

# Aged Care Quality and Safety Commission - accountable authority instructions

## Contents

<b>Instrument of Instruction</b>	<b>3</b>
<b>Introduction</b>	<b>4</b>
Duties and responsibilities of officials	4
<b>1. Corporate governance</b>	<b>5</b>
Risk management	6
Working with others	8
Fraud and Corruption control	9
Insurance (Comcover)	13
Insurance (Comcare)	15
Disclosure of interests	17
Accounts, records and non-financial performance information	20
Audit	22
<b>2. Procurement and other commitments and arrangements</b>	<b>25</b>
Approving commitments of relevant money	26
Entering into and administering arrangements	28
Procurement	29
Inter-entity cooperation and agreements	36
Indemnities, guarantees and warranties	39
Official hospitality	41
Official travel	43
Arrangements for other CRF money	45
<b>3. Making payments</b>	<b>47</b>
Payments of relevant money	48
Payment of amount owed to person at time of death (payment pending probate)	49
Commonwealth credit cards and credit vouchers	51
Requests for discretionary financial assistance	53
Scheme for Compensation for Detriment caused by Defective Administration	53

Act of grace payments	54
Taxation obligations	56
Managing money	57
Agreements with banks and managing bank accounts	58
Agreements with banks	58
Managing bank accounts	58
Receiving and handling money	60
Cash advances (including petty cash and change floats)	62
Investments and borrowings	64
Investments	64
Borrowing	66
Using special accounts	67
Charging	68
<b>4. Managing debts and amounts owing to the Commonwealth</b>	<b>71</b>
Debt management (recovery and write-off)	72
Waiver of amounts owing to the Commonwealth	74
Payment by instalments or deferral of the time for payment	76
<b>5. Managing property</b>	<b>78</b>
Acquiring property (including receiving gifts and benefits)	79
Procuring property	79
Finding property on Commonwealth entity premises	79
Receiving gifts and benefits	80
Custody, use and management of property	82
Accountable forms	82
Bonds, debentures and other securities	82
Acquiring shares and Commonwealth involvement in a company	83
Loss and recovery of property	85
Disposing of property (including gifting relevant property)	86
Disposing of property found on Commonwealth entity premises	87
Gifting relevant property	87

## Instrument of Instruction

I, Elizabeth Hefren-Webb, accountable authority for the Aged Care Quality and Safety Commission, pursuant to section 20A of the *Public Governance Performance and Accountability Act 2013*, hereby instruct the officials of the Aged Care Quality and Safety Commission in the manner set out in this Accountable Authority Instruction.

Elizabeth Hefren-Webb

**Commissioner**

April 2025

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## Introduction

These accountable authority instructions (AAls) are issued by the Commissioner under section 20A of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to officials on matters relating to the use of public resources in the delivery of policies, programs and services.

These instructions apply to:

- officials in the Aged Care Quality and Safety Commission (ACQSC)
- officials of other entities that use or manage public resources for which the Commissioner of the ACQSC is responsible.

To assist officials in understanding their duties and responsibilities, the instructions contain links to relevant legislative requirements, guidance material, delegations and other instructions. The instructions are not exhaustive and relevant policies, procedures and tools must be referenced when exercising responsibilities.

## Duties and responsibilities of officials

Sections 25 to 29 of the PGPA Act impose the following duties on all officials:

- a duty of care and diligence
- a duty to act in honesty, good faith and for a proper purpose
- a duty in relation to use of position
- a duty in relation to use of information
- a duty to disclose interests.

To meet these duties, officials are expected to exhibit a minimum standard of behaviour in exercising their powers or performing their functions. An official must comply with the finance law, which includes the PGPA Act, the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), any other instruments made under the PGPA Act (including these instructions), and an Appropriation Act.

For more information on these duties, refer to Introduction to the PGPA Act for officials.

There are also other duties at law that apply to Public Servants, in particular the application of the *Public Service Act 1999* and APS values, including Stewardship. Guidance on this and other values is provided by the Australian Public Service Commission.



## 1. Corporate governance

This part covers instructions to officials on the following topics relating to corporate governance:

- risk management
- working with others
- fraud control
- insurance
- disclosure of interests
- accounts, records and non-financial performance information
- audit.

Corporate governance forms part of the broader governance frameworks established by the Commissioner to manage risk and achieve the Commission's purposes. To ensure the proper use of public resources, section 16 of the PGPA Act requires the accountable authority to establish appropriate controls that relate to the corporate governance of an entity.

## Risk management

This section provides instructions to all officials on enterprise risk management. Officials are responsible for the day-to-day management of risk in the performance of their duties and responsibilities.

Risk management is required by:

- section 16 of the PGPA Act, which requires the accountable authority to establish and maintain appropriate systems of risk oversight and management for the entity
- the *Commonwealth Risk Management Policy*, which requires an entity to:
  - have a risk management policy and a risk management framework
  - articulate the roles and expectations of officials to manage risks
  - ensure that responsibilities for managing risks and controls are determined, assigned and monitored.

### *Enterprise Risk Management Framework*

The Enterprise Risk Management Framework articulates the Commission's enterprise approach to risk management and leverages the principles, framework and process outlined in AS/NZ ISO 31000:2018 Risk Management Guidelines (ISO 31000:2018) and complies with requirements outlined in section 16E of the PGPA Rules.

### *Roles and responsibilities*

Enterprise risks are managed in the context of achieving organisational goals and objectives. While all staff contribute to the way risks are managed, senior staff in key positions are expected to have a clear view of enterprise risk management process and practice.

Key risk oversight roles and governance committees include the following:

- The Chief Risk Officer oversees all risk-related activities, including the operation of the Enterprise Risk Management Framework, to ensure risks are managed within the stated risk appetite or measures are taken to bring risks back within appetite.
- The Risk and Audit Committee provides independent advice on the appropriateness of the Commission's system of risk oversight and the strategies in place to manage key risks.
- The Enterprise Performance Committee provides strategic control and assurance over the Commission's management. The committee focuses on ensuring that enterprise and operational strategies, capabilities and resources align with government policy, legislative requirements and Commission priorities.
- The Commission Management Committee enables confidence and trust in the Commission through an integrated approach to monitoring strategic, sector and operational enterprise risks, and making decisions on appropriate mitigating actions where necessary.

## Instructions – all officials

In every activity you undertake or decision you make regarding the use and management of public resources, you must actively manage risks by:

- identifying, analysing and evaluating key risks and responding in an appropriate and proportionate manner
- reporting key risks to the responsible person
- monitoring and reviewing risks
- complying with *Commonwealth Risk Management Policy*
- complying with the Commission's Enterprise Risk Management Framework and function-specific risk management guidance policy and procedures.

<b>Legislative requirements</b>	<u><i>PGPA Act: s. 16</i></u>
<b>Policies of the Australian Government</b>	<u><i>Commonwealth Risk Management Policy</i></u>
<b>Guidance</b>	<u><i>General duties of accountable authorities</i></u>
<b>Related AAls</b>	All other AAls, especially: <ul style="list-style-type: none"> <li>• Working with others</li> <li>• Fraud control</li> <li>• Insurance</li> <li>• Disclosure of interests</li> <li>• Inter-entity cooperation and agreements</li> </ul>
<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	<u><i>Enterprise Governance and Accountability Framework</i></u> <u><i>Enterprise Risk Management Framework</i></u> <u><i>Regulatory Risk Management Framework</i></u> <u><i>Fraud and Corruption Control Plan</i></u> <u><i>Legislative, Regulatory and Policy Framework</i></u> <u><i>Data Management Framework</i></u> <u><i>Privacy Management Framework</i></u> <u><i>Conflict of Interest Policy</i></u>



	<a href="#"><i>Senior Officer's Declaration of Interest Policy</i></a> <a href="#"><i>Notifiable Data Breach Policy</i></a> <a href="#"><i>Artificial Intelligence Policy</i></a> <a href="#"><i>Regulatory Strategy</i></a> <a href="#"><i>Procurement Risk Assessment Procedure</i></a>
<b>Contacts</b>	Governance and Risk – <a href="mailto:governance@agedcarequality.gov.au">governance@agedcarequality.gov.au</a>

## Working with others

This section provides instructions to officials on working with others to achieve the purposes of an entity and the objectives of the Government.

A Commonwealth public sector that works together effectively and joins up readily with other levels of government and with the private and not-for-profit sectors, is more likely to deliver better outcomes for Australians, and apply public resources more efficiently and effectively.

The resource management framework has been designed to be flexible enough to allow government to cooperate with others and, where practicable, requires the accountable authority to lead the entity in working cooperatively with other government, and non-government entities, to achieve common objectives.

The PGPA Act requires the accountable authority to:

- govern their entity in a way that promotes proper use and management of public resources taking into account how their decisions affect the resources and financial sustainability of their entity and public resources more broadly (section 15 of the PGPA Act)
- cooperate with others to achieve common objectives, where practicable (section 17 of the PGPA Act)
- consider the risks of allowing others to use and manage public resources and consider the effects of imposing requirements related to the use of public resources on others (section 18 of the PGPA Act)
- promote the proper use of resources in a way that is not inconsistent with the policies of the Australian Government (section 21 of the PGPA Act).

## Instructions – all officials

All officials must consider appropriate opportunities for efficient and beneficial working with other entities inside and outside the Commonwealth (these opportunities can take different forms – there is no one size fits all approach to working with others).

<b>Legislative requirements</b>	<a href="#"><i>PGPA Act</i></a> : s. 5, s.15, s.16, s.17, s.18, s.19, s.21, s.24.
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<b>Guidance</b>	<a href="#"><i>General duties of accountable authorities</i></a> <a href="#"><i>Prescribing Officials for non-corporate Commonwealth entities</i></a> <a href="#"><i>Other CRF Money</i></a> <a href="#"><i>Entering arrangements and committing relevant money</i></a> <a href="#"><i>Grants, Procurements and Other Financial Arrangements</i></a>
<b>Related AAls</b>	Risk management Inter-entity cooperation and agreements
<b>Internal delegations</b>	
<b>Other relevant documents</b>	<a href="#"><i>Enterprise Governance and Accountability Framework</i></a> <a href="#"><i>Enterprise Risk Management Framework</i></a> <a href="#"><i>Regulatory Risk Management Framework</i></a>
<b>Contacts</b>	Executive Director, Enterprise Strategy and Governance

## Fraud and Corruption control

This section provides instructions to officials involved in fraud and corruption control. Accountable authorities are required to take all reasonable measures to prevent, detect and respond to fraud and corruption relating to their entities (section 10 of the PGPA Rule). Fraud and corruption control includes:

- conducting regular fraud and corruption risk assessments
- implementing and maintaining a fraud and corruption control plan that deals with identified risks
- conducting periodic reviews of the effectiveness of fraud and corruption controls
- ensuring the entity has governance structures, processes and officials to effectively oversee and manage risks of fraud and corruption
- ensuring that the risk of fraud and corruption is taken into account in planning and conducting the activities of the entity and that officials are aware of what constitutes fraud and corruption
- ensuring the entity has appropriate mechanisms for detecting, investigating, recording and reporting of fraud and corruption.

### *Fraud and Corruption Control Strategy Statement*

The Australian Government expects all Commonwealth officials or persons otherwise engaged through contract by the Commonwealth to collectively prevent, detect and deal with fraud and corruption.



The Commission will not tolerate dishonest, fraudulent or corrupt behaviour in any form and expects staff to behave with integrity at all times. The Commission will take action to deal with fraudulent and corrupt behaviour.

The Commission is committed to deterring and preventing fraud and corruption across its activities, programs and business operations, as this behaviour undermines the Commission's ability to achieve its objectives and meet the community's expectations.

*The Commission's approach to fraud and corruption*

The Commission recognises fraud and corruption has the potential to damage its reputation and limit the resources available to meet its responsibilities.

The Commission recognises fraud and corruption against the Commission can:

- impact consumer safety and well-being
- negatively affect the Commission's people, systems and services (including procurement, finance and human resource functions)
- compromise the reputation of the Commission
- harm the morale of Commission employees and contractors.

The Commission is committed to reducing fraud and corruption risks by preventing, detecting, investigating, recording and reporting instances of fraud and corruption through the implementation of policies, procedures (including response plans) and practices that align with the Commission's Fraud Control Framework.

The primary objective of this plan is to outline the strategies, tools and controls the Commission has in place to:

- strengthen and promote the Commission's ethical culture
- conduct regular and thorough assessments of fraud and corruption risks relevant to the Commission's programs, projects and activities (including emerging risks)
- ensure fraud risks are considered in all aspects of program delivery and regulatory activity
- implement, sustain and test an integrated system of internal controls to protect public money, information and property
- provide Commission employees, contractors and service providers (where relevant) with information, training and support in ethics, privacy, and fraud and corruption awareness
- handle allegations of fraud in a confidential and sensitive manner, and in alignment with the requirements of the *Public Interest Disclosure Act 2013* (the PID Act), where appropriate
- ensure that alleged, apparent or potential fraud and corruption allegations, are investigated and/or referred for investigation to appropriate law enforcement agencies in accordance with the Australian Government Investigation Standards (AGIS) or the National Anti-Corruption Commission (NACC) in the case of serious and systemic allegations of corruption

- apply appropriate criminal, civil, administrative or disciplinary action (including recovering the proceeds of fraudulent and corrupt activity) to remedy the harms of fraud and corruption, and record and report incidents of fraud and corruption to the Commonwealth Government in a transparent and accountable manner.

### Integrity and Fraud Team

The Integrity and Fraud Team are the Commission's first point of contact for all suspected incidents and allegations of fraud. The Integrity and Fraud Team is responsible for:

- receiving, recording and coordination of investigating allegations of internal and external fraud and corruption. This also includes referrals to law enforcement, or other specialist bodies
- continuous development of the Commission's fraud and corruption procedures
- providing advice on fraud and corruption control strategies
- developing and delivering fraud and corruption awareness training
- reporting on fraud and corruption, both internally and external to the Commission
- coordinating review of the Commission's fraud and corruption risk assessment
- collaborating and consulting other people/teams within the Commission where relevant when issues from investigations arise e.g. ICT, Security, People and Culture, Finance.

The Integrity and Fraud Team monitors the fraud inbox and maintains the Integrity register which includes documenting decisions to use civil, criminal, administrative or disciplinary procedures or actions. The Integrity and Fraud Team briefs the Commissioner, Chief Risk Officer, CSO and Integrity Advisory Panel on allegations and conducts and coordinates investigations, referrals and reporting on fraud and corruption and is responsible for managing the Fraud and Corruption Control Plan (including monitoring its implementation).

### Instructions – all officials

You must:

- comply with the [Commonwealth Fraud and Corruption Control Framework](#)
- act in accordance with the Commission's Fraud and Corruption Control Plan.
- report all incidents of suspected or potential fraud, corruption or other misconduct immediately to the Integrity and Fraud Team
- not attempt to perform any investigative actions (such as collecting evidence or interviewing persons) unless you are authorised to do so, as this action may compromise potential prosecutions.

Fraud and corruption control activities are highly specialised. Only appropriately qualified, trained and experienced personnel as required by the Australian Government Investigations Standards (AGIS) and the Commonwealth Fraud Control Framework can undertake an investigation.

Reports of suspected fraud, corruption or other misconduct may also be made under the PID Act. The PID Act provides strong protections against discrimination and victimisation for



public officials and reporting disclosable conduct such as fraud or corruption. The PID Act builds on practices established to protect APS employees and contractors who “blow the whistle” on suspected breaches of the APS Code of Conduct.

The Commission has Authorised Officers that are responsible for receiving, assessing and responding to public interest disclosures made under the PID Act.

The Commissioner and Authorised Officers have a mandatory obligation to refer suspected serious or systemic corrupt conduct to the NACC, unless they believe on reasonable grounds that the NACC is already aware of the conduct.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act: s. 15</a></u> <u><a href="#">PGPA Rule: s. 10</a></u>
<b>Policies of the Australian Government</b>	<u><a href="#">Commonwealth Fraud and Corruption Control Framework</a></u> <u><a href="#">Commonwealth Risk Management Policy</a></u>
<b>Guidance</b>	<u><a href="#">Resource Management Guide No. 201: Preventing, detecting and dealing with fraud</a></u> <u><a href="#">Resource Management Guide No. 203: General duties of officials</a></u> <u><a href="#">Public Interest Disclosure Scheme</a></u> <u><a href="#">National Anti-Corruption Commission</a></u>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Enterprise Risk Management Framework</a></u> <u><a href="#">Regulatory Risk Management Framework</a></u> <u><a href="#">Fraud and Corruption Control Plan</a></u> <u><a href="#">Conflict of Interest Policy</a></u> <u><a href="#">Senior Officer's Declaration of Interest Policy</a></u> <u><a href="#">Public Interest Disclosures Procedures</a></u> <u><a href="#">Gifts and Benefits Policy</a></u>
<b>Contacts</b>	Governance and Risk – <u><a href="mailto:fraudliaison@agedcarequality.gov.au">fraudliaison@agedcarequality.gov.au</a></u> or <u><a href="mailto:integrity@agedcarequality.gov.au">integrity@agedcarequality.gov.au</a></u>

## Insurance (Comcover)

This section provides instructions to officials who arrange insurance for insurable assets and liabilities (through Comcover), or workers' compensation insurance (through Comcare) or any other insurance arrangements with an insurance provider.

It is the Commission's responsibility to ensure that appropriate coverage is maintained at all times and that changes to assets, liabilities and insurable risks generally are notified immediately to Comcover and incorporated into its insurance program. Comcover is not responsible for insurable risks that have not been included in the Commission's insurance program.

All claims against the Commission are to be handled in accordance with the *Legal Services Directions 2017*.

The Chief Financial Officer (insurance) is responsible for coordinating reports on such incidents and taking any necessary action to protect the Commission's interests.

The Chief Legal Officer will consult an appropriate external legal services provider as necessary including to determine whether recovery action is warranted.

### Instructions – all officials

You must:

- Comply with the Commission's insurance coverage set out in Comcover's Statement of Cover and the Commission's certificate of currency. This is for insurable assets and liabilities through Comcover or any other insurance arrangements with an insurance provider.
- manage public resources in a way that minimises the risk of an insurance claim
- report any potential, or known, insurance claims or incidents immediately to Comcover and notify the Chief Financial Officer
- not place insurance outside the Comcover arrangements without approval.

### Instructions – All Officials responsible for notifying Comcover

You must:

- disclose every matter than you know, or could reasonably be expected to know, that is relevant to the insurer's decision whether to accept the risk of the insurance
- do so as soon as practicably possible, after becoming aware of a claim or incident that gives rise to a potential claim against the Commonwealth or the Commission
- before entering into any arrangements that provide an indemnity or liability cap to a contracted third party, assess if the Commission's Comcover policy will extend to the indemnity or liability cap
- refrain from making any statements to possible claimants or witnesses to an incident or take any action that could be construed as an admission of liability



- obtain a certificate of currency from third parties engaged to provide activities of services on the Commission's premises or on behalf of the department.

## Instructions – Chief Financial Officer as the Commission's insurance contact

You must:

- provide advice on the Commission's insurance policy and coverage
- complete the insurance renewal questionnaire for the Commission
- provide advice on and assist with the claims process
- ensure the Commission's obligations to Comcover are fulfilled
- notify Comcover of any claims as soon as practicably possible.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act: s. 16</a></u>
<b>Policies of the Australian Government</b>	<u><a href="#">Commonwealth Risk Management Policy</a></u>
<b>Guidance</b>	<u><a href="#">Comcover Insurance</a></u>
<b>Related AAls</b>	Risk management
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Enterprise Risk Management Framework</a></u>
<b>Contacts</b>	Chief Financial Officer – <u><a href="mailto:CFOCentralCoord@agedcarequality.gov.au">CFOCentralCoord@agedcarequality.gov.au</a></u> Chief Legal Officer – <u><a href="mailto:legal@agedcarequality.gov.au">legal@agedcarequality.gov.au</a></u>



## Insurance (Comcare)

Comcare's role includes monitoring and enforcing compliance with the Work Health and Safety Act 2011 and Work Health and Safety Regulations 2011. Comcare is the Commission's insurer regarding any injury or illness suffered in the course of employment.

Work Health and Safety (WHS) incidents or hazards should be reported as soon as possible via the online WHS incident report form to facilitate prompt reporting to Comcare if required.

The Culture, Wellbeing and Employee Relations section will report notifiable incidents to Comcare on behalf of the Commission, if required.

### Instructions – All Officials

You must:

- manage public resources in a way that minimises the risk of an insurance claim
- disclose insurance risks and report any potential insurance claim or incident to the Culture, Wellbeing and Employee Relations Section
- report immediately to the relevant manager and the Commission's Culture, Wellbeing and Employee Relations Team any incident that results in the death, serious injury or illness of an individual and any serious and/or dangerous incidents that arise out of the conduct of the Commission
- not place insurance outside the Comcare arrangement without approval.

### Instructions – Culture, Wellbeing and Employee Relations section responsible for notifying Comcare about a potential insurance claim

You must:

- disclose details related to the injury such as incident report, Commission policy and timesheets if required to support the insurer's decision whether to accept the risk of the insurance
- notify as soon as practically possible, after becoming aware of a notifiable incident that would lead to a potential claim against the Commonwealth or the department
- refrain from making any statements to possible claimants, or witnesses to an incident, or take any action that could be construed as an admission of liability
- report notifiable incidents to Comcare on behalf of the Commission.

Legislative requirements	<u>PGPA Act: s. 16</u> <u>Work Health and Safety Act 2011</u> <u>Work Health and Safety Regulations 2011</u>
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<b>Policies of the Australian Government</b>	<u><a href="#">Commonwealth Risk Management Policy</a></u>
<b>Guidance</b>	<u><a href="#">Comcare publications</a></u>
<b>Related AAls</b>	Risk management
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Enterprise Risk Management Framework</a></u>
<b>Contacts</b>	Executive Director, People and Culture - <u><a href="mailto:peopleandcultureservicedesk@agedcarequality.gov.au">peopleandcultureservicedesk@agedcarequality.gov.au</a></u> Chief Legal Officer – <u><a href="mailto:legal@agedcarequality.gov.au">legal@agedcarequality.gov.au</a></u>

## Disclosure of interests

This section provides instructions on the requirement that officials (including contractors) disclose material personal interests relating to the affairs of the Commission (section 29 of the PGPA Act and sections 12 to 16D of the PGPA Rule).

