriately authorised prior to travel and must not be authorised by the traveller under any circumstances. This includes all official travel paid for privately or by the Territory.
- 10.5 The traveller may travel by one or more of the following:
- commercially provided road or rail transport;
  - commercially provided flights;
  - private motor vehicle.
- 10.6 Commercially provided travel should be selected on the basis of:
- what is most convenient to the relevant person; and
  - seeking the most reasonable costs.
- 10.7 If a traveller travels on commercially provided road or rail transport the employer will pay the fares for that travel.
- 10.8 A traveller must use the Territory's travel manager, which has been procured through a competitive process, as a preferred provider of travel and related services. The travel manager has been instructed to book all travel at the lowest logical fare.

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<sup>1</sup> Australian Taxation Office – Taxation Determination 2019/11 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2019-20 income year?

10.9 If a traveller travels on commercially provided flights the employer will pay the fares to the following standard:

- a) for domestic flights less than 4 hours — economy class;
- b) for domestic flights of 4 hours or more — business class;
- c) for international flights — business class.

10.10 If a traveller is approved to travel by private motor vehicle, the employer will pay the owner of the vehicle an allowance calculated in accordance with the Motor Vehicle Allowance set out in the *ACT Public Sector Administrative and Related Classifications Enterprise Agreement 2018 – 2021*, or its replacement.

## **11 Accommodation**

11.1 It is standard practice that where an executive traveller must stay overnight while on official travel, the employer will pay the commercial accommodation to the following standard:

- a) for domestic accommodation — 4.5 stars;
- b) for international accommodation — 4.5 stars.

11.2 The employer will pay for a traveller to stay in commercial accommodation above the 4.5 star standard and the amounts set out in the relevant Australian Taxation Office Determinations, if:

- a) the cost is reasonable; and
- b) to do so would better enable business objectives to be met.

Examples where business objectives may be better met:

- to allow a traveller to stay in the commercial accommodation where a meeting, conference or seminar they are attending is being held;
- to allow the office holder who is traveling with the Speaker or a Minister to stay in the same commercial accommodation as the Speaker/Minister, if the Minister is entitled to a higher standard of accommodation.

## **12 Meals**

12.1 If a traveller is absent from their home base for more than ten hours while on official travel, the employer will reimburse actual, reasonable expenses for meals up to the amounts set out in the relevant Australian Taxation Office Determinations.

## **13 Incidental expenses**

13.1 The employer will reimburse all reasonable expenses and legitimate expenses directly related to official travel, including up to the amounts set out in the relevant Australian Taxation Office Determinations:

- c) taxi, ridesharing (such as uber) or bus fares to or from an airport; and
- d) taxi, ridesharing (such as uber) and public transport costs at a temporary location; and
- e) airport taxes or charges.

## **14 Frequent Flyer points**

14.1 Frequent flyer points cannot be accrued or used by a traveller as a result of travel and accommodation paid for by the employer for official travel.

## **15 Incidental travel in conjunction with official travel**

- 15.1 Authorised travellers wishing to take personal leave during, or at the conclusion of official travel should obtain the appropriate prior approval consistent with the agreed travel arrangements.
- 15.2 Travellers may combine incidental personal travel with official travel, provided there is no additional cost to the Territory. Expenses incurred during leave are at the traveller's own cost. If the period of such incidental travel is greater than 40% of the period of official travel, a pro rata contribution must be made to the overall cost of the travel.
- 15.3 If insurance has been obtained for official travel at official expense, such insurance must not cover the traveller for the duration of the personal leave.

## **16 Travel insurance**

- 16.1 Travel insurance decisions should be based on risk management principles and include factors such as the nature and destination of the trip.
- 16.2 International travel will normally require travel insurance.
- 16.3 If necessary, the cost of travel insurance will be met as a reasonable work related expense by the Territory.
- 16.4 All legitimate and reasonable work related claims will be covered by the Territory.

## **17 Definitions**

***agreed superannuation fund*** means a fund complying with the requirements of:

- the *Income Tax Assessment Act 1936* (Cth); and
- the *Superannuation Industry (Supervision) Act 1993* (Cth).

***CSS*** means the Commonwealth Superannuation Scheme.

***employer*** means the Australian Capital Territory and includes any person authorised to act on behalf of the Australian Capital Territory.

***fringe benefits tax*** means the tax assessed under the *Fringe Benefits Tax Assessment Act 1986*.

***home base*** means the town or city in which the traveller's principal place of residence is located.

***international travel*** means official travel to a destination outside Australia.

***PSS*** means the Public Sector Superannuation Scheme.

***PSSap*** means the PSS Accumulation Plan.

***reasonable expenses*** means legitimate work-related expenses incurred while conducting official business efficiently and effectively.

***total remuneration package*** includes remuneration set out in Clause 2, all employer provided benefits, and all allowances. The value of an allowance or entitlement set out in this Determination is fixed and cannot be transferred to any other component of the total remuneration package.

***Senior Executive Service (SES) Member*** includes a member of the service in the senior executive service under the *Public Sector Management Act 1994* and



*Public Sector Management Standards*. A person, appointed to an office in clause 2.1 of this Determination, has a number of the same entitlements as an SES Member.

**traveller** means a person, appointed mentioned in clause 2.1 of this Determination, who is travelling away from their home base for official purposes.

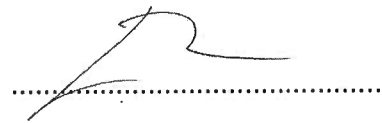
**18 Revocation of previous determination**

18.1 Determination 16 of 2018 is revoked.

Ms Sandra Lambert AM  
Chair

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Dr James Popple  
Member

Handwritten signature of Dr James Popple in cursive script, positioned above a horizontal dotted line.

Mr Dale Boucher PSM  
Member

Handwritten signature of Mr Dale Boucher PSM in cursive script, positioned above a horizontal dotted line.

December 2019