



## TREASURER'S INSTRUCTION 14

### EX GRATIA PAYMENTS

Reissued: 1 July 2026

Effective: 1 July 2026

#### Scope

14.1 This instruction applies to all public authorities unless otherwise stated.

#### Objective

14.2 To specify the requirements for the approval of ex gratia payments by public authorities.

#### Interpretation and Definitions

14.3 This instruction should be interpreted and applied in accordance with Treasurer's Instruction 1 *Interpretation and Application*.

14.4 Additional guidance, forms and resources are available to finance officers from the Department of Treasury and Finance's extranet DTF Extra.

#### Instruction

##### Approvals for ex gratia payments by administrative units

14.5 A Chief Executive of an administrative unit shall obtain the following approvals before an ex gratia payment, other than an ex gratia payment approved under clause 14.8, is made:

14.5.1 where the amount is \$10,000 (inclusive of GST) or less - the responsible Minister;

14.5.2 where the amount is in excess of \$10,000 (inclusive of GST) - the Treasurer;

14.5.3 where it is proposed that the Government intervene in a matter between two parties in the public interest – Cabinet.

14.6 Prior to an approval being sought under clause 14.5, the Chief Executive of an administrative unit should refer the matter to the Crown Solicitor where:



- 14.6.1 it is proposed that the Government intervene in a matter between two parties in the public interest;
  - 14.6.2 there is a reasonable possibility that further claims for similar payments will be received; or
  - 14.6.3 where the Chief Executive or the responsible Minister considers that advice from the Crown Solicitor is required due to the complexity or uncertainty of the matter.
- 14.7 In the absence of any approval to the contrary, an ex gratia payment shall be funded from an administrative unit's funds operating receipts and no increase in appropriation to that administrative unit shall be made.

#### Approvals for ex gratia payments relating to legal costs by public authorities

- 14.8 Prior to making an ex gratia payment for the reimbursement (either in full or in part) of costs incurred associated with the engagement of a legal practitioner, a Chief Executive of a public authority shall:
- 14.8.1 refer the matter to the Crown Solicitor (or their nominee), then
  - 14.8.2 obtain approval from the Attorney-General (or their nominee).
- 14.9 To avoid doubt, only those costs incurred after 6 July 2020 may be reimbursed pursuant to clause 14.8.
- 14.10 Treasurer's Instruction 14 – *Ex Gratia Payments* does not apply to costs incurred associated with the engagement of a legal practitioner which are subject to any legislative scheme for reimbursement.

Note: Legislative schemes for reimbursement of legal costs include those established pursuant to section 59A of the *Independent Commission Against Corruption Act 2012*, section 29C of the *Ombudsman Act 1972* or section 20B of the *Public Finance and Audit Act 1987*.