Sections 13(1), (4), (7), (10) and (11) of the *Public Service Act 1999* (PS Act) place the following requirements on employees in connection to their employment with the Commission:

- a. to behave honestly and with integrity
- b. to comply with all applicable Australian laws
- c. to take reasonable steps to avoid any conflict of interest (real or apparent)
- d. to disclose details of any material personal interest
- e. to not improperly use inside information or their duties, status, power or authority to gain, or seek to gain, a benefit or an advantage for themselves or any other person
- f. to behave at all times in a way that upholds the APS Values and Employment Principles, and the integrity and good reputation of the Commission and the APS. The Commission is committed to ensuring that all employees perform their duties in a fair and unbiased way, and that the performance of those duties is not influenced by personal interests, private affiliations, or the possibility of personal gain or loss to others or to the Commonwealth.

The term 'material personal interests' could directly relate to an official's personal role or, more broadly, to the overall purpose of the Commission. Material personal interests are not confined to financial or similar interests and include shareholdings, investments, memberships and affiliations, previous employment, hostile relationships with persons or organisations or personal, social and family relationships. To be material, a personal interest must be such that a reasonable person would draw a connection between the interest and the employees duties.

The phrase 'relating to the affairs of the entity' is also meant to be read broadly. For example, it includes activities of the entity that involve collaboration with other entities inside or outside government.

The overriding principle for a declaration of a material personal interest is, 'if in doubt, declare the interest'.

While avoiding conflicts of interest is specifically mentioned in the APS Code of Conduct, the presence of a conflict or potential conflict of interest (that one is attempting to avoid) will still require declaring and managing to withstand public scrutiny. It is not the employee's obligation to decide whether they are conflicted or not. It is the employee's obligation to identify the presence of a conflict or potential conflict and to declare it. The action taken to manage a real or apparent conflict of interest will be determined by a manager according to the specific circumstances of the individual case and the nature and extent of the conflict. This will then be reviewed by the Integrity Team.

## Instructions – all officials

### You must

- identify and disclose a material personal interest that relates to the affairs of the Commission in accordance with these instructions.

All Senior Officers of the Commission are required to make a declaration of interest in writing, twice annually and in real time where circumstances change (i.e., change in responsibility, change in manager or whenever a new conflict arises). Senior Officers include contractors in the following roles:

- Executive Directors, including SES Officers or Equivalent
- Members of the National Leadership Group (EL2 Directors or equivalent)
- All Assistant Directors (EL1 or equivalent)

The Senior Officers Declaration of Interest includes any financial or other interests of their own and their immediate family that could contribute to a real or apparent conflict of interest.

All employees undertaking a recruitment or procurement activity are required to declare in writing, prior to the commencement of the activity and in real time where circumstances change any conflict or perceived conflict of interest including any financial or other interests of their own and their immediate family that could contribute to a real or apparent conflict of interest.

The Senior Director, Governance and Risk is responsible for developing, overseeing and managing the Commission's process for the disclosure of material personal interests and will:

- Promulgate policies on managing conflicts of interest; and
- Maintain a register of interests, and the appointment of an official who is responsible for keeping it up to date.

<b>Legislative requirements</b>	<a href="#"><i>PGPA Act</i>: s. 29</a> <a href="#"><i>PGPA Rule</i>: ss. 12 to 16D</a> <a href="#"><i>PS Act</i>: s13(7)</a> <a href="#"><i>Aged Care Quality and Safety Commission Rules 2018</i> ss. 90(2)(c), 32(2), 71(2)</a>
<b>Policies of the Australian Government</b>	<a href="#"><i>Commonwealth Risk Management Policy</i></a>
<b>Guidance</b>	<a href="#"><i>Resource Management Guide No. 203: General duties of officials</i></a>



<b>Related AAls</b>	Risk management Managing property
<b>Internal delegations</b>	
<b>Other relevant documents</b>	<a href="#"><i>Enterprise Risk Management Framework</i></a> <a href="#"><i>Conflict of Interest Policy</i></a> <a href="#"><i>Senior Officer's Declaration of Interest Policy</i></a> <a href="#"><i>Outside Employment Policy</i></a> <a href="#"><i>Public Interest Disclosures Procedures</i></a> <a href="#"><i>Quality Assessor Code of Conduct</i></a>
<b>Contacts</b>	Governance and Risk – <a href="mailto:integrity@agedcarequality.gov.au">integrity@agedcarequality.gov.au</a>



## Accounts, records and non-financial performance information

This section provides instructions to officials responsible for collecting and maintaining the accounts, records and non-financial performance information for the Commission:

- Entities are required to keep accounts and records that properly record and explain the entity's transactions and financial position (section 41 of the PGPA Act) in accordance with the *Public Governance, Performance and Accountability* (Financial Reporting) Rule 2015 (the PGPA Financial Reporting Rule).
- Entities are required to keep records that explain the entity's performance in achieving its purposes (section 37 of the PGPA Act).
- The Finance Minister and the responsible minister are entitled to full and free access to the accounts, records and performance information of an entity (sections 37 and 41 of the PGPA Act).
- The Commonwealth Auditor-General may also direct an official to provide information (section 32 of the *Auditor-General Act 1997*).

### Instructions – all officials

You must:

- maintain appropriate accounts, records and non-financial performance information to meet the requirements of the PGPA Act, the PGPA Rule and the PGPA Financial Reporting Rule
- collect and maintain performance information that demonstrates how public resources have been used to achieve the purposes of the Commission
- comply with any lawful request by the Finance Minister, the responsible minister or the Commonwealth Auditor-General for access to the entity's accounts and records.

### Instructions – Chief Financial Officer

You must:

- ensure that accounts and records are kept as required by the PGPA Financial reporting Rule
- ensure proper systems and processes are established and maintained to ensure appropriate financial records are kept.

<b>Legislative requirements</b>	<p><u><a href="#">PGPA Act</a></u>: s. 37, s. 38, s. 41</p> <p><u><a href="#">PGPA Financial Reporting Rule</a></u></p> <p><u><a href="#">PGPA Rule</a></u>: s. 17AA</p> <p><u><a href="#">Auditor-General Act 1997</a></u>: s. 32</p>
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<b>Related AAls</b>	Audit
<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Guidance</b>	<u><i>Resource Management Guide No. 125: Commonwealth entities financial statements guide</i></u> <u><i>Resource Management Guide No. 131: Developing good performance information</i></u>
<b>Other relevant documents</b>	<u><i>Enterprise Performance Reporting Framework</i></u> <u><i>Financial Control Framework</i></u> <u><i>Corporate Plan</i></u> Portfolio Budget Statements Annual Performance Statement
<b>Contacts</b>	Records Management - <u><i>records@agedcarequality.gov.au</i></u> Finance – <u><i>finance@agedcarequality.gov.au</i></u> Performance - <u><i>auditandassurance@agedcarequality.gov.au</i></u>

## Audit

This section provides instructions to officials on their entity's audit program. The accountable authority must establish an audit committee (section 45 of the PGPA Act) and may also establish internal audit functions to help ensure that the entity is governed in a way that:

- promotes the proper use and management of public resources
- promotes the achievement of the purposes of the entity
- promotes the financial sustainability of the entity.

Externally, the PGPA Act stipulates that the Auditor-General:

- must audit the annual financial statements of the entity (sections 42 and 43)
- may be requested to audit the annual performance statements of the entity (section 40).

### *Australian National Audit Office (ANAO)*

The Auditor-General is responsible, under the *Auditor-General Act 1997*, for providing auditing services to the Parliament and public sector entities. The ANAO supports the Auditor-General, who is an independent officer of the Parliament.

The ANAO can conduct performance audits of Australian Government entities, authorities and owned and controlled companies. The Auditor-General has wide information gathering powers that provide access to information and premises. The Act provides the Auditor-General or an authorised official with access to Commonwealth premises or premises of a Commonwealth partner, and full and free access to documents and other property.

The ANAO's primary client is the Australian Parliament. ANAO's purpose is to provide the Parliament with an independent assessment of selected areas of public administration, and Governance and Risk about public sector financial reporting, administration, and accountability. This is achieved primarily by conducting performance audits, financial statement audits, and Governance and Risk reviews. The ANAO does not exercise management functions or have an executive role. These are the responsibility of entity management.

The ANAO audits the financial statements of Australian Government entities and the Australian Government's annual consolidated financial statements and conducts a range of performance audit activity assessing efficiency and administrative effectiveness across all sectors of government. The ANAO undertakes audits as outlined in the Annual Audit Work Program.

Additional information about the requirements for the conduct of performance audits can be found on the ANAO website.

### *External Audit and Reviews*

The Commission has a Standard Operating Procedure (SOP) which covers performance audits (section 17) undertaken by the ANAO. The SOP provides:

- processes involving the Auditor-General, such as reporting audit activities and responding to audit findings



- processes for providing information to the Auditor-General
- processes for providing information for inter-jurisdictional audits.

The Director, Governance and Risk holds Procedures for internal audits. The Parliamentary Services Section hold Procedures for Parliamentary inquiries (for example inquiries initiated by the Joint Committee of Public Accounts and Audit. The Chief Financial Officer holds procedures for ANAO Financial Statement Audits.

### Instructions – all officials

You must cooperate with:

- the Commission's internal audit function
- the Commission's Risk and Audit Committee
- the Commonwealth Auditor-General represented by officials of the Australian National Audit Office.

The operations and functions of the Commission's Risk and Audit Committee are set out in the Risk and Audit Committee Charter.

The Risk and Audit Committee will develop an annual workplan to inform committee consideration. The Secretariat request papers at least one month prior to meetings. All Committee papers must be submitted to the Secretariat at least ten business days before a meeting.

<b>Legislative requirements</b>	<a href="#"><i>PGPA Act: s. 15, s. 16, s. 19, s. 40, ss. 42 and 43, s. 45</i></a> <a href="#"><i>PGPA Rule: s. 17, s. 17AA</i></a> <a href="#"><i>Auditor-General Act 1997: s. 32</i></a>
<b>Policies of the Australian Government</b>	<a href="#"><i>Commonwealth Risk Management Policy</i></a>
<b>Guidance</b>	<a href="#"><i>Resource Management Guide No. 202: Audit committees</i></a> <a href="#"><i>Resource Management Guide No. 214: Notification of significant non-compliance with finance law</i></a>
<b>Related AAls</b>	Risk management Accounts, records and non-financial performance information
<b>Internal delegations</b>	<a href="#"><i>Financial</i></a>

<b>Other relevant documents</b>	<a href="#"><i>Enterprise Governance and Accountability Framework</i></a> <a href="#"><i>Risk and Audit Committee Charter</i></a> <a href="#"><i>Internal Audit Charter</i></a> <a href="#"><i>Internal Audit Charter Auditees Guides</i></a>
<b>Contacts</b>	Risk and Audit Committee secretariat – <a href="mailto:governancesecretariat@agedcarequality.gov.au"><i>governancesecretariat@agedcarequality.gov.au</i></a>

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## 2. Procurement and other commitments and arrangements

This part covers instructions to officials on the following topics to spending money:

- approving commitments of relevant money
- arrangements relating to relevant money
- procurement
- inter-entity cooperation and agreements
- indemnities, guarantees, warranties and other contingent liabilities
- official hospitality
- official travel
- arrangements relating to other Consolidated Revenue Fund (CRF) money.

Accountable authorities are required to promote the proper use and management of the public resources for which they are responsible (see section 15 of the PGPA Act). Consistent with this duty, an accountable authority can establish controls to ensure that officials consider the proper (i.e. efficient, effective, economical and ethical use) of public resources when making decisions that involve:

- commitments of relevant money; or
- entering into arrangements relating to relevant money or other CRF money.

'Relevant money' is defined in section 8 of the PGPA Act to mean either (a) money standing to the credit of any bank account of the Commonwealth or a corporate Commonwealth entity; or (b) money that is held by the Commonwealth or a corporate Commonwealth entity.

'Other CRF money' is money that forms part of the Consolidated Revenue Fund but is not relevant money (see section 105(2) of the PGPA Act). Other CRF money can include money of a kind prescribed by the PGPA Rule.

Relevant money becomes 'committed' when an entity undertakes an activity that results in an obligation to pay relevant money. Examples include entering into an arrangement under which relevant money will become payable, including obligations that are contingent upon certain events occurring, such as indemnities, guarantees and warranties.

## Approving commitments of relevant money

To ensure the proper use of public resources, this section provides instructions to officials on:

- when you are required to seek approval for a commitment of relevant money
- if you are delegated or authorised to approve a commitment of relevant money, the options, risks and outcomes you must consider
- if you are not delegated or authorised to approve a commitment of relevant money, the information you must provide to the delegate or authorised official.

Section 23(3) of the PGPA Act gives an accountable authority the power to approve a commitment of relevant money. Accountable authorities usually delegate this power to officials. Section 18 of the PGPA Rule sets out requirements for officials who are delegated the authority to commit relevant money.

### Instructions – all officials

If an approval for a commitment of relevant money is required, you must:

- ensure that there is a sufficient appropriation
- ensure that the commitment of relevant money will be a proper use of public resources
- not act inconsistently with any relevant policies of the Australian Government (e.g. coordinated procurement)
- not approve a commitment of relevant money unless you have been delegated the power to do so and you comply with any relevant directions in the delegation and any relevant policies, processes and templates
  - if you are not delegated the power, you must seek approval for the proposed commitment of relevant money from a delegate or an accountable authority
- record any approval of a commitment of relevant money in accordance with section 18 of the PGPA Rule
  - if you provide verbal approval for a commitment of relevant money, you must record the approval in writing as soon as practicable after giving it
  - if a commitment involves other CRF money, you must comply with the instructions *Arrangements for other CRF money*.

<b>Legislative requirements</b>	<p><u><a href="#">PGPA Act</a></u>: s. 15, s. 21, s. 23, s. 52, s. 105</p> <p><u><a href="#">PGPA Rule</a></u>: s. 18, s. 29</p> <p><u><a href="#">Commonwealth Procurement Rules</a></u></p>
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<b>Guidance</b>	<a href="#"><i>Introduction to the PGPA Act for officials</i></a> <a href="#"><i>Approving commitments of relevant money</i></a>
<b>Internal delegations</b>	<a href="#"><i>Financial</i></a>
<b>Other relevant documents</b>	<a href="#"><i>Procurement (corporate digital toolkit)</i></a>
<b>Related AAls</b>	Risk management Disclosure of interests Inter-entity cooperation and agreements Procurement Indemnities guarantees and warranties Payments of relevant money Taxation obligations Agreements with banks and managing bank accounts Arrangements for other CRF
<b>Contacts</b>	Finance & Property, Financial Performance and Partnerships, Procurement: <a href="mailto:procurement@agedcarequality.gov.au">procurement@agedcarequality.gov.au</a>



## Entering into and administering arrangements

To ensure the proper use of public resources, this section provides instructions to officials on entering into and administering arrangements.

Section 23(1) of the PGPA Act gives an accountable authority the power to enter into, vary or administer an arrangement, on behalf of the Commonwealth, in relation to the affairs of the entity. Expenditure for purposes other than the ordinary services and functions of government needs to be authorised by specific legislation (e.g. section 32B of the [Financial Framework \(Supplementary Powers\) Act 1997](#) (FFSP Act) or primary legislation).

Accountable authorities usually delegate powers to officials to enter into, vary or administer an arrangement.

An arrangement is a contract, agreement, deed or understanding (section 23 of the PGPA Act). This is a broad definition and includes a range of agreements, as memoranda of understanding, standing offers and grant agreements. It also includes any arrangement that involves a contingent liability (i.e. a commitment that may give rise to a cost as a result of a future event), such as an indemnity or guarantee.

### Instructions – officials who have been delegated power to enter into or vary arrangements

You must not enter into an arrangement unless it is within the scope of your delegation or authorisation.

You must comply with the relevant legislation, rules and instructions that apply to the proposed arrangement, that is:

- for acquiring goods and services – the Commonwealth Procurement Rules (see *Procurement*)
- for arrangements that include the provision of an indemnity, guarantee or warranty – the instructions *Indemnities, guarantees and warranties*
- for arrangements governed by other legislation, that other legislative scheme.

You must not vary an arrangement unless:

- it is within the scope of your delegation or authorisation
- a new commitment of relevant money has been approved under section 23 of the PGPA Act, if required by these instructions.

### Instructions – officials who have been delegated power to administer arrangements

You must not administer an arrangement unless it is within the scope of your delegation or authorisation.

You must manage an arrangement to:

- ensure the proper use of public resources
- ensure that resources are used to achieve the purposes and outcomes of the entity.

<b>Legislative requirements</b>	<p><u><a href="#">PGPA Act</a></u>: s. 15 s. 21, s. 23 s. 52</p> <p><u><a href="#">PGPA Rule</a></u>: s. 18</p> <p><u><a href="#">FFSP Act</a></u>: s. 32B</p> <p>FFSP Regulations: Schedules 1AA and 1AB</p> <p><u><a href="#">Commonwealth Procurement Rules</a></u></p>
<b>Policies of the Australian Government</b>	<p><u><a href="#">Commonwealth Risk Management Policy</a></u></p>
<b>Guidance</b>	<p><u><a href="#">Introduction to the PGPA Act for officials</a></u></p> <p><u><a href="#">Commitments of relevant money</a></u></p>
<b>Internal delegations</b>	<p><u><a href="#">Financial</a></u></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p> <p>Inter-entity cooperation and</p> <p>Procurement</p> <p>Official travel</p> <p>Official hospitality</p> <p>Commonwealth credit cards and credit vouchers</p> <p>Agreements with banks and managing bank accounts</p> <p>Arrangements for other CRF money</p>
<b>Other relevant documents</b>	<p><u><a href="#">Procurement Operational Guidelines</a></u></p> <p><u><a href="#">Procurement Risk Assessment Procedure</a></u></p>
<b>Contacts</b>	<p>Finance &amp; Property, Financial Performance and Partnerships,  Procurement: <u><a href="mailto:Procurement@agedcarequality.gov.au">Procurement@agedcarequality.gov.au</a></u></p>

## Procurement

This section provides instructions on procurement which covers the entire process of buying goods and services. Procurement:

- begins when a need has been identified and a decision has been made on the need to purchase a good or service
- continues through the processes of risk assessment, seeking and evaluating alternative solutions, the awarding of a contract, the delivery of and payment for the goods and services and, where relevant, the ongoing management of the contract and consideration of disposal of goods
- also includes the acquisition of goods and services on behalf of another entity or a third party.

For more information on the Commonwealth's procurement framework see the Finance website.

### Commonwealth procurement

The Commonwealth operates a devolved procurement framework where Commonwealth entities are responsible for undertaking their own procurement processes in order to meet their business needs. The *Commonwealth Procurement Rules* (CPRs) set out the basic rule set that applies to entity procurement activities.

The CPRs are a legislative instrument issued by the Finance Minister under section 105B(1) of the PGPA Act. Australia is party to a range of free trade arrangements, and relevant international obligations have been incorporated into these CPRs.

Achieving value for money is the core rule of Commonwealth procurement. When conducting a procurement, officials must consider the relevant financial and non-financial costs and benefits of each submission including, but not limited to; quality of the goods and services, fitness for purpose, relevant experience and performance history, flexibility of the proposal, environmental sustainability and whole of life costs to inform a value for money assessment.

You must ensure that any commitment of resources associated with a procurement is authorised by law; either by specific legislation or other generic legislation, such as under the *Financial Framework (Supplementary Powers) Regulations*. If in doubt, contact the Chief Legal Officer.

### Instructions – all officials

The central procurement team in the Commission is your first point of contact for all procurement advice.

You must:

- comply with the Commonwealth Procurement Rules (CPRs) and internal procurement policies and processes
- estimate the expected value of the procurement before deciding the appropriate procurement method
- use any mandated whole-of-government arrangement ([\*list of these arrangements\*](#))
- consider whether there is an existing non-mandatory arrangement or a cooperative or coordinated approach available that you can use for the procurement (such as a panel)



- report all contracts and amendments valued at or above \$10,000 (GST inclusive) on AusTender within 42 days of entering (or amending) a contract
- pay supplier invoices within 20 calendar days, or 5 calendar days for electronic invoicing (eInvoicing), following the acknowledgement of the satisfactory delivery of goods or services and the receipt of a correctly rendered tax invoice in accordance with the Australian Government *supplier pay on-time or pay interest policy*.

For Digital or ICT procurements, where an existing arrangement is not suitable, use the appropriate Digital Sourcing Contract Template on BuyICT.gov.au.

## Managing procurement arrangements

### Instructions – Officials administering a procurement

You must:

- comply with the Commonwealth Procurement Rules (CPRs) and internal procurement policies and processes
- maintain documentation for each arrangement (for example, a written contract, purchase order or email) proportionate to the scale, scope and risk of the procurement
- ensure that you have authority to administer a procurement arrangement (delegated or authorised by the Commissioner from section 23 of the PGPA Act or other specific legislation such as section 32B of the [FFSP Act](#))
- to achieve value for money, actively manage each arrangement to ensure that risk treatments are appropriate and contracted outcomes are achieved
- make available, on request, the names of subcontractors engaged by a contractor in respect of a procurement arrangement.

### Instructions – delegates entering into, varying or administering an arrangement

#### **For all procurements**

Before entering into or varying a procurement arrangement, you must ensure that you have authority to enter a commitment and enter into or vary an arrangement (delegated or authorised by the Commissioner from section 23 of the PGPA Act or other specific legislation such as section 32B of the FFSP Act) or that the relevant delegate has provided that authority or approval.

Delegates must be satisfied, after making reasonable enquiries, that the procurement achieves value for money outcomes and complies with all CPR requirements.

Procurement should:

- use public resources in an efficient, effective, economical and ethical manner that is not inconsistent with the policies of the Commonwealth

- encourage competition and be non-discriminatory
- facilitate accountable and transparent decision making
- encourage appropriate engagement with risk and
- be commensurate with the scale and scope of the business requirement.

You must:

- determine if the terms in a procurement arrangement need to be kept confidential and identify in the arrangement the terms that must be kept confidential (see [Confidentiality Throughout the Procurement Cycle](#)) and
- use the Commonwealth Contracting Suite (CCS) for most procurements between \$10,000 to \$200,000 (Goods and Services Tax (GST) inclusive) where this is not sourced from an existing arrangement (e.g. a panel)
- incorporate the Commonwealth Supplier Code of Conduct into contracts
- ensure the procurement arrangement requires contractors to agree to the public disclosure of the names of any subcontractors and to inform the relevant subcontractors that their names may be publicly disclosed
- ensure sufficient documentation is retained to demonstrate processes and approvals were appropriate to the scope and scale of the procurement
- not enter into a procurement arrangement where there is no end date, unless it allows for periodic review and the ability to be terminated by the Commission where it no longer represents value for money
- report new procurement arrangements or variations of a procurement arrangement in accordance with the CPRs.

#### **For procurements under \$10,000 (GST inclusive)**

[Division 1 of the CPRs](#) apply.

- for procurements valued under \$10,000 (GST inclusive) where the goods and/or services cannot be sourced from a panel arrangement, you can obtain a quote or quotes via phone, online or email, obtaining multiple quotes to support value-for-money where possible and practicable
- procurements from panel arrangements will have defined processes outside of those covered by this AAI
- use of credit cards as the payment mechanism where the supplier accepts them is required to *apply the supplier payment policy*
- procurements valued under \$10,000 (GST inclusive) **are not** required to be reported on AusTender.

#### **For procurements valued at or above \$10,000 and under \$80,000 (GST inclusive)**

[Division 1 of the CPRs](#) apply.

- for procurements valued at or above \$10,000 and under \$80,000 (GST inclusive) where the goods and/or services can't be sourced from a panel arrangement, you should undertake market research and seek quote(s). Depending on the nature of the procurement one quote may be sufficient, but multiple quotes should be obtained to support value-for-money where possible and practicable. If the market for the good or service is not familiar to you, you may need to conduct greater research and obtain additional quotes to be satisfied that you are achieving value for money with your chosen supplier
- if a contract is required, use:
  - the *Commonwealth Contracting Suite* for general goods and services or
  - the appropriate Digital Sourcing Contract Template on BuyICT.gov.au for Digital or ICT procurements, where an existing arrangement is not suitable.
- report all contracts and amendments valued at or above \$10,000 (GST inclusive) on AusTender within 42 days of entering (or amending) a contract

### **For procurements valued at or above \$80,000 (GST inclusive)**

#### **Division 1 and 2 of the CPRs apply.**

- for procurements valued between \$80,000 and \$200,000 (GST inclusive) the Indigenous Procurement Policy includes a mandatory set aside. This means officials must check *Indigenous Business Direct* to see if there is an Indigenous Business that could provide the goods or services being procured. If there is no Indigenous Business that represents value for money you can proceed with the process set out in these instructions.
- you must check whether any of the procurement-connected policies are relevant to your procurement (a list of these policies is on the *Finance website*).
- the default for all procurements valued at or above \$80,000 is open tender. For procurements valued at or above \$80,000 you must use an open tender process unless:
  - an existing panel arrangement is used which has generally been established by an initial open tender approach
  - a *limited tender condition set out in paragraph 10.3* of the CPRs applies or
  - an *Appendix A exemption* applies.
- *Division 2 of the CPRs* includes the additional rules that apply when undertaking a procurement valued at or above \$80,000 (GST inclusive) (the procurement threshold), except for procurements valued up to \$500,000 from small and medium enterprises (as defined in the CPRs).
- Open tenders **must** be published on AusTender.
- Approaches to Market using panel arrangements must be published on any systems for their use, such as AusTender or BuyICT.



### **For Intergovernmental Arrangements**

- To acquire goods and services directly from another non-corporate entity (NCE) without approaching other suppliers, this should be treated as an 'other' financial arrangement and should not be reported as a procurement on AusTender as per RMG's 423 'Procurement Publishing and Reporting Obligations' Part 3, Clause 31.

### **Intergovernmental arrangements do not require:**

- Approach the market
- Entry into a commercial contractual arrangement
- Publishing on AusTender.

<b>Legislative requirements</b>	<a href="#"><i>PGPA Act: s. 23; s. 52, s. 60, s. 105B</i></a> <a href="#"><i>PGPA Rule: s. 18</i></a> <a href="#"><i>FFSP Act: s. 32B</i></a> <a href="#"><i>FFSP Regulations: Schedule 1AA and 1AB</i></a> <a href="#"><i>Commonwealth Procurement Rules</i></a>
<b>Policies of the Australian Government</b>	<a href="#"><i>Procurement-connected policies</i></a> <a href="#"><i>Supplier pay on-time or pay interest policy</i></a>
<b>Related AAls</b>	Risk management Working with others Disclosure of interests Approving commitments of relevant money Entering into and administering arrangements Payments of relevant money
<b>Guidance</b>	<a href="#"><i>Approving commitments of relevant money</i></a> <a href="#"><i>Resource Management Guide No.420 Mandatory use of the Commonwealth Contracting Suite for procurement under \$200,000</i></a> <a href="#"><i>Resource Management Guide No.411 - Grants, procurements and other financial arrangement</i></a> <a href="#"><i>Resource Management Guide No.417 - Supplier Pay On-Time or Pay Interest Policy</i></a>
<b>Internal delegations</b>	<a href="#"><i>Financial</i></a>

<b>Other relevant documents</b>	<a href="#"><i>Procurement Operational Guidelines</i></a> <a href="#"><i>Procurement Risk Assessment Procedure</i></a> <a href="#"><i>Procurement (corporate digital toolkit)</i></a> <a href="#"><i>Procurements under \$10,000 (Including GST) Procedure</i></a> <a href="#"><i>Corporate Credit Card (CCC) (corporate digital toolkit)</i></a>
<b>Contacts</b>	Finance & Property, Financial Performance and Partnerships, Procurement: Procurement@agedcarequality.gov.au

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## Inter-entity cooperation and agreements

This section provides instructions to officials about working cooperatively with other Commonwealth entities.

Sections 17 and 18 of the PGPA Act impose duties on accountable authorities to:

- encourage officials to cooperate with others to achieve common objectives
- consider the administrative requirements that their entity imposes on others.

Further, section 15 requires an accountable authority, when making decisions for the purposes governing the entity, to take into account the effect of those decisions on public resources generally.

On a day-to-day basis, officials from different Commonwealth entities work together to undertake a number of activities, including to deliver government services, make payments, formulate national policies, implement complex reforms, and exchange information and specialist expertise.

An inter-entity agreement is an important mechanism for establishing and clarifying the way in which entities will work together and meet the requirements of the PGPA Act. Depending on the complexity of the arrangement, an inter-entity agreement may be:

- an exchange of letters (e.g. for the exchange of data)
- a service level agreement (e.g. for the provision of IT services) or
- a detailed memorandum of understanding (e.g. for a cross-portfolio reform such as Closing the Gap).

Inter-entity agreements need to address financial matters such as:

- accessing the appropriation of another entity
- a number of entities being able to pool separately appropriated money through the use of a special account
- joint contracting, such as one entity entering into a contract on behalf of the Commonwealth, where the services can be accessed by other entities.

The Commonwealth should not enter into an agreement with a corporate Commonwealth entity that allows the corporate Commonwealth entity to access an appropriation (including a special account) administered by a non-corporate Commonwealth entity.

### Instructions – all officials

When developing an inter-entity agreement, you must clearly articulate:

- the objectives of the agreement, including desired outcomes and timeframes
- the roles and responsibilities of the parties
- the details of the activities, including specifications of services or projects to be undertaken



- the resources and timeframe to be applied by parties and resource management framework issues
- the approach to identifying and sharing the risks and opportunities involved
- which entity collects performance reporting data
- agreed modes of review and evaluation
- agreed dispute resolution arrangements.

You must ensure that an inter-entity agreement addresses accountability requirements, including the requirements in the PGPA Act, to enable the Commissioner to meet their responsibilities under the resource management framework.

### Instructions – for officials establishing inter-entity agreements that involve financial commitments

You must not enter into an inter-entity agreement that commits the Commission, or another entity's current or future appropriation, unless you have been delegated the authority, or authorised by a delegate, to do so under section 23 of the PGPA Act or other legislation (such as section 32B of the Financial Framework (Supplementary Powers) Act 1997).

When using a special account to facilitate inter-entity activities, you must comply with the instructions on special accounts (see *Using special accounts*).

When undertaking activities that commit or might commit relevant money, you must comply with the requirements under section 18 of the PGPA Rule (see *Approving commitments of relevant money*).

<b>Legislative requirements</b>	<p><a href="#">PGPA Act</a>: s. 15, ss. 17 and 18, s. 21, s. 23, s. 78, s. 80</p> <p><a href="#">PGPA Financial Reporting Rule</a></p> <p><a href="#">FFSP Act</a>: s. 32B</p> <p><a href="#">FFSP Regulations</a>: Schedules 1AA and 1AB</p>
<b>Guidance</b>	
<b>Related AAls</b>	<p>Risk management</p> <p>Working with others</p> <p>Accounts, records and non-financial performance information</p> <p>Approving commitments of relevant money</p> <p>Entering into and administering arrangements</p> <p>Using special accounts</p>

<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	
<b>Contacts</b>	Finance & Property, Financial Performance and Partnerships, Procurement: Procurement@agedcarequality.gov.au

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## Indemnities, guarantees and warranties

This section provides instructions for officials entering into an arrangement that requires the Commonwealth to provide an indemnity, guarantee or warranty.

Providing an indemnity, guarantee or warranty creates a contingent liability. A contingent liability is a commitment that may give rise to a cost as a result of a future event. Contingent liabilities are generally used to allocate risk between parties to an arrangement. Risk needs to be managed by the party that is best placed to manage it.

The Finance Minister has delegated the power in section 60 of the PGPA Act to provide (grant) an indemnity, guarantee or warranty on behalf of the Commonwealth to accountable authorities of non-corporate Commonwealth entities. The Finance Minister has not delegated the power to enter into loan guarantees.

### Instructions – all officials

You must not enter into an arrangement that includes an indemnity, guarantee or warranty unless you have been delegated power to grant an indemnity, guarantee or warranty on behalf of the Commonwealth.

### Instructions – officials delegated the power to enter into a guarantee, indemnity or warranty

You must:

- comply with the directions in the delegation when entering into an arrangement that involves an indemnity, guarantee or warranty
- not provide an indemnity that would expressly meet the costs of civil or criminal penalties of the indemnified party
- not enter into an arrangement that involves an indemnity, guarantee or warranty with another non-corporate Commonwealth entity
- ensure contingent liabilities are consulted with Finance & Property and Legal as required
- if the arrangement involves a loan guarantee, obtain written approval from the Finance Minister for the loan guarantee.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act</a></u> : s. 23, s. 52, s. 60 <u><a href="#">PGPA Rule</a></u> : s. 18
<b>Policies of the Australian Government</b>	<u><a href="#">Commonwealth Risk Management Policy</a></u>
<b>Guidance</b>	<u><a href="#">Resource Management Guide No. 414: Indemnities, guarantees and warranties issued by the Commonwealth</a></u>



	<u><i>Introduction to the PGPA Act for officials</i></u> <u><i>Approving commitments of relevant money</i></u>
<b>Related AAls</b>	Risk management Entering into and administering arrangements
<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	<u><i>Enterprise Risk Management Framework</i></u> <u><i>Procurement Operational Guidelines</i></u> <u><i>Procurement Risk Assessment Procedure</i></u>
<b>Contacts</b>	Legal Services – <u><i>Legal@agedcarequality.gov.au</i></u> Finance & Property, Financial Performance and Partnerships, Procurement: <u><i>Procurement@agedcarequality.gov.au</i></u>

## Official hospitality

This section provides instructions to officials involved in official hospitality. Official hospitality generally involves the use of public resources to provide hospitality to persons other than entity officials to facilitate the achievement of one or more Commonwealth objectives. Official hospitality may include the provision of refreshments, entertainment, gifts of property, prizes or other benefits.

Generally, providing official hospitality will be part of the ordinary services and functions of government and the arrangement will be entered into under section 23 of the PGPA Act. In limited cases, officials may need to be delegated powers under section 32B of the *FFSP Act* or other specific legislation to enter an arrangement to provide official hospitality.

For instructions relating to the gifting of relevant property, see [Managing property](#).

### Instructions – all officials

You must:

- not enter into an arrangement to provide official hospitality unless you have been delegated, or authorised to exercise, power to enter into such an arrangement
- act in accordance with the Commonwealth Procurement Rules when procuring goods or services to provide official hospitality (see *Procurement*).

Any decision to spend relevant money on official hospitality must be publicly defensible.

<b>Legislative requirements</b>	<a href="#">PGPA Act</a> : s. 15, s. 21, s. 23, s. 52, s. 66 <a href="#">PGPA Rule</a> : s. 18 <a href="#">FFSP Act</a> : s. 32B <a href="#">FFSP Regulations</a> : Schedules 1AA and 1AB <a href="#">Commonwealth Procurement Rules</a>
<b>Guidance</b>	<a href="#">Approving commitments of relevant money</a>
<b>Related AAls</b>	Risk management Disclosure of interests Procurement Acquiring property (including receiving gifts and benefits) Disposing of property (including gifting relevant property)
<b>Internal delegations</b>	<a href="#">Financial</a>

<b>Other relevant documents</b>	<a href="#"><u>Meals During Visits to Services Policy</u></a> <a href="#"><u>Gifts and Benefits Policy</u></a> <a href="#"><u>Official Hospitality and Business Catering Policy</u></a> <a href="#"><u>ACQSC Corporate Credit Card Policy</u></a> <a href="#"><u>ACQSC Corporate Credit Card Procedures</u></a> <a href="#"><u>ACQSC Corporate Credit Card Procurements under \$10k</u></a>
<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au"><u>Finance@agedcarequality.gov.au</u></a>

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## Official travel

Official travel is any travel where a Commonwealth entity is ultimately responsible for any of the direct or indirect costs associated with that travel (noting the exceptions for using the coordinated travel procurements). This includes travel by officials, contractors and consultants to undertake work duties at the direction of the employer to achieve one or more Commonwealth objectives.

Official travel should only be undertaken when there is a demonstrated business need and when other communication tools, such as teleconferencing and videoconferencing, are an ineffective option.

Arrangements for the purpose of official travel will generally be entered into under section 23 of the PGPA Act. In limited cases, officials may need to enter into an arrangement for official travel under section 32B of the [FFSP Act](#), or other specific legislation.

### Instructions – all officials

You must:

- not enter into an arrangement for official travel unless you have been delegated, or authorised to exercise, power to enter into an arrangement of this type
- act in accordance with the Commonwealth Procurement Rules (CPRs) when procuring official travel (see *Procurement*).

Where the government has established coordinated procurements for a particular travel activity, you must use the arrangement established for that activity, unless:

- an exemption has been provided in accordance with the CPRs or reimbursement is to be provided to a third party (i.e. a non-Commonwealth traveller that cannot access coordinated travel procurements) for airfares, accommodation and/or car rental; or
- a travel allowance is to be provided for accommodation arrangements.

You must:

- use the Australian Government's contracted travel management company (TMC) to book domestic and ex-Australia international airfares under the Deed of Standing Offer for the Provision of Whole of Australian Government Travel Management Services unless the air travel is charter travel, in which case use of the TMC is recommended but not mandatory
- use the contracted accommodation program management services provider for domestic accommodation under the Deed for the Provision of Accommodation Program Management Services to the Australian Government
- use the contracted car rental service providers for domestic car rentals under the Deed for the Provision of Car Rental Services to the Australian Government unless an approved exception to use a different provider has been granted

- use the contracted travel card and related services provider for card payment services under the Deed for the Provision of Travel and Related Card Services to the Australian Government
- not accrue reward or loyalty points (such as frequent flyer points), however status credits may be accrued.

<b>Legislative requirements</b>	<u>PGPA Act: s. 15, s. 21, s. 23, s. 52</u> <u>PGPA Rule: s. 18</u> <u>FFSP Act: s. 32B</u> <u>FFSP Regulations: Schedules 1AA and 1AB</u> <u>Commonwealth Procurement Rules</u>
<b>Policies of the Australian Government</b>	<u>Commonwealth Risk Management Policy</u> <u>Travel and credit card policies</u>
<b>Guidance</b>	<u>Approving commitments of relevant money</u> <u>Resource Management Guide No. 404: Official domestic travel – use of the lowest practical fare</u> <u>Resource Management Guide No. 405: Official international travel – use of the best fare of the day</u> <u>Whole-of-Australian-Government Travel Services</u>
<b>Related AAls</b>	Risk management Approving commitments of relevant money Entering into and administering arrangements Procurement
<b>Internal delegations</b>	<u>Financial</u> <u>Human Resource</u>
<b>Other relevant documents</b>	<u>ACQSC - Enterprise Agreement - 2024-2027</u> <u>Travel Policy</u> <u>Corporate Credit Card (CCC) Policy</u> (Travel CCC for travel expenses) <u>Remote Travel Policy</u>

<b>Contacts</b>	<p>People and Culture – <a href="mailto:HRServices@agedcarequality.gov.au">HRServices@agedcarequality.gov.au</a></p> <p>Finance &amp; Property, Financial Performance and Partnerships: Travel and Card Management</p> <p><a href="mailto:CreditCardAdministrator@agedcarequality.gov.au">CreditCardAdministrator@agedcarequality.gov.au</a></p>
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## Arrangements for other CRF money

An accountable authority may enter into an arrangement with a person outside the Commonwealth to handle other money that is not relevant money (other CRF money).

Other CRF money is money that forms part of the Consolidated Revenue Fund (CRF), other than relevant money or any other money of a kind prescribed by the rules (see section 105(2) of the PGPA Act).

A ‘person outside the Commonwealth’ is an individual or an organisation who is not an official or a minister, and who acts for or on behalf of the Commonwealth to use or manage money (i.e. as an agent of the Commonwealth). For example, a person may handle other CRF money because they have entered into an arrangement with the Commonwealth to collect fees or levies and make payments of the amounts collected.

Before entering into any arrangement, it is important to consider whether the arrangement could involve a person outside the Commonwealth handling other CRF money.

## Instructions – all officials

You must not enter into an arrangement for the use or management of other CRF money (including the receipt, custody or expenditure) by a person outside the Commonwealth, unless:

- you have the authority or delegation to enter into the arrangement
- the terms of the arrangement are, at a minimum, compliant with the requirements of section 29 of the PGPA Rule
- the arrangement would be a proper use and management of public resources and would not be inconsistent with the policies of the Australian Government
- you consider and manage all associated risks with handling other CRF money.

If the arrangement will also involve the commitment of relevant money (e.g. payment to a person outside the Commonwealth to collect, hold or spend other CRF money), you must ensure appropriate records are kept in accordance with section 18 of the PGPA Rule (see *Approving commitments of relevant money*).



## Instructions – officials with a delegation to make arrangements with persons outside the Commonwealth

When making an arrangement for the receipt, custody or expenditure of other CRF money by a person outside the Commonwealth, you must:

- comply with any directions relating to the delegation
- be satisfied that the arrangement:
  - promotes the proper use and management of the other CRF money
  - complies with the requirements in section 29 of the PGPA Rule

You must not make an arrangement for other CRF money unless you are satisfied that the risks that might arise from the arrangement will be managed in the best interests of the Commonwealth.

<b>Legislative requirements</b>	<p><u><i>PGPA Act</i></u>: s. 23, s. 105</p> <p><u><i>PGPA Rule</i></u>: s. 29</p> <p><u><i>FFSP Act</i></u>: s. 32B</p> <p><u><i>FFSP Regulations</i></u>: Schedules 1AA and 1AB</p>
<b>Policies of the Australian Government</b>	<p><u><i>Commonwealth Risk Management Policy</i></u></p>
<b>Guidance</b>	<p><u><i>Other CRF money</i></u></p> <p><u><i>Approving commitments of relevant money</i></u></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Working with others</p> <p>Disclosure of interests</p> <p>Approving commitments of relevant money</p>
<b>Internal delegations</b>	<p><u><i>Financial</i></u></p>
<b>Other relevant documents</b>	<p>Nil</p>
<b>Contacts</b>	<p>Finance &amp; Property, Financial Accounting:</p> <p><u><i>Finance@agedcarequality.gov.au</i></u></p>

### 3. Making payments

This part covers instructions to officials on making payments of money, including the following topics:

- payments of relevant money
- the use of Commonwealth credit cards and credit vouchers
- discretionary compensation mechanisms
- taxation obligations.

These instructions apply to all payments, including manual and automated payments. A payment involves the transfer of cash, the issuing of instructions to process an electronic funds transfer, the execution and issuing of a cheque, the use of a debit card, or the transfer of funds through another process.

Regardless of whether a payment is made from a departmental or administered appropriation, an official must ensure that:

- there is a sufficient available appropriation to cover the proposed payment
- there is legal authority to spend the relevant money
- the payment of the money is for the purpose for which it was appropriated.



## Payments of relevant money

The authority to administer an arrangement, including making a payment in accordance with an arrangement, comes from section 23 of the PGPA Act, or other specific legislation (for example, section 32B of the FFSP Act). Accountable authorities usually delegate this function to officials. Officials who perform the purely administrative tasks necessary to facilitate a payment (for example, processing an electronic funds transfer request) do not require a delegation if they are acting under the direction of another official and are not exercising any independent judgment.

### Instructions – all officials

You must not make a payment of relevant money unless the payment is made in accordance with these instructions.

<b>Legislative requirements</b>	<a href="#">PGPA Act</a> : ss. 15 and 16, s. 21, s. 23, s. 52, s. 71 <a href="#">PGPA Rule</a> : s. 18 <a href="#">FFSP Act</a> : s. 32B <a href="#">FFSP Regulations</a> : Schedules 1AA and 1AB
<b>Policies of the Australian Government</b>	<a href="#">Supplier pay on-time or pay interest policy</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 417: Supplier pay on-time or pay interest policy</a>
<b>Related AAls</b>	Risk management Disclosure of interests Procurement, grants and other commitments and arrangements
<b>Internal delegations</b>	<a href="#">Financial</a>
<b>Other relevant documents</b>	<a href="#">Financial Control Framework</a> <a href="#">Procurement Operational Guidelines</a> <a href="#">Procurement Risk Assessment Procedure</a> <a href="#">ACQSC Corporate Credit Card Policy</a> <a href="#">ACQSC Corporate Credit Card Procedures</a> <a href="#">ACQSC Corporate Credit Card Procurements under \$10k</a>



<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>
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## Payment of amount owed to person at time of death (payment pending probate)

A payment pending probate relates to an amount that the Commonwealth owes to a person at the time of their death. The Finance Minister has delegated to accountable authorities the power in section 25 of the PGPA Rule to authorise payment of such an amount to the person without requiring production of probate of the will or letters of administration of the deceased person's estate. Accountable authorities may sub-delegate this power to officials.

Questions regarding the payment of monies owed to a person at time of death can be directed to the Chief Legal Officer, who will provide advice in accordance with the Legal Services Directions in seeking advice from relevant Agencies, as required.

### Instructions – all entity officials

You must not authorise a payment pending probate under section 25 of the PGPA Rule unless you have been delegated the authority to do so.

If a payment pending probate has been authorised by the Commissioner or a delegate, you must ensure, before making the payment, that there is an available appropriation for the payment and that you have the authority to allow the payment.

### Instructions – officials with a delegation to authorise payments pending probate

When authorising a payment pending probate, you must comply with any directions in relation to the delegation from the Commissioner.

If the Commission owes an amount to a person at the time of their death, you may authorise payment of that amount to the person who you consider can receive the payment, if you have been delegated the power to do so.

When deciding who to pay, you must consider the people who are entitled to the property of the deceased person under that person's will or the law relating to the disposition of the property of deceased persons. However, you are not bound to act in accordance with that law.

You may authorise the payment without requiring production of:

- probate of the will of the deceased person; or
- letters of administration of the deceased person's estate.

Before authorising the payment, you must ensure that the payment is not covered by other legislation.

<b>Legislative requirements</b>	<p><u>PGPA Act</u>: ss. 15 and 16, s. 21, s. 23, s. 52, s.103</p> <p><u>PGPA Rule</u>: s. 18, s. 25</p> <p>Payments under other legislation (e.g. <u>Long Service Leave (Commonwealth Employees) Act 1976</u>)</p>
<b>Guidance</b>	<p><u>Resource Management Guide 402: Payment of an amount owed to person at time of death</u></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p>
<b>Internal delegations</b>	<p><u>Financial</u></p> <p><u>Human Resource</u></p>
<b>Other relevant documents</b>	<p><u>Procedures for Separation of Employees</u></p> <p><u>ACQSC - Enterprise Agreement - 2024-2027</u></p>
<b>Contacts</b>	<p>People and Culture – <u>HRServices@agedcarequality.gov.au</u></p>

## Commonwealth credit cards and credit vouchers

This section provides instructions about the use of Commonwealth credit cards and credit vouchers.

A Commonwealth credit card is a credit facility issued to a Commonwealth entity to enable it to purchase goods or services and withdraw cash on credit (i.e. with payment deferred to a later date) and includes:

- charge cards issued to buy goods or services on credit, with payment in full required at a later date (e.g. Diners Club or American Express cards)
- vendor cards (sometimes called 'limited-purpose purchase cards') provided by specific retailers (e.g. Cabcharge cards and fuel cards).

A credit voucher is a paper-based credit facility that generally comes with an attached spending limit (e.g. a Cabcharge e-tickets).

The Finance Minister has delegated to accountable authorities the power to enter into a limited range of borrowing agreements under section 56 of the PGPA Act. This includes the power to enter into an agreement for the issue and use of credit cards or credit vouchers, providing money borrowed is repaid within 90 days.

Debit cards, pre-paid credit cards and gift vouchers issued to a Commonwealth entity are not Commonwealth credit cards or credit vouchers and must be treated as if they were relevant money.

### Instructions – all officials

Only the person issued with a Commonwealth credit card or credit voucher, or someone specifically authorised by that person, may use that credit card, credit card number or credit voucher.

You must only use a Commonwealth credit card or card number to obtain goods or services for the Commonwealth entity based on the proper use of public resources.

You must not use a Commonwealth credit card or card number for private expenditure.

In deciding whether to use a Commonwealth credit card or credit voucher, you must consider whether it would be the most cost-effective payment option in the circumstances.

Before using a Commonwealth credit card or credit voucher, you must ensure that the requirements in the instructions *Procurement, grants and other commitments and arrangements* have been met before entering into the arrangement.

You must:

- ensure that your use of a Commonwealth credit card or credit voucher is consistent with any approval given, including any conditions of the approval
- ensure that any Commonwealth credit cards and credit vouchers issued to you are stored safely and securely.



## Instructions – officials with a delegation to enter into borrowing agreements for Commonwealth credit cards and credit vouchers

When entering into a borrowing agreement for the issue to, and use by, the Commonwealth entity of credit cards or credit vouchers, you must:

- have a valid delegation to enter into borrowing agreements
- ensure that the requirements in the instructions *Procurement, grants and other commitments and arrangements* have been met
- ensure that the procurement of the credit card and/or credit voucher services is in accordance with the *Procurement* instructions and the Commonwealth Procurement Rules.

You must:

- comply with Finance Minister directions in the delegation of the power in section 56 or any directions in the delegation from your accountable authority
- ensure that the borrowing agreement requires the money borrowed to be repaid within 90 days of the Commonwealth being notified of the amount borrowed.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act</a></u> : ss. 15 and 16, s. 23, ss. 25 to 29, s. 56
<b>Guidance</b>	
<b>Related AAls</b>	Risk management Fraud control Disclosure of interests Procurement, grants and other commitments and arrangements Agreements with banks and bank accounts
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Financial Control Framework</a></u> <u><a href="#">ACQSC Corporate Credit Card Policy</a></u> <u><a href="#">ACQSC Corporate Credit Card Procedures</a></u> <u><a href="#">ACQSC Corporate Credit Card Procurements under \$10k</a></u>
<b>Contacts</b>	Finance & Property, Financial Accounting, Credit Card Administrator: <u><a href="mailto:CreditCardAdministrator@agedcarequality.gov.au">CreditCardAdministrator@agedcarequality.gov.au</a></u>

## Requests for discretionary financial assistance

This section provides instructions on the discretionary compensation mechanisms that the Commonwealth can use to provide assistance to individuals or other bodies who otherwise have no entitlement to a payment or other financial relief (e.g. through the settlement of claims under the *Legal Services Directions 2005*, or the payment of compensation in accordance with a statutory entitlement). Discretionary compensation mechanisms include:

- the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme)
- act of grace payments.

A decision under these mechanisms is at the discretion of the decision-maker.

### Scheme for Compensation for Detriment caused by Defective Administration

Accountable authorities (other than the departments of the Parliament) may compensate individuals or other bodies who:

- have experienced detriment (i.e. quantifiable financial loss) as a result of an entity's defective administration
- have no other avenues of redress.

Ministers are responsible for making CDDA Scheme decisions; however, they may authorise accountable authorities, who in turn authorise officials, to approve CDDA Scheme payments.

#### Instructions – all officials

You must refer claims for compensation arising from defective administration to the Minister for Aged Care or the person delegated by a minister to decide such claims.

If a CDDA Scheme payment has been approved by the Minister for Aged Care or the person delegated by a minister, the official must ensure, before making the payment, that:

- there is an available appropriation for the payment
- the Minister has approved the payment under section 71 of the PGPA Act
- a record of the approval is kept in accordance with section 18 of the PGPA Rule (see *Procurement, grants and other commitments and arrangements*).

<b>Legislative requirements</b>	<p><u><a href="#">Constitution</a></u>: s. 61</p> <p><u><a href="#">PGPA Act</a></u>: s. 16, s. 21, s. 23, s. 25 s. 52, s. 71</p> <p><u><a href="#">PGPA Rule</a></u>: s. 18</p> <p><u><a href="#">PGPA Financial Reporting Rule</a></u></p>
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<b>Guidance</b>	<p><u><i>Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</i></u></p> <p><u><i>Resource Management Guide No. 409: Scheme for Compensation for Detriment caused by Defective Administration</i></u></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p>
<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	Nil
<b>Contacts</b>	<p>Finance – <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a></p> <p>Legal Services – <a href="mailto:Legal@agedcareservices.gov.au">Legal@agedcareservices.gov.au</a></p>

## Act of grace payments

The Finance Minister may authorise the making of one-off or periodic act of grace payments under section 65 of the PGPA Act. This power has been delegated with directions to the Finance Secretary and delegates within Finance.

If the Finance Minister or a delegate authorises ongoing act of grace payments or an act of grace payment that is subject to agreed conditions, the accountable authority of the relevant non-corporate Commonwealth entity will derive authority to enter into an arrangement under section 23 of the PGPA Act.

Act of grace payments may be authorised in special circumstances, where a non-corporate Commonwealth entity's conduct or Commonwealth legislation or policy has resulted in an unintended, inequitable, anomalous or otherwise unacceptable impact on the claimant's circumstances – subject to some additional requirements for amounts in excess of \$500,000 (see section 24 of the PGPA Rule). Act of grace payments are made in circumstances where the main obligation to the applicant is moral, rather than legal.

## Instructions– all officials

You must not authorise an act of grace payment.

You must ensure that all requests for act of grace payments are referred to the Discretionary Payments Team within the Department of Finance.

You must ensure, when making the act of grace payment authorised by the Finance Minister or a delegate, that the payment is consistent with the decision.

### **[In those circumstance where there is an arrangement]**

Where an act of grace payment involves either ongoing payments or is subject to agreed conditions, you must ensure, before entering into the arrangement, that:

- you have been delegated the authority to enter into the arrangement under section 23 of the PGPA Act
- the requirements for section 18 of the PGPA Rule have been met (see *Procurement, grants and other commitments and arrangements*).

Before making an act of grace payment under an arrangement, you must ensure that:

- you have been delegated the authority, or authorised by a delegate, to administer the arrangement under section 23 of the PGPA Act
- the requirements of the arrangement have been met
- the act of grace payment is supported by an appropriation.

<b>Legislative requirements</b>	<a href="#">PGPA Act: s. 16, s. 21, s. 23, s. 25, s. 26, s 52, s. 65</a> <a href="#">PGPA Rule: s. 18, s. 24</a> <a href="#">PGPA Financial Reporting Rule</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</a>
<b>Related AAls</b>	<i>Risk management</i> <i>Disclosure of interests</i>
<b>Internal delegations</b>	<a href="#">Financial</a>
<b>Other relevant documents</b>	Nil



<b>Contacts</b>	Legal Services – <a href="mailto:Legal@agedcareservices.gov.au">Legal@agedcareservices.gov.au</a> Finance – <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>
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## Taxation obligations

This section provides officials with instructions on how to maintain appropriate records and how to meet fringe benefits tax and goods and services tax obligations.

### Instructions – all officials

You must maintain appropriate records for the required duration and provide information as requested to enable the entity to meet its taxation obligations.

Before seeking approval for a proposed commitment of relevant money, you must:

- consider the potential fringe benefits tax (FBT) implications of the proposed commitment
- ensure that the price to be charged for the goods and/or services is inclusive of goods and services tax (GST), where applicable.

You must ensure that a valid tax invoice is obtained for each purchase to enable the entity to claim input tax credits for the purposes of GST, where applicable.

You must ensure that all contracts for the acquisition or sale of goods and services by the entity appropriately address taxation issues.

<b>Legislative requirements</b>	<a href="#">PGPA Act: s. 41</a> <a href="#">Fringe Benefits Tax Assessment Act 1986</a> <a href="#">A New Tax System (Goods and Services Tax) Act 1999</a>
<b>Related AAls</b>	Approving commitments of relevant money Accounts, records and non-financial performance information
<b>Internal delegations</b>	<a href="#">Financial</a>
<b>Other relevant documents</b>	<a href="#">Salary Packaging Policy</a> <a href="#">ACQSC Enterprise Agreement 2024-2027</a>
<b>Contacts</b>	Finance – <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a> People and Culture – <a href="mailto:HRServices@agedcarequality.gov.au">HRServices@agedcarequality.gov.au</a>

## Managing money

This part covers instructions to officials on the proper management of relevant money, including the following topics:

- agreements with banks and managing bank accounts
- receiving and handling relevant money
- cash advances
- investments and borrowings
- special accounts
- user charging.

Relevant money is money that the Commonwealth holds as cash or in bank accounts and includes:

- Australian currency, foreign currency and cheques in any currency
- money raised by, or on behalf of, the Commonwealth in a variety of ways, including by appropriations, taxes, borrowings, loan repayments, rebates, levies and fees
- money held on trust by the Commonwealth (for the benefit of persons outside the Commonwealth)
- money found on Commonwealth premises.

Relevant money does not include other Consolidated Revenue Fund (CRF) money (see *Arrangements for other CRF money*).

## Agreements with banks and managing bank accounts

This section provides instructions for officials with a delegation to:

- enter into agreements with banks
- open and maintain bank accounts.

The Finance Minister has delegated the power in section 53 of the PGPA Act to accountable authorities to enter into transactional banking agreements on behalf of the Commonwealth, and to open and maintain bank accounts. Accountable authorities may delegate this power to officials. In the Commission, this power has been delegated with limitations - see the [Financial Delegations](#).

### Instructions – all officials

You must not:

- enter into an agreement with a bank for banking business services; or
- open, maintain or close a Commission bank account

unless you have been delegated the power to do so under *section 53* of the PGPA Act.

## Agreements with banks

### Instructions – officials with a delegation to enter into agreements with banks

You may only enter into an agreement with a bank for banking business services in Australia, unless the Commission is permitted to open and maintain bank accounts outside Australia.

When entering into an agreement with a bank, you must comply with the directions in relation to the delegation from your accountable authority.

You may only enter into an agreement with a bank for overdraft drawings if the agreement provides for each drawing to be repaid within 30 days.

## Managing bank accounts

### Instructions – officials with a delegation to open and maintain bank accounts

You may only open and maintain entity bank accounts in Australia, unless the Commission is permitted to open and maintain bank accounts outside Australia.

When opening and maintaining a Commission account, you must comply with the directions in the delegation from your accountable authority.



<b>Legislative requirements</b>	<u>PGPA Act</u> : s. 53, s. 55 <u>PGPA Rule</u> : s. 19, s. 20, s. 21
<b>Guidance</b>	<u>Entering arrangements and committing relevant money</u> <u>Resource Management Guide No. 413: Banking and Management of CRF money</u>
<b>Related AAls</b>	Receiving and handling money Cash advances (including petty cash and change floats)
<b>Internal delegations</b>	<u>Financial</u>
<b>Other relevant documents</b>	<u>Financial Control Framework</u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u>Finance@agedcarequality.gov.au</u>



## Receiving and handling money

This section provides instructions for officials who receive relevant money that:

- can be deposited in a bank (bankable money)
- is not bankable (unbankable money).

Officials are required to ensure the security of any relevant money that is in their custody. A loss of relevant money may result in a debt owed to the Commonwealth. A person's liability to pay such a debt is not avoided if they stop working for the entity. For further information on the management of debt, see *Managing debts and amounts owing to the Commonwealth*.

### Instructions – all officials

If you receive relevant money, you must ensure the safe custody of the money.

You must not misuse or improperly dispose of relevant money.

If a loss of relevant money occurs while the money is in your custody, you will be liable to pay the Commonwealth an amount equal to the loss, unless you took reasonable steps to prevent the loss (see section 68 of the PGPA Act).

If you cause or contribute to a loss of public money by misconduct, or a deliberate or serious disregard for reasonable standards of care, you will be liable to pay the Commonwealth an amount that reflects your share of the responsibility for the loss (see section 69 of the PGPA Act).

If you are entering into an arrangement with a person outside the Commonwealth or a Commonwealth entity to handle other CRF money, you must comply with the instructions in *Arrangements for other CRF money*.

### Instructions – officials who receive or handle bankable money

If you receive relevant money that is bankable money, then unless specified in these instructions, you must deposit the money in a bank before the end of the next banking day.

You must ensure that relevant money is only ever deposited into a Commission bank account, unless the money is to be retained as cash for the purposes of making payments in relation to the Commonwealth entity in accordance with any requirements in these instructions.

### Instructions – officials who receive or handle unbankable money

If you receive relevant money that is unbankable money, you must deal with it in accordance with any requirements prescribed in these instructions. Unbankable money is treated as relevant property and can be used, managed or disposed of by the Commissioner in accordance with the PGPA Rule and the entity's internal controls.

## Instructions – officials responsible for reporting on the loss of relevant money

You must ensure that the Chief Financial Officer is informed of any a loss of relevant money and will decide on appropriate follow up actions.

<b>Legislative requirements</b>	<p><u>PGPA Act</u>: s. 26, s. 53, s. 55, s. 68, s.69, s. 70, s. 74, s. 74A, s. 78, s. 80</p> <p><u>PGPA Rule</u>: s. 19, s. 20, s. 21, s. 27</p>
<b>Guidance</b>	<p><u>Committing relevant money</u></p> <p><u>Resource Management Guide No. 413: Banking and Management of CRF money</u></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p> <p>Accounts, records and non-financial performance information</p> <p>Agreements with banks and managing bank accounts</p> <p>Cash advances (including petty cash and change floats)</p> <p>Managing debts and amounts owing to the Commonwealth</p> <p>Arrangements for other CRF money</p>
<b>Internal delegations</b>	<p><u>Financial</u></p>
<b>Other relevant documents</b>	<p><u>Financial Control Framework</u></p>
<b>Contacts</b>	<p>Finance &amp; Property, Financial Accounting:  <u><a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a></u></p>

## Cash advances (including petty cash and change floats)

This section provides instructions on cash advances, including petty cash and change floats. Cash advances are typically used as change floats or to cover minor expenses that cannot be conveniently or cost-effectively processed for payment by cheque, electronic funds transfer or credit card.

A cash advance is relevant money that has been withdrawn from an entity bank account and provided to a specific official to make payments in cash. It also includes money received for the purposes of reimbursing the petty cash or change float.

### Instructions – officials who are authorised to hold cash advances

You may receive an amount withdrawn from a Commission bank account to establish or replenish a cash advance approved by the Commissioner (or their delegate).

You are responsible for the cash advance and must take reasonable steps to safeguard the money from loss.

You must:

- comply with any other directions from the Commissioner in relation to the cash advance.

You must not:

- make a payment from a cash advance, unless you are authorised to do so
- make a payment for any purpose other than that for which the cash advance was established.

If you enter into an arrangement in relation to a cash advance, you must be delegated the power to do so under section 23 of the PGPA Act.

If you authorise a proposed commitment of relevant money that will result in a payment of the cash advance, you must be delegated the power or authorised to do so under section 23 of the PGPA Act.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act</a></u> : s. 23
<b>Related AAls</b>	<i>Risk management</i> <i>Disclosure of interests</i> <i>Accounts, records and non-financial performance information</i> <i>Approving commitments of relevant money</i> <i>Entering into and administering arrangements</i>

<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	<u><i>Financial Control Framework</i></u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u><i>Finance@agedcarequality.gov.au</i></u>

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## Investments and borrowings

This section provides instructions on investing and borrowing relevant money. As a general rule, relevant money managed by the Commonwealth cannot be invested by an entity.

### Investments

The Finance Minister and Treasurer have delegated limited powers to a limited number of accountable authorities to invest relevant money in authorised investments on behalf of the Commonwealth (see section 58 of the PGPA Act). Accountable authorities can sub-delegate this authority. The investments that are authorised under section 58 are limited to a specific list of conservative investments outlined in section 22 of the PGPA Rule.

### Instructions – officials with a delegation to invest relevant money

You must not invest relevant money on behalf of the Commonwealth unless you have been delegated the authority to do so by the Finance Minister or Treasurer under section 58 of the PGPA Act.

When investing relevant money, you must comply with any directions in relation to the delegation from the Commissioner.

You must:

- ensure that relevant money is only invested in authorised investments (section 22 of the PGPA Rule)
- ensure that the proceeds of an investment debited from a special account are, upon realisation, credited to that special account.

When investing relevant money from a special account, you must ensure that the investment is consistent with the purposes of that special account.

When investing relevant money that is trust money, you must ensure that the investment is consistent with the terms of the trust.

Prior to an investment maturing, you may authorise the reinvestment of the proceeds, upon maturity, in an authorised investment with the same entity.

You must take all reasonable steps to obtain the maximum return available on authorised investments.

Prior to making an investment or authorising a reinvestment that involves an amount of \$15 million or more, you must provide details of the proposed investment or reinvestment to the Australian Office of Financial Management.

<b>Legislative requirements</b>	<p><u><a href="#">PGPA Act</a></u>: s. 58</p> <p><u><a href="#">PGPA Rule</a></u>: s. 22</p>
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<b>Guidance</b>	<u><i>Resource Management Guide No. 301: Investment by Commonwealth entities</i></u>
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information
<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	<u><i>Financial Control Framework</i></u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u><i>Finance@agedcarequality.gov.au</i></u>

## Borrowing

The Finance Minister has delegated to accountable authorities, under section 56 of the PGPA Act, very limited powers to enter into borrowing agreements for Commonwealth credit card or credit voucher services (see *Commonwealth credit cards and credit vouchers*).

### Instructions – officials with a delegation to enter into borrowing agreements for credit card or credit voucher services

You must not enter into a borrowing agreement on behalf of the Commonwealth unless you have been delegated the authority to do so under section 56 of the PGPA Act.

You may only enter into a borrowing agreement for a credit card or credit voucher to be issued to, and used by, officials of the Commission on behalf of the Commonwealth.

When entering into a borrowing agreement, you must comply with the instructions on [Commonwealth credit cards and credit vouchers](#).

<b>Legislative requirements</b>	<a href="#">PGPA Act</a> : s. 56
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information Commonwealth credit cards and credit vouchers
<b>Internal delegations</b>	<a href="#">Financial</a>
<b>Other relevant documents</b>	<a href="#">Financial Control Framework</a>
<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>



## Using special accounts

This section provides instructions on the use and management of special accounts.

Special accounts are an appropriation mechanism to draw money from the Consolidated Revenue Fund for particular purposes. They are not bank accounts. Special accounts can be established by a determination made by the Finance Minister (see section 78 of the PGPA Act), or by another Act (see section 80 of the PGPA Act).

How money can be credited to, or debited from, a special account will depend on the purpose of the special account set out in the Finance Minister's determination or the Act that establishes the special account.

### Instructions – officials involved with the use and management of special accounts

You must ensure that only those amounts that have been identified for crediting to a special account are credited to it.

You must ensure that amounts are only debited from a special account in accordance with the purposes for which the account was established.

You must not use money from a special account to make a payment unless you are authorised to do so. Before making a payment, you must ensure that the balance of the special account is sufficient to cover the proposed payment (see *Making payments of relevant money*).

Moneys allocated to a special account must not be invested or earn interest, unless the authority to invest such moneys has been provided by the Finance Minister under section 58 of the PGPA Act.

You must consult with Finance prior to establishing a special account.

<b>Legislative requirements</b>	<a href="#"><i>PGPA Act</i>: s. 78, s. 79, s. 80</a> <a href="#"><i>PGPA Financial Reporting Rule</i></a>
<b>Guidance</b>	<a href="#"><i>Resource Management Guide Number 100: Guide to Appropriations</i></a>
<b>Related AAls</b>	Making payments of relevant money Investments and borrowings
<b>Internal delegations</b>	<a href="#"><i>Financial</i></a>
<b>Other relevant documents</b>	<a href="#"><i>Financial Control Framework</i></a>
<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au"><i>Finance@agedcarequality.gov.au</i></a>

## Charging

This section provides instructions on:

- charging for regulatory, resource and commercial activities in line with the Australian Government Charging Framework
- portfolio charging reviews.

These instructions do not cover intra- or inter-government charges, fines, penalties, general taxation, or Freedom of Information Act 1982 charges.

The Australian Government Charging Framework:

- helps determine whether it is appropriate to charge for a government activity
- encourages a common approach to planning, implementing and reviewing charging activities
- indicates how to classify each charging activity and the best policy, legislative and pricing approach for each activity
- incorporates and builds on the Australian Government Cost Recovery Policy, which apply to regulatory charging activities.

Consistent with the PGPA Act requirements relating to proper use and management of public resources, charging is appropriate only where it is cost-effective and efficient. In particular:

- the cost of administering a charging activity needs to be proportional to the revenue generated from the activity
- where the charging activity is provided to government and non-government stakeholders, charges need to be set on the same basis
- different pricing models can be used, depending on the specific charging activity being undertaken (more than one pricing model can be used for different aspects of an activity).

Undertaking a charging activity includes planning, developing, managing and reviewing a charging activity.

A key element of undertaking a charging activity is to identify and engage with risk at each stage of the charging process. Officials may use the charging risk assessment template to assess the risk of a new or amended charging activity.

### Instructions – all officials

When planning, developing, managing and reviewing a charging activity, you must apply the Australian Government Charging Framework. Specifically, you must:

- take account of the charging policy statement and charging considerations
- apply the six charging principles.

For each charging activity, you must consider:

- whether policy approval is required from the Australian Government

- what statutory authority is required
- whether there is a need to align expenses and revenue
- maintaining appropriate up-to-date records, including the level of publicly available documentation and reporting.

You must provide information on existing or potential charging activities for the portfolio charging review.

## Instructions – officials undertaking regulatory charging activities

For each regulatory charging activity, you must:

- have policy approval from the Australian Government to recover costs
- have statutory authority to charge
- ensure alignment between expenses and revenue
- maintain up-to-date, publicly available documentation and reporting, specifically:
  - a cost recovery implementation statement must be completed, approved and published in line with the Australian Government Charging Framework for all regulatory charging activities, regardless of value, before charges commence
  - regulatory charging expenses and revenue must be reported
    - at an aggregate level in the Commission's financial statements, in accordance with the financial reporting rule
    - at the activity level on the Commission's website as part of the cost recovery implementation statement.

When developing or revising a regulatory charging activity, you must undertake a risk assessment. If a new policy proposal is being brought forward, the risk rating in the charging risk assessment must be agreed with the Department of Finance.

<b>Guidance</b>	<a href="#"><i>Resource Management Guide No. 302: Implementing the Charging Framework</i></a>
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information
<b>Internal delegations</b>	<a href="#"><i>Financial</i></a>
<b>Other relevant documents</b>	<a href="#"><i>Financial Control Framework</i></a>



<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>
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## 4. Managing debts and amounts owing to the Commonwealth

This part covers instructions to officials on the management of debts and amounts owing to the Commonwealth, and includes the following topics:

- Debt management recovery and non-recovery (write-off)
- waiver of amounts owing to the Commonwealth
- payment by instalments or deferral of the time for payment.

A debt is an amount owing to the Commonwealth that is known (or capable of being objectively determined) and is not disputed, due for payment now, and capable of being recovered in an action for debt (e.g. an official who is overpaid salary, or a person who has been overpaid a social security payment, may owe a debt to the Commonwealth).

An amount owing to the Commonwealth includes all debts owed to the Commonwealth, as well as amounts that are not yet due for payment (e.g. an invoice has been issued but payment is not due until the following month).

It is important that you can identify and distinguish between a debt and an amount owing. In relation to amounts owing to the Commonwealth, the general principle is that such amounts need to be paid in full immediately when they become due. However, in certain circumstances it may be appropriate to defer the time for payment, allow payment by instalments, waive the amount owing to the Commonwealth, or set off the amount owing to the Commonwealth in accordance with sections 63 and 64 of the PGPA Act.

The Finance Minister has delegated the power in section 63 of the PGPA Act to waive amounts owing to the Commonwealth or modify the terms and conditions on which an amount owing to the Commonwealth is to be paid (see *Waiver of amounts owing to the Commonwealth*).

## Debt management (recovery and write-off)

This section provides instructions on the recovery and non-recovery (write-off) of debts. Accountable authorities are required to recover all debts for which they are responsible in accordance with the proper use and management of public resources (section 15 of the PGPA Act) and section 11 of the PGPA Rule, unless:

- the debt has been written off as authorised by an Act
- they consider that the debt is not legally recoverable or
- recovery is not economical to pursue.

An accountable authority may delegate to officials their authority in section 11 of the PGPA Rule to approve the non-recovery (write-off) of a debt.

A decision to write off a debt does not legally extinguish the debt. For example, if the debtor's circumstances change in the future, the debt can be reinstated and pursued. The only way to legally extinguish a debt or other amount owing to the Commonwealth is for the Finance Minister (or delegate) to waive the amount owing under section 63 of the PGPA Act (see *Waiver of amounts owing to the Commonwealth*).

### Instructions – officials with a delegation to pursue debt recovery

You must cease any incorrect or ongoing overpayments as soon as you are made aware of them, and determine the amount owing to the Commonwealth or Commonwealth entity.

You must pursue recovery of each debt for which the Commissioner is responsible, except debts that are:

- written off as authorised by an Act
- not legally recoverable; or
- not economical to pursue.

### Instructions – all officials

You must ensure that a decision not to pursue the recovery of a debt is approved by the Commissioner or a delegate under section 11 of the PGPA Rule.

### Instructions – officials with a delegation to approve non-recovery of a debt

You may approve the non-recovery of a debt where:

- the non-recovery has been authorised by an Act
- you are satisfied that the debt is not legally recoverable; or
- you consider that it is not economical to pursue recovery of the debt.



<b>Legislative requirements</b>	<u>PGPA Act</u> : s. 15, s. 103(c) <u>PGPA Rule</u> : s. 11
<b>Guidance</b>	<u>Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</u>
<b>Related AAls</b>	Risk management Disclosure of interests Waiver of amounts owing to the Commonwealth Payment by instalments or deferral of the time for payment
<b>Internal delegations</b>	<u>Financial</u>
<b>Other relevant documents</b>	<u>Financial Control Framework</u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u><a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a></u>

## Waiver of amounts owing to the Commonwealth

A waiver is a special concession granted to an individual or other body that extinguishes a debt or other amount owing to the Commonwealth. This means that the amount owing is completely forgiven and can no longer be recovered (even if the debtor's circumstances change in the future). Waivers are a last resort in circumstances where the recovery of the debt would be inequitable or cause ongoing financial hardship.

The Finance Minister may waive an amount owing to the Commonwealth under section 63 of the PGPA Act (subject to some additional requirements for large amounts; see section 24 of the PGPA Rule). The Finance Minister has also delegated this power to the Secretary of Finance, and to the accountable authority of the Australian Securities and Investments Commission for use in limited circumstances.

### Instructions – all officials

You must not approve the waiver of an amount owing under the PGPA Act unless you are delegated the power to waive the amount owing under section 63 of the PGPA Act.

You must ensure that all requests for waiver of a debt are referred to the Finance Minister.

### Instructions – officials with a delegation to waive amounts owing

When waiving an amount owing under the PGPA Act, you must comply with the directions in the delegation from the Finance Minister or any directions in the sub-delegation from your accountable authority.

The waiver may be conditional as modified by the Finance Minister or your accountable authority.

<b>Legislative requirements</b>	<p><a href="#">PGPA Act</a>: s. 15, s. 21, s. 63, s. 64, s. 65, s. 103</p> <p><a href="#">PGPA Rule</a>: s. 11, s. 24</p> <p><a href="#">Public Governance, Performance and Accountability (Financial Reporting) Rule 2015</a></p>
<b>Guidance</b>	<p><a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</a></p>
<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p> <p>Debt management (recovery and write-off)</p> <p>Payment by instalments or deferral of the time for payment</p>

<b>Internal delegations</b>	<u><i>Financial</i></u>
<b>Other relevant documents</b>	<u><i>Financial Control Framework</i></u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u><i>Finance@agedcarequality.gov.au</i></u>

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## Payment by instalments or deferral of the time for payment

This section provides instructions on permitting payment by instalments or deferral of the time for payment. Amounts owing to the Commonwealth are generally required to be paid in full immediately when they become due. However, there may be circumstances that warrant allowing a payment to be made by instalments, or deferring the time for payment.

The Finance Minister has delegated the power in section 63 of the PGPA Act to all accountable authorities to modify the terms and conditions on which an amount owing to the Commonwealth is to be paid. Accountable authorities may sub-delegate this power to officials in their entity.

### Instructions – all officials

You must refer requests to:

- allow the payment by instalments of an amount owing to the Commonwealth; or
- defer the time for payment of an amount owing to the Commonwealth

to the Commissioner or a delegate with the relevant power under section 63 of the PGPA Act.

### Instructions – officials with a delegation to allow payment by instalments or defer the time for payment

When allowing payment by instalments or deferring the time for payment of an amount owing to the Commonwealth, you must comply with the directions in the delegation from the Finance Minister or any directions in the sub-delegation from your accountable authority.

#### Cases of hardship

When considering cases of claimed hardship, you must require that the debtor provide sufficient evidence to satisfy you that it would be unreasonable to require repayment of the amount owing other than by instalments or at a deferred date. You must also have regard to the Commonwealth's interests not being subordinate to other creditors of the same ranking.

#### Instalments

When authorising payment by instalments, you must impose conditions to ensure recovery of the amount owing as soon as reasonably practicable, having regard to the debtor's ability to pay.

#### Interest

When authorising payment by instalments or deferring the time for payment, you must impose interest on the amount owing at the 90-day bank-accepted bill rate (available from the Reserve Bank of Australia). However, if this would cause undue financial hardship, you may impose a lesser rate of interest, or no interest, provided you record in writing your reasons for doing so.

### Information to be given to debtor

When authorising payment by instalments or deferring the time for payment, you must inform the debtor in writing of:

- the amount owing to the Commonwealth
- the date(s) when payment is due
- the interest rate (if any)
- any other matter you consider relevant
- the conditions of acceptance contained in the delegation from the Finance Minister.

You must also obtain written confirmation from the debtor that they accept all of the matters listed above.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act</a></u> : s. 15, s. 21, s. 63, s. 103 <u><a href="#">PGPA Rule</a></u> : s. 11
<b>Guidance</b>	<u><a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</a></u>
<b>Related AAls</b>	Risk management Disclosure of interests Debt management (recovery and write-off)
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Financial Control Framework</a></u>
<b>Contacts</b>	Finance & Property, Financial Accounting: <u><a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a></u>

## 5. Managing property

This part covers instructions to officials on the proper use and management of relevant property, including acquisition, custody, use, loss and disposal.

Relevant property is property (other than relevant money) that is owned or held by the Commonwealth or a corporate Commonwealth entity, or any other thing prescribed by the PGPA Rule (see section 8 of the PGPA Act). It includes:

- real property (i.e. land and buildings)
- other goods or assets such as:
  - equipment and furniture
  - stationery and office supplies
  - vehicles and fuel
  - clothing and uniforms
  - IT and telecommunications assets
  - intellectual property and other intangible items
  - heritage and cultural assets
  - shares, bonds, debentures and other securities
  - accounts and records.

Relevant property also includes:

- leased property and property held by the Commonwealth or a corporate Commonwealth entity on behalf of someone else
- gifts given to the Commonwealth entity and its officials.



## Acquiring property (including receiving gifts and benefits)

This section provides instructions on:

- procuring relevant property (by lease or purchase)
- finding property on Commonwealth entity premises
- receiving gifts or donations.

Acquisition of property under specific legislation, such as the acquisition of any interest in real property under the *Lands Acquisition Act 1989*, is subject to the provisions of the specific legislation.

### Procuring property

#### Instructions – officials responsible for procuring property

When procuring relevant property, you must:

- act in a proper manner (efficient, effective, economical and ethical) and in a way that is not inconsistent with Australian Government policy
- comply with the requirements of section 18 of the PGPA Rule when approving proposed commitments of relevant money (see *Procurement, grants and other commitments and arrangements*)
- act in accordance with the Commonwealth Procurement Rules, if relevant (see *Procurement*).

### Finding property on Commonwealth entity premises

Property found on Commonwealth entity premises is relevant property and must be retained and disposed of in a proper manner consistent with section 15 of the PGPA Act. This extends to property found in an aircraft, vessel, vehicle, container or receptacle that is under the control of the Commonwealth entity.

#### Instructions – officials who find property on Commonwealth entity premises

You are responsible for the security of any property that you find on the Commission's premises or in other containers and vehicles that are under the control of the Commission.

You must take reasonable steps to safeguard any found property.

You must not misuse or improperly dispose of any found property (see *Disposing of property found on Commonwealth entity premises*).

## Receiving gifts and benefits

Officials, in the course of their work, may be offered gifts such as souvenirs, bottles of wine and personal items, or benefits such as sponsored travel, hospitality, accommodation or entertainment.

Generally, officials cannot accept gifts or benefits in the course of their work. However, there may be circumstances where it is appropriate to accept a gift or benefit – for example, where refusal could cause cultural offence, where an item of token value is offered by way of public thanks, or where attendance at an event is an important means of developing and maintaining relationships with key stakeholders. Officials need to carefully consider the appropriateness of a gift or benefit in accordance with the instruction and guidance in the [Gifts and Benefits Policy](#) before accepting or rejecting it.

Gifts provided to officials in the course of their work immediately become relevant property when received.

### Instructions – all officials

All Commission staff are to actively discourage gifts being offered and should make attempts at refusing an offered gift. Decision makers **are prohibited from** accepting any gifts in the course of their work.

You must not:

- ask for, or encourage, the giving of gifts to yourself or other officials.
- accept a gift of money
- accept a gift or benefit if you are a Quality Assessor, decision maker including those who are contributing to decisions or influencing decision makers.

In very limited circumstances if you decide to accept a gift or benefit where it cannot be refused, your decision must be defensible and able to withstand public scrutiny. You must have regard to the general duties of officials in deciding whether to accept a gift. You must seek the appropriate approval, disclose the acceptance of the gift and must not retain the gift as any acceptance becomes relevant property of the Commission.

Legislative requirements	<a href="#">PGPA Act: s. 15, s. 23, s. 52</a> <a href="#">PGPA Rule: s. 18</a> <a href="#">Lands Acquisition Act 1989</a> <a href="#">Commonwealth Procurement Rules</a>
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<b>Related AAls</b>	<p>Risk management</p> <p>Disclosure of interests</p> <p>Procurement, grants and other commitments and arrangements</p> <p>Disposing of property found on Commonwealth entity premises</p>
<b>Internal delegations</b>	<u>Financial</u>
<b>Other relevant documents</b>	<p><u>Financial Control Framework</u></p> <p><u>Procurement Operational Guidelines</u></p> <p><u>Procurement (corporate digital toolkit)</u></p> <p><u>Fraud and Corruption Control Plan</u></p> <p><u>Gifts and Benefits Policy</u></p> <p>Conflict of Interest Policy <u>Procurement Types</u> (Provision of Gifts Policy)</p> <p>Australian Public Service Commission's <u>Guidance for Agency Heads – Gifts and Benefits</u>.</p>
<b>Contacts</b>	<p>Governance and Risk – <u>Integrity@agedcarequality.gov.au</u></p> <p>Finance &amp; Property, Financial Performance and Partnership, Procurement (procurement of gifts):  <u>Procurement@agedcarequality.gov.au</u></p>



## Custody, use and management of property

This section provides instructions on the proper use, management and security of any relevant property that officials receive or have custody of, including:

- accountable forms
- bonds, debentures and other securities
- shares in a company.

### Instructions – all officials

You must not misuse or improperly dispose of relevant property.

You are responsible for the security of any relevant property you receive, or have custody of, and must take reasonable steps to safeguard the property from loss.

You may only use relevant property for official purposes, unless permission for private use has been given.

### Accountable forms

An accountable form is a form that, once completed, can be exchanged or negotiated for a benefit such as money, goods or services. Accountable forms include cheques, credit notes, official manual receipts, credit vouchers and miscellaneous charge orders.

While Cabcharge vouchers are accountable forms, they are also Commonwealth credit vouchers for the purposes of the PGPA Act. For instructions on using Cabcharge vouchers, see [\*Commonwealth credit cards and credit vouchers\*](#).

### Instructions – all officials

You must ensure the safe custody and control of any accountable forms in your possession.

### Bonds, debentures and other securities

Bonds, debentures and other securities are written documents that are evidence of an obligation to pay money to fulfil a debt or other obligation. 'Other securities' in this context means other documents similar to bonds and debentures, such as shares. When an official receives a bond, debenture or other security in the course of his or her work, it immediately becomes relevant property.

### Instructions – all officials

If you receive any bonds, debentures or other securities, you must ensure that:

- a receipt is issued for the bond, debentures or securities received

- a register is maintained of all bonds, debentures or securities received
- all reasonable steps are taken to safeguard the bonds, debentures or securities.

## Acquiring shares and Commonwealth involvement in a company

Shares become relevant property when they are acquired by a Commonwealth entity. Shares may be represented by a certificate, but more generally are in electronic form only. Section 72 of the PGPA Act places a special requirement on ministers to inform the Parliament of any involvement in a company by a Commonwealth entity.

**Instructions – officials who become aware of changes to the Commonwealth entity's involvement in a company**

You must ensure that the Minister for Aged Care is advised that he or she must inform the Parliament if the Commission:

- forms, or participates in forming, a company or a relevant body
- becomes, or ceases to be, a member of a company or a relevant body
- acquires shares in a company (either by purchase or subscription) or disposes of shares in a company
- has its rights attaching to company or relevant body shares varied
- has its rights as a member of a company or relevant body varied.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act: s. 19, s. 72</a></u> <u><a href="#">PGPA Rule: s. 26</a></u>
<b>Guidance</b>	n/a
<b>Related AAls</b>	Risk management Disclosure of interests Disposing of property Commonwealth credit cards and credit vouchers Official travel
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Financial Control Framework</a></u>

<b>Contacts</b>	Finance & Property, Financial Accounting: <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>  Finance & Property, Property: Property Team <a href="mailto:Properties@agedcarequality.gov.au">Properties@agedcarequality.gov.au</a>
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## Loss and recovery of property

Sections 68 and 69 of the PGPA Act deal with who is responsible for the loss of relevant property. In relation to relevant property, loss also includes deficiency, destruction or damage. Officials can be held responsible for a loss of relevant property, whether or not the property was in their custody at the time when it was lost.

A loss of property may result in a debt owed to the Commonwealth entity by an official or minister. A person's liability to pay such a debt is not avoided just because they stopped working for the Commonwealth after the loss occurred. For further information on the management of debt, see *Managing debts and amounts owing to the Commonwealth*.

### Instructions – all officials

You are responsible for the security of any relevant property you receive or have custody of, and must take reasonable steps to safeguard the property from loss.

Loss of property should be reported as promptly as practicable.

If you do not take reasonable steps to prevent a loss of relevant property, and the loss occurs while the property is in your custody, you will be liable to pay the Commonwealth an amount equal to the loss.

If you cause or contribute to a loss of relevant property by misconduct, or a deliberate or serious disregard for reasonable standards of care, you will be liable to pay the Commonwealth an amount that reflects your share of the responsibility for the loss.

### Instructions – officials responsible for coordinating reports on a loss of relevant property

<b>Legislative requirements</b>	<u><a href="#">PGPA Act</a></u> : ss. 68 and 69
<b>Related AAls</b>	Risk management Disclosure of interests Managing debts and amounts owing to the Commonwealth
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Financial Control Framework</a></u>

<b>Contacts</b>	Finance & Property, Financial Accounting <a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a>
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## Disposing of property (including gifting relevant property)

This section provides instructions on:

- disposal of relevant property generally (e.g. sale, trade-in, transfer to another Commonwealth entity, destruction, recycling or dumping)
- disposal of property found on Commonwealth entity premises
- gifting of relevant property.

For non-corporate Commonwealth entities, the Commonwealth's general policy on the disposal of relevant property is that, wherever it is economical to do so, the property needs to be sold at market price or transferred (with or without payment) to another government entity within Australia (including state or territory governments) with a need for the property.

Disposal of property under specific legislation, such as the disposal of any interest in real property by the Commonwealth under the *Lands Acquisition Act 1989*, is subject to the provisions of that legislation.

### Instructions – all officials

You must not:

- improperly dispose of relevant property
- make a gift of relevant property, unless it complies with the instructions *Gifting relevant property*
- dispose of relevant property found on Commonwealth entity premises, except in accordance with the instructions *Disposing of property found on Commonwealth entity premises*, below.

### Instructions – officials responsible for the disposal of relevant property

You must ensure that relevant property is disposed of by:

- transferring the property (with or without payment) to another government entity within Australia (including state or territory governments) with a need for the property
- selling the property at market value, where it is economical to do so; or
- seeking authorisation in writing from the Finance Minister (or a delegate) to gift the relevant property (see *Gifting relevant property*).

## Disposing of property found on Commonwealth entity premises

### Instructions – officials responsible for the disposal of found property

You may only dispose of property (other than money) found on Commonwealth entity premises, or in containers, receptacle or vehicles that are under the control of the Commonwealth entity, if the property is not claimed by its owner within a reasonable timeframe.

You must dispose of the property by sale, unless doing so is impracticable or undesirable with regard to the public interest.

## Gifting relevant property

Section 66 of the PGPA Act sets out the circumstances where a gift of relevant property may be made by a minister or an official of a non-corporate Commonwealth entity. This section also provides the Finance Minister with the power to authorise in writing a gift of relevant property. This power has been delegated with directions to all non-corporate Commonwealth entity accountable authorities, who in most cases have sub-delegated it to certain officials.

### Instructions – all officials

You must not make a gift of relevant property unless:

- the property was acquired or produced to be used as a gift
- the making of the gift is expressly authorised by law; or
- the Finance Minister or a delegate has given written authorisation to the gift being made under section 66 of the PGPA Act.

If you make an unauthorised gift of relevant property, you must personally pay the Commonwealth the value of the relevant property.

### Instructions – officials with a delegation to authorise a gift of relevant property

When authorising a gift of relevant property, you must comply with the directions in the delegation from your accountable authority.

You must have regard to the Commonwealth's overarching principles for the disposal of relevant property, as outlined in the delegation from the Finance Minister.

Despite the Commonwealth's overarching principles for the disposal of relevant property, you may authorise a gift of relevant property where the property is:

- genuinely surplus to the entity's requirements, and of historical or symbolic significance to the proposed recipient



- holds other special significance for the proposed recipient and there are compelling reasons to justify its gifting to that recipient or
- of low value and otherwise uneconomical to dispose of, or the gifting supports the achievement of an Australian Government policy objective.

You must not authorise:

- a gift of military firearms
- a gift that would create an onerous or undesirable precedent.

You need to ensure that the grounds on which you authorise a gift to a selected recipient are publicly defensible and documented.

You must provide written authorisation for the gifting of relevant property.

You must obtain a reasonable estimate of the market value of the property before authorising it to be gifted. If this is not possible, you must assign a notional value and record the basis for determining the value of the property.

<b>Legislative requirements</b>	<u><a href="#">PGPA Act: s. 15, ss. 66 and 67</a></u> <u><a href="#">Lands Acquisition Act 1989</a></u>
<b>Guidance</b>	<u><a href="#">Resource Management Guide No. 203: General duties of officials</a></u>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	<u><a href="#">Financial</a></u>
<b>Other relevant documents</b>	<u><a href="#">Financial Control Framework</a></u> <u><a href="#">Procurement Types</a></u> (Provision of Gifts Policy)
<b>Contacts</b>	Finance & Property, Financial Accounting (disposal of assets): <u><a href="mailto:Finance@agedcarequality.gov.au">Finance@agedcarequality.gov.au</a></u> Finance & Property, Financial Performance and Partnerships, Procurement: <u><a href="mailto:Procurement@agedcarequality.gov.au">Procurement@agedcarequality.gov.au</a></u>

# Aged Care Quality and Safety Commission - accountable authority instructions

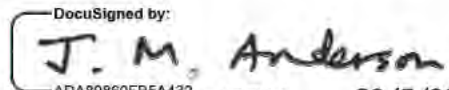
## Contents

<b>Instrument of Instruction</b>	<b>3</b>
<b>Introduction</b>	<b>4</b>
Duties and responsibilities of officials	4
<b>1. Corporate governance</b>	<b>5</b>
Risk management	6
Working with others	9
Fraud control	10
Insurance	14
Disclosure of interests	17
Accounts, records and non-financial performance information	19
Audit	21
<b>2. Procurement and other commitments and arrangements</b>	<b>24</b>
Approving commitments of relevant money	25
Entering into and administering arrangements	27
Procurement	28
Inter-entity cooperation and agreements	34
Indemnities, guarantees and warranties	37
Official hospitality	39
Official travel	41
Arrangements for other CRF money	43
<b>3. Making payments</b>	<b>45</b>
Payments of relevant money	46
Payment of amount owed to person at time of death (payment pending probate)	47
Commonwealth credit cards and credit vouchers	49
Requests for discretionary financial assistance	51
Scheme for Compensation for Detriment caused by Defective Administration	51
Act of grace payments	52

Taxation obligations	54
<b>4. Managing money</b>	<b>55</b>
Agreements with banks and managing bank accounts	56
Agreements with banks	56
Managing bank accounts	56
Receiving and handling money	58
Cash advances (including petty cash and change floats)	60
Investments and borrowings	62
Investments	62
Borrowing	64
Using special accounts	66
Charging	67
<b>5. Managing debts and amounts owing to the Commonwealth</b>	<b>69</b>
Debt management (recovery and write-off)	70
Waiver of amounts owing to the Commonwealth	72
Payment by instalments or deferral of the time for payment	74
<b>6. Managing property</b>	<b>76</b>
Acquiring property (including receiving gifts and benefits)	77
Procuring property	77
Finding property on Commonwealth entity premises	77
Receiving gifts and benefits	78
Custody, use and management of property	80
Use of Commonwealth entity vehicles	80
Accountable forms	81
Bonds, debentures and other securities	81
Acquiring shares and Commonwealth involvement in a company	81
Loss and recovery of property	83
Disposing of property (including gifting relevant property)	84
Disposing of property found on Commonwealth entity premises	84
Gifting relevant property	85

## Instrument of Instruction

I, Janet Anderson, accountable authority for the Aged Care Quality and Safety Commission, pursuant to section 20A of the *Public Governance Performance and Accountability Act 2013*, hereby instruct the officials of the Aged Care Quality and Safety Commission in the manner set out in this Accountable Authority Instruction.

DocuSigned by:  
  
ADA89860FB5A432  
Janet Anderson PSM 22/7/2022 | 08:49 AEST

**Commissioner**

July 2022



## Introduction

These accountable authority instructions (AAIs) are issued by the Commissioner under section 20A of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to officials on matters relating to the use of public resources in the delivery of policies, programs and services.

These instructions apply to:

- officials in the Aged Care Quality and Safety Commission
- officials of other entities that use or manage public resources for which the Commissioner of the Aged Care Quality and Safety Commission is responsible.

To assist officials in understanding their duties and responsibilities, the instructions contain links to relevant legislative requirements, guidance material, delegations and other instructions.

## Duties and responsibilities of officials

Sections 25 to 29 of the PGPA Act impose the following duties on all officials:

- a duty of care and diligence
- a duty to act in honesty, good faith and for a proper purpose
- a duty in relation to use of position
- a duty in relation to use of information
- a duty to disclose interests.

To meet these duties, officials are expected to exhibit a minimum standard of behaviour in exercising their powers or performing their functions. An official must comply with the finance law, which includes the PGPA Act, the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), any other instruments made under the PGPA Act (including these instructions), and an Appropriation Act.

For more information on these duties, refer to Introduction to the PGPA Act for officials.

## 1. Corporate governance

This part covers instructions to officials on the following topics relating to corporate governance:

- risk management
- working with others
- fraud control
- insurance
- disclosure of interests
- accounts, records and non-financial performance information
- audit.

Corporate governance forms part of the broader governance frameworks established by the Commissioner to manage risk and achieve the Commission's purposes. To ensure the proper use of public resources, section 16 of the PGPA Act requires the accountable authority to establish appropriate controls that relate to the corporate governance of an entity.

## Risk management

This section provides instructions to all officials on risk management. Officials are responsible for the day-to-day management of risk in the performance of their duties and responsibilities.

Risk management is required by:

- section 16 of the PGPA Act, which requires the accountable authority to establish and maintain appropriate systems of risk oversight and management for the entity
- the *Commonwealth Risk Management Policy*, which requires an entity to:
  - have a risk management policy and a risk management framework
  - articulate the roles and expectations of officials to manage risks
  - ensure that responsibilities for managing risks and controls are determined, assigned and monitored.

Responsibility for the Commission's risk management framework is allocated to a risk manager and a risk management team who have been appointed to provide guidance to others on managing risk.

- The Chief Risk Officer is responsible for the Commission's risk management operations and overseeing the company's risk identification and mitigation activities.
- The Risk Manager is responsible for coordinating the implementation of the risk management framework, coordinating risk management planning to ensure consistency, reporting to the ELG and Risk and Audit Committee at regular intervals, and maintaining the risk register.

### *Enterprise Risk Management*

The Commission considers risk management as a means of promoting the efficient, effective, economical and ethical use of Commonwealth resources in a manner not inconsistent with policies of the Commonwealth. The Commission's strategic risks are those that, if realised, would materially affect its ability to deliver its purpose and objective. The Commission's enterprise risks are the events external or internal to the commission that impact on achieving its current strategy.

To manage these risks, the Commission employs a range of strategies, in proportion to the threat and opportunity:

- ensure our resources and capabilities are focused on delivering the Government's priorities of home care, residential aged care services and sustainability, residential aged care quality and safety, workforce, and governance.
- implement our regulatory responsibilities and our programs to deliver on our key activities and protect the safety, wellbeing, and interests of aged care consumers.
- use expertise and meaningful stakeholder relationships to contribute to enhanced confidence and trust in the aged care system, empower consumers to make informed choices, provide education and information about matters relating to our functions, and promote best practice service provision.

- promulgate a greater understanding of our role as a regulator with consumers, providers and other stakeholders.
- continue to invest and build our capability, ensuring a high impact Commission now and into the future.

### *Enterprise Risk Management Framework*

The Enterprise Risk Management Framework is the primary source of guidance on managing operational risk and is supported by the Enterprise Risk Register. The Enterprise Risk Register is a live document reflective of the current risk mitigation and control framework. Risk analysis tools are available from the Corporate Operations Group (COG). The procedural guidance material and policies endorsed by ELG guide staff in proactively identifying and assessing risk in all activities.

Risk management is built into business as usual practices with the aim of using consistent language approaches and documentation across all levels of the organisation. The Commission has embedding a continuous improvement culture and maintains a firm focus on our purpose, to deliver for government and the community.

Risks need to be managed in the context of achieving organisational goals and objectives and should include consideration of positive aspects of risk management (opportunities) as well as negative ones (threats). While all staff contribute to the way risks are managed, senior staff in key positions are expected to have a clear view of the risk treatment (where applied) and its effectiveness in operation.

The Commission uses a proportionate, risk-based approach to achieving its regulatory objectives risks which is outlined in the Commission's Regulatory Strategy. A failure in the application of the Regulatory Strategy is captured in the Enterprise Risk Register.

Risk management is captured throughout the life cycle of a project. New causes, consequences and controls identified throughout the project life cycle are captured in the Enterprise Risk Register.

Specialist risk categories often have their own legislation, standards, compliance and reporting obligations. The Commission has several specialist programs and processes including:

- business continuity and disaster recovery
- fraud control
- workplace health and safety
- protective security
- regulatory risk

While these programs may lead to an increased focus and management of risks, these programs will be connected to the overarching enterprise risk management framework to ensure consistency.

### *Risk Appetite*

The Commission has a low appetite for risks regarding the safety and wellbeing of older Australians accessing aged care services, and for risks to the safety and wellbeing of our



staff and those on Commission business. The Commission has a higher appetite for those risks that support improvement and innovation and contribute to the delivery of our mandate within a range of well understood and appropriately mitigated consequences.

### Instructions – all officials

In every activity you undertake or decision you make regarding the use and management of public resources, you must actively manage risks by:

- identifying key risks and responding appropriately to them
- reporting key risks to the responsible person
- complying with *Commonwealth Risk Management Policy*
- complying with the Commission's Enterprise Risk Management Framework.

<b>Legislative requirements</b>	PGPA Act: s. 16
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">General duties of accountable authorities</a>
<b>Related AAls</b>	<ul style="list-style-type: none"> <li>• Working with others</li> <li>• Fraud control</li> <li>• Insurance</li> <li>• Disclosure of interests</li> <li>• Inter-entity cooperation and agreements</li> </ul>
<b>Internal delegations</b>	Nil
<b>Other relevant documents</b>	Enterprise Risk Management Framework Regulatory Strategy Digital Toolkit Project Management toolkit
<b>Contacts</b>	Director, Governance and Risk

## Working with others

This section provides instructions to officials on working with others to achieve the purposes of an entity and the objectives of the Government.

A Commonwealth public sector that works together effectively and joins up readily with other levels of government and with the private and not-for-profit sectors, is more likely to deliver better outcomes for Australians, and apply public resources more efficiently and effectively.

The resource management framework has been designed to be flexible enough to allow government to cooperate with others and, where practicable, requires the accountable authority to lead the entity in working cooperatively with other government, and non-government entities, to achieve common objectives.

The PGPA Act requires the accountable authority to:

- govern their entity in a way that promotes proper use and management of public resources taking into account how their decisions affect the resources and financial sustainability of their entity and public resources more broadly (section 15 of the PGPA Act)
- cooperate with others to achieve common objectives, where practicable (section 17 of the PGPA Act)
- consider the risks of allowing others to use and manage public resources and consider the effects of imposing requirements related to the use of public resources on others (section 18 of the PGPA Act)
- promote the proper use of resources in a way that is not inconsistent with the policies of the Australian Government (section 21 of the PGPA Act).

### Instructions – all officials

All officials must consider appropriate opportunities for efficient and beneficial working with other entities inside and outside the Commonwealth (these opportunities can take different forms – there is no one size fits all approach to working with others).

<b>Legislative requirements</b>	PGPA Act: s. 5, s.15, s.16, s.17, s.18, s.19, s.21, s.24.
<b>Guidance</b>	<a href="#">General duties of accountable authorities</a> <a href="#">Prescribing Officials for non-corporate Commonwealth entities</a> <a href="#">Other CRF Money</a> <a href="#">Entering arrangements and committing relevant money</a> <a href="#">Grants, Procurements and Other Financial Arrangements</a>

<b>Related AAls</b>	Risk management Inter-entity cooperation and agreements
<b>Internal delegations</b>	
<b>Other relevant documents</b>	Enterprise Risk Management Framework Enterprise Performance Framework
<b>Contacts</b>	Executive Director, Enterprise Governance and Corporate Operations

## Fraud control

This section provides instructions to officials involved in fraud control. Accountable authorities are required to take all reasonable measures to prevent, detect and deal with fraud relating to their entities (section 10 of the PGPA Rule). Fraud control includes:

- conducting regular fraud control assessments
- implementing a fraud control plan that deals with identified risks
- ensuring that the risk of fraud is taken into account in planning and conducting the activities of the entity
- ensuring fraud incidents and arrangements are reported appropriately.

### *Fraud Control Strategy Statement*

The Commission does not tolerate dishonest, fraudulent or corrupt behaviour in any form.

The Commission is committed to deterring and preventing this behaviour across its activities, programs and business operations, as fraud and corruption undermines the Commission's ability to achieve its objectives and meet the community's expectations.

All officials are expected to maintain high ethical and professional standards and to be aware of the potential for fraudulent and corrupt behaviour that may affect the Commission.

### *The Commission's approach to fraud and corruption*

The Commission recognises fraud and corruption has the potential to damage its reputation and limit the resources available to meet its responsibilities. The Commission recognises fraud and corruption against the Commission can:

- Negatively affect the Commission's people, systems and services (including procurement, human resources and finance functions)
- Compromise the reputation of the Commission, and
- Harm the morale of officials.

The Commission is committed to reducing fraud and corruption risks by preventing, detecting, investigating, recording and reporting instances of fraud and corruption through

the implementation of policies, procedures and practices that align with its Fraud Control Framework.

The Commission's Fraud and Corruption Control Plan provides Commission officials and other stakeholders with the necessary tools and controls to protect public money, information and property, and safeguard the integrity and reputation of the Commission.

The Plan outline the strategies, tools and controls the Commission has in place to:

- Strengthen and promote the Commission's ethical culture
- Conduct regular and thorough assessments of fraud and corruption risks relevant to the Commission's programs, projects and activities (including emerging risks)
- Ensure fraud risks are taken into account in all aspects of program delivery and regulatory activity
- Implement and sustain an integrated system of internal controls to protect public money, information and property
- Provide Commission employees, contractors and service providers (where relevant) with information, training and support in ethics, privacy, and fraud and corruption awareness
- Handle allegations of fraud in a confidential and sensitive manner, and in alignment with the requirements of the Public Interest Disclosure Act 2013 where appropriate
- Investigate allegations of fraud and corruption, or refer matters to appropriate law enforcement agencies in accordance with the Australian Government Investigation Standards (AGIS)
- Apply appropriate criminal, civil, administrative or disciplinary action (including recovering the proceeds of fraudulent and corrupt activity) to remedy the harms of fraud and corruption, and
- Record and report incidents of fraud and corruption to the Commonwealth Government in a transparent and accountable manner.

### *Fraud Manager*

The Commission's Fraud Manager is the Fraud Liaison Officer, Governance and Risk. The Fraud Manager is responsible for managing the Fraud Control Framework (including monitoring its implementation), continuous improvement of fraud control strategies and coordinating the reporting of fraud-related matters for the Commission.

The Fraud Liaison Officer is the Commission's first point of contact for all suspected incidents and allegations of internal and external fraud. The Fraud Liaison Officer is responsible for:

- Receiving and investigating allegations of internal and external fraud
- Continuous improvement of fraud control strategies, and
- Developing and delivering fraud awareness training.



## Instructions – all officials

You must:

- comply with the Commonwealth Fraud Control Policy
- act in accordance with the Commission's fraud and corruption control plan.
- report all incidents of suspected or potential fraud, corruption or other misconduct immediately to the Fraud Liaison Officer.

Fraud and corruption control activities are highly specialised. Only appropriately qualified, trained and experienced personnel as required by the Australian Government Investigations Standards (AGIS) and the Commonwealth Fraud Control Framework can undertake an investigation.

You must:

- not attempt to perform any investigative actions (such as collecting evidence or interviewing persons) unless you are authorised to do so, as this action will compromise possible prosecutions.

Reports of suspected fraud, corruption or other misconduct may also be made under the *Public Interest Disclosure Act 2013* (the PID Act). The PID Act provides strong protections against discrimination and victimisation for public officials and reporting disclosable conduct such as fraud or corruption. The PID Act builds on practices established to protect APS employees and contractors who “blow the whistle” on suspected breaches of the APS Code of Conduct.

The Commission has Authorised Officers that are responsible for receiving, assessing and responding to public interest disclosures made under the PID Act

<b>Legislative requirements</b>	PGPA Act: s. 15 PGPA Rule: s. 10
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Fraud Control Policy</a> <a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 201: Preventing, detecting and dealing with fraud</a> <a href="#">General duties of officials</a> <a href="#">Public Interest Disclosure Scheme</a>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	

<b>Other relevant documents</b>	ACQSC Fraud Control and Anti-Corruption Policy ACQC Fraud Control and Anti-Corruption Plan 2021-23
<b>Contacts</b>	Fraud Liaison Officer Chief People Officer (PID Act)

## Insurance

This section provides instructions to officials who arrange insurance for insurable assets and liabilities (through Comcover), or workers' compensation insurance (through Comcare) or any other insurance arrangements with an insurance provider. Some commonly covered risks are:

- property loss, destruction or damage
- general liability and professional indemnity
- motor vehicle loss, destruction or damage
- personal accident and travel
- expatriate
- workers' compensation claims
- transit.

It is the Commission's responsibility to ensure that appropriate coverage is maintained at all times and that changes to assets, liabilities and insurable risks generally are notified immediately to Comcover and incorporated into its insurance program. Comcover is not responsible for insurable risks that have not been included in the Commission's insurance program.

### Instructions – all officials

You must:

- disclose any insurance risks and report any potential insurance claim or incident to the insurer
- advise the Chief Legal Officer of any potential insurance claim or litigation giving rise to a potential insurance claim

All claims against the Commission are to be handled in accordance with the *Legal Services Directions 2017*

### Reporting Loss or Damage to Property or Other Claims

Commission staff who believe that one of the following incidents has occurred must immediately report it to the Chief Finance Officer (insurance):

- property loss, destruction or damage
- legal liability claims
- motor vehicle claims
- other claims.

### Property Loss, Destruction or Damage

On being advised of a possible claim, the Chief Finance Officer (finance) is to investigate the matter and cause for a report to be prepared recommending a course of action. *If the event*

*appears to be covered by the* Commission's insurance policy the Chief Finance Officer (insurance) will liaise with the insurer to settle the claim.

If it is a major loss, the Chief Finance Officer (insurance) must, without delay, discuss with the insurer what might be done to preserve, salvage or prevent further loss, destruction, or damage and to protect staff and members of the public.

### **Legal Liability Claims**

On being advised of a possible legal liability claim, the Chief Legal Officer is to investigate the matter and cause a report to be prepared recommending a course of action. If the event appears to be covered by the Commission's insurance policy, the Chief Finance Officer (insurance) will liaise with the insurer to settle the claim.

Liability or fault must not be admitted and all conversations with third parties or their legal representatives should be recorded in writing.

### **Other Claims**

On being advised of a possible claim covering other matters (e.g. bodily injury to a person travelling overseas), the Chief Legal Officer is to investigate the matter and cause for a report to be prepared recommending a course of action. If the event appears to be covered by the Commission's insurance policy, the Chief Finance Officer (insurance) will liaise with the insurer to settle the claim. In the event of personal accident, the matter will be assessed as to whether the person is indemnified by Comcare.

### **Indemnification of the Commission**

Where the Commission undertakes separate contractual arrangements (e.g. with a consultant), and where there could be loss, damage or injury to Commission property or personnel while under the control of the contractor, the Commission is to be indemnified against the potential loss, damage or injury unless the Chief Finance Officer (insurance) determines this is not warranted in light of unusual circumstances.

### **Incidents involving Commission Officials**

Incidents involving Commission officials that could lead to civil or criminal proceedings must be reported to the Chief Finance Officer (insurance). Such incidents could include cases where:

- an official vehicle or a private vehicle being used on official business has been involved in a traffic accident
- an official has been assaulted or charged with assault.

Details to be included in reports to the Chief Finance Officer (insurance) are:

- names, addresses and phone numbers of official(s) and other parties involved
- what happened, and whether it occurred during the official's employment or arose from the unauthorised use of a Commission vehicle or equipment
- the names and contact details of authorities to whom the incident has already been reported.

The Chief Finance Officer (insurance) is responsible for coordinating reports on such incidents and taking any necessary action to protect the Commission's interests.



The Chief Legal Officer will consult an appropriate external legal services provider as necessary including to determine whether recovery action is warranted.

<b>Legislative requirements</b>	PGPA Act: s. 16
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">Comcover insurance</a> <a href="#">Comcare publications</a>
<b>Related AAls</b>	Risk management
<b>Internal delegations</b>	Financial delegations and authorisations
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer Chief Legal Officer

## Disclosure of interests

This section provides instructions on the requirement that officials disclose material personal interests relating to the affairs of the Commission (section 29 of the PGPA Act and sections 12 to 16D of the PGPA Rule). A similar requirement is contained in the Code of Conduct at section 13(7) of the *Public Service Act 1999* (PS Act) for the Australian Public Service.

The term ‘material personal interests’ could directly relate to an official’s personal role or, more broadly, to the overall purpose of the Commission. Materiality depends on the size and nature of the interest and the surrounding circumstances. Material personal interests are not confined to financial or similar interests. To be material, a personal interest must be of a type that can give rise to a real or perceived conflict of interest.

The phrase ‘relating to the affairs of the entity’ is also meant to be read broadly. For example, it includes activities of the entity that involve collaboration with other entities inside or outside government.

The overriding principle for a declaration of a material personal interest is, ‘if in doubt, declare the interest’.

While avoiding conflicts is generally preferable, in practice there may be some situations in which conflicts of interest cannot be wholly avoided and need to be managed in a way which will withstand external scrutiny. The action taken to manage a real or apparent conflict of interest will be determined according to the specific circumstances of the individual case and the nature and extent of the conflict.

### Instructions – all officials

#### You must

- disclose a material personal interest that relates to the affairs of the Commission in accordance with these instructions.

All SES employees, NLG members, and accreditation, quality audit, provider approvals, compliance and complaint decision-making officials of the Commission are required to declare in writing, at least annually and in real time where circumstances change, any financial or other interests of their own and their immediate family that could contribute to a real or apparent conflict of interest.

All employees undertaking a recruitment or procurement activity are required to declare in writing, prior to the commencement of the activity and in real time where circumstances change any financial or other interests of their own and their immediate family that could contribute to a real or apparent conflict of interest.

The Director, Governance and Risk is responsible for developing, overseeing and managing the Commission’s process for the disclosure of material personal interests and will:

- Promulgate policies on managing conflicts of interest; and
- Maintain a register of interests, and the appointment of an official who is responsible for keeping it up to date.

<b>Legislative requirements</b>	PGPA Act: s. 29 PGPA Rule: ss. 12 to 16D PS Act: s13(7) <i>Aged Care Quality and Safety Commission Rules 2018</i> ss. 90(2)(c), 32(2), 71(2)
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	Resource Management Guide No. 203: <a href="#">General duties of officials</a>
<b>Related AAls</b>	Risk management Managing property
<b>Internal delegations</b>	
<b>Other relevant documents</b>	Conflict of Interest Policy POL-HRS-0012 (to be replaced with AG1 – Conflicts of interest and declarations of interest) Senior Officer's Declaration of Interests Policy POL-SGU-0040 Quality Assessor Code of Conduct
<b>Contacts</b>	Director, Governance and Risk

## Accounts, records and non-financial performance information

This section provides instructions to officials responsible for collecting and maintaining the accounts, records and non-financial performance information for the Commission:

- Entities are required to keep accounts and records that properly record and explain the entity's transactions and financial position (section 41 of the PGPA Act) in accordance with the *Public Governance, Performance and Accountability* (Financial Reporting) Rule 2015 (the PGPA Financial Reporting Rule).
- Entities are required to keep records that explain the entity's performance in achieving its purposes (section 37 of the PGPA Act).
- The Finance Minister and the responsible minister are entitled to full and free access to the accounts, records and performance information of an entity (sections 37 and 41 of the PGPA Act).
- The Commonwealth Auditor-General may also direct an official to provide information (section 32 of the *Auditor-General Act 1997*).

### Instructions – all officials

You must:

- maintain appropriate accounts, records and non-financial performance information to meet the requirements of the PGPA Act, the PGPA Rule and the PGPA Financial Reporting Rule
- collect and maintain performance information that demonstrates how public resources have been used to achieve the purposes of the Commission
- comply with any lawful request by the Finance Minister, the responsible minister or the Commonwealth Auditor-General for access to the entity's accounts and records.

<b>Legislative requirements</b>	PGPA Act: s. 37, s. 38, s. 41 PGPA Financial Reporting Rule PGPA Rule: s. 17AA <i>Auditor-General Act 1997</i> : s. 32
<b>Related AAls</b>	Audit
<b>Internal delegations</b>	Financial delegations and authorisations



<b>Guidance</b>	<a href="#">Resource Management Guide No. 125: Commonwealth entities financial statements guide</a> <a href="#">Resource Management Guide No. 131: Developing good performance information</a>
<b>Other relevant documents</b>	Corporate Plan Portfolio Budget Statements Annual Performance Statement
<b>Contacts</b>	Chief Finance Officer

## Audit

This section provides instructions to officials on their entity's audit program. The accountable authority must establish an audit committee (section 45 of the PGPA Act) and may also establish internal audit functions to help ensure that the entity is governed in a way that:

- promotes the proper use and management of public resources
- promotes the achievement of the purposes of the entity
- promotes the financial sustainability of the entity.

Externally, the PGPA Act stipulates that the Auditor-General:

- must audit the annual financial statements of the entity (sections 42 and 43)
- may be requested to audit the annual performance statements of the entity (section 40).

### *Australian National Audit Office*

The Auditor-General is responsible, under the *Auditor-General Act 1997*, for providing auditing services to the Parliament and public sector entities. The ANAO supports the Auditor-General, who is an independent officer of the Parliament.

The ANAO can conduct performance audits of Australian Government entities, authorities and owned and controlled companies. The Auditor-General has wide information gathering powers that provide access to information and premises. The Act provides the Auditor-General or an authorised official with access to Commonwealth premises or premises of a Commonwealth partner, and full and free access to documents and other property.

The ANAO's primary client is the Australian Parliament. ANAO's purpose is to provide the Parliament with an independent assessment of selected areas of public administration, and Governance and Risk about public sector financial reporting, administration, and accountability. This is achieved primarily by conducting performance audits, financial statement audits, and Governance and Risk reviews. The ANAO does not exercise management functions or have an executive role. These are the responsibility of entity management.

The ANAO audits the financial statements of Australian Government entities and the Australian Government's annual consolidated financial statements and conducts a range of performance audit activity assessing efficiency and administrative effectiveness across all sectors of government. The ANAO undertakes audits as outlined in the Annual Audit Work Program.

Additional information about the requirements for the conduct of performance audits can be found on the ANAO website.

### *External Audit and Reviews*

The Commission has a Standard Operating Procedure (SOP) which covers performance audits (section 17) undertaken by the ANAO. The SOP provides:

- processes involving the Auditor-General, such as reporting audit activities and responding to audit findings

- processes for providing information to the Auditor-General
- processes for providing information for inter-jurisdictional audits.

The Director, Governance and Risk holds Procedures for internal audits. The Parliamentary Services Section hold Procedures for Parliamentary inquiries (for example JCPAA). The Chief Financial Officer holds Procedures for ANAO Financial Statement Audits.

### Instructions – all officials

You must cooperate with:

- the Commission's internal audit function
- the Commission's Risk and Audit Committee
- the Commonwealth Auditor-General represented by officials of the Australian National Audit Office.

The operations and functions of the Commission's Risk and Audit Committee are set out in the Risk and Audit Committee Charter.

The Risk and Audit Committee Secretariat will seek input to Committee meetings one month prior to a meeting. All Committee papers must be submitted to the Secretariat at least seven days before a meeting.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 16, s. 19, s. 40, ss. 42 and 43, s. 45 PGPA Rule: s. 17, s. 17AA <i>Auditor-General Act 1997: s. 32</i>
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 202: Audit committees</a> <a href="#">Resource Management Guide No. 214: Notification of significant non-compliance with finance law</a>
<b>Related AAls</b>	Risk management Accounts, records and non-financial performance information
<b>Internal delegations</b>	Financial delegations and authorisations
<b>Other relevant documents</b>	Standard Operating Procedure ANAO performance audits Risk and Audit Committee Charter Internal Audit Charter

s 22(1)(a)(ii)

Contacts	Director, Governance and Risk
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## 2. Procurement and other commitments and arrangements

This part covers instructions to officials on the following topics relating to spending money:

- approving commitments of relevant money
- arrangements relating to relevant money
- procurement
- inter-entity cooperation and agreements
- indemnities, guarantees, warranties and other contingent liabilities
- official hospitality
- official travel
- arrangements relating to other Consolidated Revenue Fund (CRF) money.

Accountable authorities are required to promote the proper use and management of the public resources for which they are responsible (see section 15 of the PGPA Act). Consistent with this duty, an accountable authority can establish controls to ensure that officials consider the proper use (i.e. efficient, effective, economical and ethical use) of public resources when making decisions that involve:

- commitments of relevant money; or
- entering into arrangements relating to relevant money or other CRF money.

‘Relevant money’ is money that the Commonwealth or a corporate Commonwealth entity holds as cash or in a bank account (see section 8 of the PGPA Act).

‘Other CRF money’ is money that forms part of the Consolidated Revenue Fund but is not relevant money (see section 105(2) of the PGPA Act). Other CRF money can include money of a kind prescribed by the PGPA Rule.

Relevant money becomes ‘committed’ when an entity undertakes an activity that results in an obligation to pay relevant money. Examples include entering into an arrangement under which relevant money will become payable, including obligations that are contingent upon certain events occurring, such as indemnities, guarantees and warranties.

## Approving commitments of relevant money

To ensure the proper use of public resources, this section provides instructions to officials on:

- when you are required to seek approval for a commitment of relevant money
- if you are delegated or authorised to approve a commitment of relevant money, the options, risks and outcomes you must consider
- if you are not delegated or authorised to approve a commitment of relevant money, the information you must provide to the delegate or authorised official.

Section 23(3) of the PGPA Act gives an accountable authority the power to approve a commitment of relevant money. Accountable authorities usually delegate this power to officials. Section 18 of the PGPA Rule sets out requirements for officials who are delegated the authority to commit relevant money.

### Instructions – all officials

If an approval for a commitment of relevant money is required, you must:

- ensure that there is a sufficient appropriation
- ensure that the commitment of relevant money will be a proper use of public resources
- not act inconsistently with any relevant policies of the Australian Government (e.g. coordinated procurement)
- not approve a commitment of relevant money unless you have been delegated the power to do so and you comply with any relevant directions in the delegation
  - if you are not delegated the power, you must seek approval for the proposed commitment of relevant money from a delegate or an accountable authority
- record any approval of a commitment of relevant money in accordance with section 18 of the PGPA Rule
  - if you provide verbal approval for a commitment of relevant money, you must record the approval in writing as soon as practicable after giving it
  - if a commitment involves other CRF money, you must comply with the instructions [Arrangements for other CRF money](#).

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. 23, s. 52, s. 105 PGPA Rule: s. 18, s. 29 <a href="#">Commonwealth Procurement Rules</a>
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<b>Guidance</b>	<a href="#">Introduction to the PGPA Act for officials</a> <a href="#">Approving commitments of relevant money</a>
<b>Internal delegations</b>	Financial delegations (No. 2) 2022
<b>Other relevant documents</b>	The Commission's Guide to the Commonwealth Procurement Framework
<b>Related AAls</b>	Risk management Disclosure of interests Inter-entity cooperation and agreements Procurement Indemnities guarantees and warranties Payments of relevant money Taxation obligations Agreements with banks and managing bank accounts Arrangements for other CRF money
<b>Contacts</b>	Chief Finance Officer Assistant Director, Procurement

## Entering into and administering arrangements

To ensure the proper use of public resources, this section provides instructions to officials on entering into and administering arrangements.

Section 23(1) of the PGPA Act gives an accountable authority the power to enter into, vary or administer an arrangement, on behalf of the Commonwealth, in relation to the affairs of the entity. Expenditure for purposes other than the ordinary services and functions of government needs to be authorised by specific legislation (e.g. section 32B of the *Financial Framework (Supplementary Powers) Act 1997* (FFSP Act) or primary legislation).

Accountable authorities usually delegate powers to officials to enter into, vary or administer an arrangement.

An arrangement is a contract, agreement, deed or understanding (section 23 of the PGPA Act). This is a broad definition and includes a range of agreements, such as memoranda of understanding, standing offers and grant agreements. It also includes any arrangement that involves a contingent liability (i.e. a commitment that may give rise to a cost as a result of a future event), such as an indemnity or guarantee.

### Instructions – officials who have been delegated power to enter into or vary arrangements

You must not enter into an arrangement unless it is within the scope of your delegation or authorisation.

You must comply with the relevant legislation, rules and instructions that apply to the proposed arrangement, that is:

- for acquiring goods and services – the Commonwealth Procurement Rules (see *Procurement*)
- for arrangements that include the provision of an indemnity, guarantee or warranty – the instructions *Indemnities, guarantees and warranties*
- for arrangements governed by other legislation, that other legislative scheme.

You must not vary an arrangement unless:

- it is within the scope of your delegation or authorisation
- a new commitment of relevant money has been approved under section 23 of the PGPA Act, if required by these instructions.

### Instructions – officials who have been delegated power to administer arrangements

You must not administer an arrangement unless it is within the scope of your delegation or authorisation.

You must manage an arrangement to:



- ensure the proper use of public resources
- ensure that resources are used to achieve the purposes and outcomes of the entity.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. 23 s. 52 PGPA Rule: s. 18 FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB Commonwealth Procurement Rules
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">Introduction to the PGPA Act for officials</a> <a href="#">Commitments of relevant money</a>
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Related AAls</b>	Risk management Disclosure of interests Inter-entity cooperation and agreements Procurement <del>Grants</del> Official travel Official hospitality Commonwealth credit cards and credit vouchers Agreements with banks and managing bank accounts Arrangements for other CRF money
<b>Other relevant documents</b>	Commission's Guide to the Commonwealth Procurement Framework
<b>Contacts</b>	Chief Finance Officer

## Procurement

This section provides instructions on procurement which covers the entire process of buying goods and services. Procurement:

- begins when a need has been identified and a decision has been made on the need to purchase a good or service
- continues through the processes of risk assessment, seeking and evaluating alternative solutions, the awarding of a contract, the delivery of and payment for the goods and services and, where relevant, the ongoing management of the contract and consideration of disposal of goods
- also includes the acquisition of goods and services on behalf of another entity or a third party.

For more information on the Commonwealth's procurement framework see the Finance website.

### Commonwealth procurement

The Commonwealth operates a devolved procurement framework where Commonwealth entities are responsible for undertaking their own procurement processes in order to meet their business needs. The *Commonwealth Procurement Rules* (CPRs) set out the basic rule set that applies to entity procurement activities.

The CPRs are a legislative instrument issued by the Finance Minister under section 105B(1) of the PGPA Act. Australia is party to a range of free trade arrangements, and relevant international obligations have been incorporated into these CPRs.

Achieving value for money is the core rule of Commonwealth procurement. When conducting a procurement, officials must consider the relevant financial and non-financial costs and benefits of each submission including, but not limited to; quality of the goods and services, fitness for purpose, relevant experience and performance history, flexibility of the proposal, environmental sustainability and whole of life costs to inform a value for money assessment.

If a procurement is not for the ordinary services and functions of government, you must ensure it is authorised by other legislation, e.g. the *Financial Framework (Supplementary Powers) Regulations*. If in doubt, contact Chief Legal Officer.

### Instructions – all officials

The central procurement team in the Commission is your first point of contact for all procurement advice. Contact the Commission's procurement officer.

You must:

- Estimate the expected value of the procurement before deciding the appropriate procurement method. There are currently two procurement methods: open tender and limited tender (further information is in the *CPRs*).
- use the Commonwealth Contracting Suite (CCS) for most procurements between \$10,000 to \$200,000 (Goods and Services Tax (GST) inclusive) where this is not sourced from an existing arrangement
- use any mandated whole-of-government arrangement ([list of these arrangements](#))

- consider whether there is an existing non mandatory arrangement available that you can use for the procurement (such as a panel)
- **report all contracts and amendments valued at or above \$10,000 (GST inclusive) on AusTender within 42 days of entering (or amending) a contract**
- pay supplier invoices within 30 days in accordance with the Australian Government *supplier pay on-time or pay interest policy*.

For Digital or ICT procurements, where an existing arrangement is not suitable, use the appropriate Digital Sourcing Contract Template on BuyICT.gov.au.

## Instructions – delegates entering into, varying or administering an arrangement

### **For all procurements**

Before entering into or varying a procurement arrangement, you must ensure that you have authority to enter into or vary a procurement arrangement (delegated or authorised by your accountable authority from section 23 of the PGPA Act or other specific legislation such as section 32B of the FFSP Act).

Delegates must be satisfied, after making reasonable enquiries, that the procurement achieves value for money outcomes and complies with all CPR requirements.

Procurement should:

- use public resources in an efficient, effective, economical and ethical manner that is not inconsistent with the policies of the Commonwealth
- encourage competition and be non-discriminatory
- facilitate accountable and transparent decision making
- encourage appropriate engagement with risk and
- be commensurate with the scale and scope of the business requirement.

You must:

- determine if the terms in a procurement arrangement need to be kept confidential and identify in the arrangement the terms that must be kept confidential (see [Confidentiality Throughout the Procurement Cycle](#)) and
- ensure the procurement arrangement requires contractors to agree to the public disclosure of the names of any subcontractors and to inform the relevant subcontractors that their names may be publicly disclosed
- ensure sufficient documentation is retained to demonstrate processes and approvals were appropriate to the scope and scale of the procurement
- not enter into a procurement arrangement where there is no end date, unless it allows for periodic review and the ability to be terminated by the Commission where it no longer represents value for money



- report new procurement arrangements or variations of a procurement arrangement in accordance with the CPRs.

**For procurements under \$10,000 (GST inclusive)**

*Division 1 of the CPRs* apply.

- for procurements valued under \$10,000 (GST inclusive) where the goods and/or services cannot be sourced from a panel arrangement, you can obtain a quote or quotes via phone, online or email
- procurements from panel arrangements will have defined processes outside of those covered by this AAI
- use of credit cards as the payment mechanism where the supplier accepts them is required to *apply the supplier payment policy*
- procurements valued under \$10,000 (GST inclusive) **are not** required to be reported on AusTender.

**For procurements valued at or above \$10,000 and under \$80,000 (GST inclusive)**

*Division 1 of the CPRs* apply.

- for procurements valued at or above \$10,000 and under \$80,000 (GST inclusive) where the goods and/or services can't be sourced from a panel arrangement, you should undertake market research and seek quote(s). Depending on the nature of the procurement one quote may be sufficient. If the market for the good or service is not familiar to you, you may need to conduct greater research and obtain additional quotes to be satisfied that you are achieving value for money with your chosen supplier
- if a contract is required, use:
  - the *Commonwealth Contracting Suite* for general goods and services or
  - the appropriate Digital Sourcing Contract Template on BuyICT.gov.au for Digital or ICT procurements, where an existing arrangement is not suitable.
- **report all contracts and amendments valued at or above \$10,000 (GST inclusive) on AusTender within 42 days of entering (or amending) a contract**

**For procurements valued at or above \$80,000 (GST inclusive)**

*Division 1 and 2 of the CPRs* apply.

- for procurements valued between \$80,000 and \$200,000 (GST inclusive) the Indigenous Procurement Policy includes a mandatory set aside. This means officials must check *Indigenous Business Direct* to see if there is an Indigenous Business that could provide the goods or services being procured. If there is no Indigenous Business that represents value for money you can proceed with the process set out in these instructions.
- you must check whether any of the procurement-connected policies are relevant to your procurement (a list of these policies is on the *Finance website*).



- the default for all procurements valued at or above \$80,000 is open tender. For procurements valued at or above \$80,000 you must use an open tender process unless:
  - an existing panel arrangement is used which has generally been established by an initial open tender approach
  - a *limited tender condition set out in paragraph 10.3* of the CPRs applies or
  - an *Appendix A exemption applies*.
- [Division 2 of the CPRs](#) includes the additional rules that apply when undertaking a procurement valued at or above \$80,000 (GST inclusive) (the procurement threshold).
- Open tenders **must** be published on AusTender.

## Managing procurement arrangements

### Instructions – Officials with a delegation to administer a procurement arrangement

You must:

- maintain documentation for each arrangement (for example, a written contract, purchase order or email) proportionate to the scale, scope and risk of the procurement
- ensure that you have authority to administer a procurement arrangement (delegated or authorised by your accountable authority from section 23 of the PGPA Act or other specific legislation such as section 32B of the [FFSP Act](#))
- to achieve value for money, actively manage each arrangement to ensure that risk treatments are appropriate and contracted outcomes are achieved
- make available, on request, the names of subcontractors engaged by a contractor in respect of a procurement arrangement.

<b>Legislative requirements</b>	<a href="#">PGPA Act</a> : s. 23; s. 52, s. 60, s. 105B <a href="#">PGPA Rule</a> : s. 18 <a href="#">FFSP Act</a> : s. 32B <a href="#">FFSP Regulations</a> : Schedule 1AA and 1AB <a href="#">Commonwealth Procurement Rules</a>
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<b>Policies of the Australian Government</b>	<i>Procurement-connected policies</i> <i>Supplier pay on-time or pay interest policy</i>
<b>Related AAls</b>	Risk management Working with others Disclosure of interests Approving commitments of relevant money Entering into and administering arrangements Payments of relevant money
<b>Guidance</b>	<a href="#">Approving commitments of relevant money Resource Management Guide No.420 Mandatory use of the Commonwealth Contracting Suite for procurement under \$200,000</a> <a href="#">Resource Management Guide No.411 - Grants, procurements and other financial arrangement</a> <a href="#">Resource Management Guide No. 416 - Facilitating Supplier Payment Through Payment Card</a> <a href="#">Resource Management Guide No.417 - Supplier Pay On-Time or Pay Interest Policy</a>
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Other relevant documents</b>	The Commission's Guide to the Commonwealth Procurement Framework
<b>Contacts</b>	Assistant Director, Procurement Chief Finance Officer

## Inter-entity cooperation and agreements

This section provides instructions to officials about working cooperatively with other Commonwealth entities.

Sections 17 and 18 of the PGPA Act impose duties on accountable authorities to:

- encourage officials to cooperate with others to achieve common objectives
- consider the administrative requirements that their entity imposes on others.

Further, section 15 requires an accountable authority, when making decisions for the purposes governing the entity, to take into account the effect of those decisions on public resources generally.

On a day-to-day basis, officials from different Commonwealth entities work together to undertake a number of activities, including to deliver government services, make payments, formulate national policies, implement complex reforms, and exchange information and specialist expertise.

An inter-entity agreement is an important mechanism for establishing and clarifying the way in which entities will work together and meet the requirements of the PGPA Act. Depending on the complexity of the arrangement, an inter-entity agreement may be:

- an exchange of letters (e.g. for the exchange of data)
- a service level agreement (e.g. for the provision of IT services) or
- a detailed memorandum of understanding (e.g. for a cross-portfolio reform such as Closing the Gap).

Inter-entity agreements need to address financial matters such as:

- accessing the appropriation of another entity
- a number of entities being able to pool separately appropriated money through the use of a special account
- joint contracting, such as one entity entering into a contract on behalf of the Commonwealth, where the services can be accessed by other entities.

The Commonwealth should not enter into an agreement with a corporate Commonwealth entity that allows the corporate Commonwealth entity to access an appropriation (including a special account) administered by a non-corporate Commonwealth entity.

### Instructions – all officials

When developing an inter-entity agreement, you must clearly articulate:

- the objectives of the agreement, including desired outcomes and timeframes
- the roles and responsibilities of the parties
- the details of the activities, including specifications of services or projects to be undertaken

- the resources and timeframe to be applied by parties and resource management framework issues
- the approach to identifying and sharing the risks and opportunities involved
- which entity collects performance reporting data
- agreed modes of review and evaluation
- agreed dispute resolution arrangements.

You must ensure that an inter-entity agreement addresses accountability requirements, including the requirements in the PGPA Act, to enable your accountable authority to meet their responsibilities under the resource management framework.

### Instructions – for officials establishing inter-entity agreements that involve financial commitments

You must not enter into an inter-entity agreement that commits the Commission, or another entity's current or future appropriation, unless you have been delegated the authority, or authorised by a delegate, to do so under section 23 of the PGPA Act or other legislation (such as section 32B of the Financial Framework (Supplementary Powers) Act 1997).

When using a special account to facilitate inter-entity activities, you must comply with the instructions on special accounts (see *Using special accounts*).

When undertaking activities that commit or might commit relevant money, you must comply with the requirements under section 18 of the PGPA Rule (see *Approving commitments of relevant money*).

<b>Legislative requirements</b>	PGPA Act: s. 15, ss. 17 and 18, s. 21, s. 23, s. 78, s. 80 PGPA Financial Reporting Rule FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB
<b>Guidance</b>	
<b>Related AAls</b>	Risk management Working with others Accounts, records and non-financial performance information Approving commitments of relevant money Entering into and administering arrangements Using special accounts



<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	<p>Chief Operating Officer</p> <p>The Official Public Account team within Finance provides guidance for entities on how to gain access to appropriations across the Australian Government, and to facilitate payments between entities.</p>

## Indemnities, guarantees and warranties

This section provides instructions for officials entering into an arrangement that requires the Commonwealth to provide an indemnity, guarantee or warranty.

Providing an indemnity, guarantee or warranty creates a contingent liability. A contingent liability is a commitment that may give rise to a cost as a result of a future event. Contingent liabilities are generally used to allocate risk between parties to an arrangement. Risk needs to be managed by the party that is best placed to manage it.

The Finance Minister has delegated the power in section 60 of the PGPA Act to provide (grant) an indemnity, guarantee or warranty on behalf of the Commonwealth to accountable authorities of non-corporate Commonwealth entities. The Finance Minister has not delegated the power to enter into loan guarantees.

### Instructions – all officials

You must not enter into an arrangement that includes an indemnity, guarantee or warranty unless you have been delegated power to grant an indemnity, guarantee or warranty on behalf of the Commonwealth.

### Instructions – officials delegated the power to enter into a guarantee, indemnity or warranty

You must:

- comply with the directions in the delegation when entering into an arrangement that involves an indemnity, guarantee or warranty
- not provide an indemnity that would expressly meet the costs of civil or criminal penalties of the indemnified party
- not enter into an arrangement that involves an indemnity, guarantee or warranty with another non-corporate Commonwealth entity
- if the arrangement involves a loan guarantee, obtain written approval from the Finance Minister for the loan guarantee.

<b>Legislative requirements</b>	PGPA Act: s. 23 s. 52 s. 60 PGPA Rule: s. 18
<b>Policies of the Australian Government</b>	<a href="#"><i>Commonwealth Risk Management Policy</i></a>

<b>Guidance</b>	<a href="#">Resource Management Guide No. 414: Indemnities, guarantees and warranties issued by the Commonwealth</a> <a href="#">Introduction to the PGPA Act for officials</a> <a href="#">Approving commitments of relevant money</a>
<b>Related AAls</b>	Risk management Entering into and administering arrangements
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	Nil.
<b>Contacts</b>	Chief Legal Officer and Chief Finance Officer

## Official hospitality

This section provides instructions to officials involved in official hospitality. Official hospitality generally involves the use of public resources to provide hospitality to persons other than entity officials to facilitate the achievement of one or more Commonwealth objectives. Official hospitality may include the provision of refreshments, entertainment, gifts of property, prizes or other benefits.

Generally, providing official hospitality will be part of the ordinary services and functions of government and the arrangement will be entered into under section 23 of the PGPA Act. In limited cases, officials may need to be delegated powers under section 32B of the *FFSP Act* or other specific legislation to enter an arrangement to provide official hospitality.

For instructions relating to the gifting of relevant property, see [Managing property](#).

### Instructions – all officials

You must:

- not enter into an arrangement to provide official hospitality unless you have been delegated, or authorised to exercise, power to enter into such an arrangement
- act in accordance with the Commonwealth Procurement Rules when procuring goods or services to provide official hospitality (see *Procurement*).

Any decision to spend relevant money on official hospitality must be publicly defensible.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. 23, s. 52, s. 66 PGPA Rule: s. 18 FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB <i>Commonwealth Procurement Rules</i>
<b>Guidance</b>	<a href="#">Approving commitments of relevant money</a>
<b>Related AAls</b>	Risk management Disclosure of interests Procurement Acquiring property (including receiving gifts and benefits) Disposing of property (including gifting relevant property)
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022



Other relevant documents	The Commission's Guide to the Commonwealth Procurement Framework
Contacts	Chief Finance Officer

## Official travel

Official travel is any travel where a Commonwealth entity is ultimately responsible for any of the direct or indirect costs associated with that travel (noting the exceptions for using the coordinated travel procurements). This includes travel by officials, contractors and consultants to undertake work duties at the direction of the employer to achieve one or more Commonwealth objectives.

Official travel should only be undertaken when there is a demonstrated business need and when other communication tools, such as teleconferencing and videoconferencing, are an ineffective option.

Arrangements for the purpose of official travel will generally be entered into under section 23 of the PGPA Act. In limited cases, officials may need to enter into an arrangement for official travel under section 32B of the [FFSP Act](#), or other specific legislation.

### Instructions – all officials

You must:

- not enter into an arrangement for official travel unless you have been delegated, or authorised to exercise, power to enter into an arrangement of this type
- act in accordance with the Commonwealth Procurement Rules (CPRs) when procuring official travel (see *Procurement*).

Where the government has established coordinated procurements for a particular travel activity, you must use the arrangement established for that activity, unless:

- an exemption has been provided in accordance with the CPRs or reimbursement is to be provided to a third party (i.e. a non-Commonwealth traveller that cannot access coordinated travel procurements) for airfares, accommodation and/or car rental; or
- a travel allowance is to be provided for accommodation arrangements.

You must:

- use the Australian Government's contracted travel management company (TMC) to book domestic and ex-Australia international airfares under the Deed of Standing Offer for the Provision of Whole of Australian Government Travel Management Services unless the air travel is charter travel, in which case use of the TMC is recommended but not mandatory
- use the contracted accommodation program management services provider for domestic accommodation under the Deed for the Provision of Accommodation Program Management Services to the Australian Government
- use the contracted car rental service providers for domestic car rentals under the Deed for the Provision of Car Rental Services to the Australian Government
- use the contracted travel card and related services provider for card payment services under the Deed for the Provision of Travel and Related Card Services to the Australian Government

- not accrue reward and loyalty points (such as frequent flyer points), however status points may be accrued.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. 23, s. 52 PGPA Rule: s. 18 FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB Commonwealth Procurement Rules
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a> <a href="#">Travel and credit card policies</a>
<b>Guidance</b>	<a href="#">Approving commitments of relevant money</a> <a href="#">Resource Management Guide No. 404: Official domestic travel – use of the lowest practical fare</a> <a href="#">Resource Management Guide No. 405: Official international travel – use of the best fare of the day</a> <a href="#">Resource Management Guide No. 418: Payment terms for Australian Government travel arrangements – card services</a> <a href="#">Whole-of-Australian-Government Travel Services</a>
<b>Related AAls</b>	<i>Risk management</i> <i>Approving commitments of relevant money</i> <i>Entering into and administering arrangements</i> <i>Procurement</i>
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Other relevant documents</b>	The Commission's Guide to the Commonwealth Procurement Framework
<b>Contacts</b>	Chief Finance Officer

## Arrangements for other CRF money

An accountable authority may enter into an arrangement with a person outside the Commonwealth to handle other money that is not relevant money (other CRF money).

Other CRF money is money that forms part of the Consolidated Revenue Fund (CRF), other than relevant money or any other money of a kind prescribed by the rules (see section 105(2) of the PGPA Act).

A 'person outside the Commonwealth' is an individual or an organisation who is not an official or a minister, and who acts for or on behalf of the Commonwealth to use or manage money (i.e. as an agent of the Commonwealth). For example, a person may handle other CRF money because they have entered into an arrangement with the Commonwealth to collect fees or levies and make payments of the amounts collected.

Before entering into any arrangement, it is important to consider whether the arrangement could involve a person outside the Commonwealth handling other CRF money.

### Instructions – all officials

You must not enter into an arrangement for the use or management of other CRF money (including the receipt, custody or expenditure) by a person outside the Commonwealth, unless:

- you have the authority or delegation to enter into the arrangement
- the terms of the arrangement are, at a minimum, compliant with the requirements of section 29 of the PGPA Rule
- the arrangement would be a proper use and management of public resources and would not be inconsistent with the policies of the Australian Government
- you consider and manage all associated risks with handling other CRF money.

If the arrangement will also involve the commitment of relevant money (e.g. payment to a person outside the Commonwealth to collect, hold or spend other CRF money), you must ensure appropriate records are kept in accordance with section 18 of the PGPA Rule (see *Approving commitments of relevant money*).

### Instructions – officials with a delegation to make arrangements with persons outside the Commonwealth

When making an arrangement for the receipt, custody or expenditure of other CRF money by a person outside the Commonwealth, you must:

- comply with any directions relating to the delegation
- be satisfied that the arrangement:
  - promotes the proper use and management of the other CRF money



- complies with the requirements in section 29 of the PGPA Rule

You must not make an arrangement for other CRF money unless you are satisfied that the risks that might arise from the arrangement will be managed in the best interests of the Commonwealth.

<b>Legislative requirements</b>	PGPA Act: s. 23, s. 105 PGPA Rule: s. 29 FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB
<b>Policies of the Australian Government</b>	<a href="#">Commonwealth Risk Management Policy</a>
<b>Guidance</b>	<a href="#">Other CRF money</a> <a href="#">Approving commitments of relevant money</a>
<b>Related AAls</b>	<i>Risk management</i> <i>Working with others</i> <i>Disclosure of interests</i> <i>Approving commitments of relevant money</i>
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	Nil.
<b>Contacts</b>	Chief Finance Officer

### 3. Making payments

This part covers instructions to officials on making payments of money, including the following topics:

- payments of relevant money
- the use of Commonwealth credit cards and credit vouchers
- discretionary compensation mechanisms
- taxation obligations.

These instructions apply to all payments, including manual and automated payments. A payment involves the transfer of cash, the issuing of instructions to process an electronic funds transfer, the execution and issuing of a cheque, the use of a debit card, or the transfer of funds through another process.

Regardless of whether a payment is made from a departmental or administered appropriation, an official must ensure that:

- there is a sufficient available appropriation to cover the proposed payment
- there is legal authority to spend the relevant money
- the payment of the money is for the purpose for which it was appropriated.

## Payments of relevant money

The authority to administer an arrangement, including making a payment in accordance with an arrangement, comes from section 23 of the PGPA Act, or other specific legislation (for example, section 32B of the [FFSP Act](#)). Accountable authorities usually delegate this function to officials. Officials who perform the purely administrative tasks necessary to facilitate a payment (for example, processing an electronic funds transfer request) do not require a delegation if they are acting under the direction of another official and are not exercising any independent judgment.

### Instructions – all officials

You must not make a payment of relevant money unless the payment is made in accordance with these instructions.

<b>Legislative requirements</b>	PGPA Act: ss. 15 and 16, s. 21, s. 23, s. 52, s. 71 PGPA Rule: s. 18 FFSP Act: s. 32B FFSP Regulations: Schedules 1AA and 1AB
<b>Policies of the Australian Government</b>	<a href="#">Supplier pay on-time or pay interest policy</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 416: Facilitating supplier payment through payment card</a> <a href="#">Resource Management Guide No. 417: Supplier pay on-time or pay interest policy</a>
<b>Related AAls</b>	Risk management Disclosure of interests Procurement, grants and other commitments and arrangements
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Other relevant documents</b>	The Commission's Guide to the Commonwealth Procurement Framework
<b>Contacts</b>	Chief Finance Officer

## Payment of amount owed to person at time of death (payment pending probate)

A payment pending probate relates to an amount that the Commonwealth owes to a person at the time of their death. The Finance Minister has delegated to accountable authorities the power in section 25 of the PGPA Rule to authorise payment of such an amount to the person without requiring production of probate of the will or letters of administration of the deceased person's estate. Accountable authorities may sub-delegate this power to officials.

### Instructions – all entity officials

You must not authorise a payment pending probate under section 25 of the PGPA Rule unless you have been delegated the authority to do so.

If a payment pending probate has been authorised by your accountable authority or a delegate, you must ensure, before making the payment, that there is an available appropriation for the payment and that you have the authority to allow the payment.

### Instructions – officials with a delegation to authorise payments pending probate

When authorising a payment pending probate, you must comply with any directions in relation to the delegation from the Commissioner.

If the Commission owes an amount to a person at the time of their death, you may authorise payment of that amount to the person who you consider can receive the payment, if you have been delegated the power to do so.

When deciding who to pay, you must consider the people who are entitled to the property of the deceased person under that person's will or the law relating to the disposition of the property of deceased persons. However, you are not bound to act in accordance with that law.

You may authorise the payment without requiring production of:

- probate of the will of the deceased person; or
- letters of administration of the deceased person's estate.

Before authorising the payment, you must ensure that the payment is not covered by other legislation.

<b>Legislative requirements</b>	PGPA Act: ss. 15 and 16, s. 21, s. 23, s. 52, s.103 PGPA Rule: s. 18, s. 25 Payments under other legislation (e.g. <i>Long Service Leave (Commonwealth Employees) Act 1976</i> )
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<b>Guidance</b>	<a href="#">Resource Management Guide No. 402: Payment of amount owed to person at time of death</a>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief People Officer

## Commonwealth credit cards and credit vouchers

This section provides instructions about the use of Commonwealth credit cards and credit vouchers.

A Commonwealth credit card is a credit facility issued to a Commonwealth entity to enable it to purchase goods or services and withdraw cash on credit (i.e. with payment deferred to a later date) and includes:

- charge cards issued to buy goods or services on credit, with payment in full required at a later date (e.g. Diners Club or American Express cards)
- vendor cards (sometimes called 'limited-purpose purchase cards') provided by specific retailers (e.g. Cabcharge cards and fuel cards).

A credit voucher is a paper-based credit facility that generally comes with an attached spending limit (e.g. a Cabcharge e-tickets).

The Finance Minister has delegated to accountable authorities the power to enter into a limited range of borrowing agreements under section 56 of the PGPA Act. This includes the power to enter into an agreement for the issue and use of credit cards or credit vouchers, providing money borrowed is repaid within 90 days.

Debit cards, pre-paid credit cards and gift vouchers issued to a Commonwealth entity are not Commonwealth credit cards or credit vouchers and must be treated as if they were relevant money.

### Instructions – all officials

Only the person issued with a Commonwealth credit card or credit voucher, or someone specifically authorised by that person, may use that credit card, credit card number or credit voucher.

You may only use a Commonwealth credit card or card number to obtain cash, goods or services for the Commonwealth entity based on the proper use of public resources.

You cannot use a Commonwealth credit card or card number for private expenditure.

In deciding whether to use a Commonwealth credit card or credit voucher, you must consider whether it would be the most cost-effective payment option in the circumstances.

Before using a Commonwealth credit card or credit voucher, you must ensure that the requirements in the instructions *Procurement, grants and other commitments and arrangements* have been met before entering into the arrangement.

You must:

- ensure that your use of a Commonwealth credit card or credit voucher is consistent with any approval given, including any conditions of the approval
- ensure that any Commonwealth credit cards and credit vouchers issued to you are stored safely and securely.

## Instructions – officials with a delegation to enter into borrowing agreements for Commonwealth credit cards and credit vouchers

When entering into a borrowing agreement for the issue to, and use by, the Commonwealth entity of credit cards or credit vouchers, you must:

- have a valid delegation to enter into borrowing agreements
- ensure that the requirements in the instructions *Procurement, grants and other commitments and arrangements* have been met
- ensure that the procurement of the credit card and/or credit voucher services is in accordance with the *Procurement* instructions and the Commonwealth Procurement Rules.

You must:

- comply with Finance Minister directions in the delegation of the power in section 56 or any directions in the delegation from your accountable authority
- ensure that the borrowing agreement requires the money borrowed to be repaid within 90 days of the Commonwealth being notified of the amount borrowed.

<b>Legislative requirements</b>	PGPA Act: ss. 15 and 16, s. 23, ss. 25 to 29, s. 56
<b>Guidance</b>	<a href="#">Resource Management Guide No. 416: Facilitating supplier payment through payment card</a> <a href="#">Resource Management Guide No. 418: Payment terms for Australian Government travel arrangements – card services</a>
<b>Related AAls</b>	Risk management Fraud control Disclosure of interests Procurement, grants and other commitments and arrangements Agreements with banks and bank accounts
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Other relevant documents</b>	The Commission's Guide to the Commonwealth Procurement Framework
<b>Contacts</b>	Chief Finance Officer

## Requests for discretionary financial assistance

This section provides instructions on the discretionary compensation mechanisms that the Commonwealth can use to provide assistance to individuals or other bodies who otherwise have no entitlement to a payment or other financial relief (e.g. through the settlement of claims under the *Legal Services Directions 2005*, or the payment of compensation in accordance with a statutory entitlement). Discretionary compensation mechanisms include:

- the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme)
- act of grace payments.

A decision under these mechanisms is at the discretion of the decision-maker.

## Scheme for Compensation for Detriment caused by Defective Administration

Accountable authorities (other than the departments of the Parliament) may compensate individuals or other bodies who:

- have experienced detriment (i.e. quantifiable financial loss) as a result of an entity's defective administration
- have no other avenues of redress.

Ministers are responsible for making CDDA Scheme decisions; however, they may authorise accountable authorities, who in turn authorise officials, to approve CDDA Scheme payments.

### Instructions – all officials

You must refer claims for compensation arising from defective administration to the Minister for Senior Australians and Aged Care Services or the person delegated by a minister to decide such claims.

If a CDDA Scheme payment has been approved by the Minister for Senior Australians and Aged Care Services or the person delegated by a minister, the official must ensure, before making the payment, that:

- there is an available appropriation for the payment
- the minister has approved the payment under section 71 of the PGPA Act
- a record of the approval is kept in accordance with section 18 of the PGPA Rule (see *Procurement, grants and other commitments and arrangements*).



<b>Legislative requirements</b>	Constitution: s. 61 PGPA Act: s. 16, s. 21, s. 23, s. 25 s. 52, s. 71 PGPA Rule: s. 18 <i>PGPA Financial Reporting Rule</i>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</a> <a href="#">Resource Management Guide No. 409: Scheme for Compensation for Detriment caused by Defective Administration</a>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	Nil
<b>Other relevant documents</b>	Nil
<b>Contacts</b>	Chief Finance Officer and Chief Legal Officer

## Act of grace payments

The Finance Minister may authorise the making of one-off or periodic act of grace payments under section 65 of the PGPA Act. This power has been delegated with directions to the Finance Secretary and delegates within Finance.

If the Finance Minister or a delegate authorises ongoing act of grace payments or an act of grace payment that is subject to agreed conditions, the accountable authority of the relevant non-corporate Commonwealth entity will derive authority to enter into an arrangement under section 23 of the PGPA Act.

Act of grace payments may be authorised in special circumstances, where a non-corporate Commonwealth entity's conduct or Commonwealth legislation or policy has resulted in an unintended, inequitable, anomalous or otherwise unacceptable impact on the claimant's circumstances – subject to some additional requirements for amounts in excess of \$500,000 (see section 24 of the PGPA Rule). Act of grace payments are made in circumstances where the main obligation to the applicant is moral, rather than legal.

**Instructions— all officials**

You must not authorise an act of grace payment.

You must ensure that all requests for act of grace payments are referred to the Discretionary Payments Team within the Department of Finance.

You must ensure, when making the act of grace payment authorised by the Finance Minister or a delegate, that the payment is consistent with the decision.

**[In those circumstance where there is an arrangement]**

Where an act of grace payment involves either ongoing payments or is subject to agreed conditions, you must ensure, before entering into the arrangement, that:

- you have been delegated the authority to enter into the arrangement under section 23 of the PGPA Act
- the requirements for section 18 of the PGPA Rule have been met (see *Procurement, grants and other commitments and arrangements*).

Before making an act of grace payment under an arrangement, you must ensure that:

- you have been delegated the authority, or authorised by a delegate, to administer the arrangement under section 23 of the PGPA Act
- the requirements of the arrangement have been met
- the act of grace payment is supported by an appropriation.

<b>Legislative requirements</b>	PGPA Act: s. 16, s. 21, s. 23, s. 25, s. 26, s 52, s. 65 PGPA Rule: s. 18, s. 24 PGPA Financial Reporting Rule
<b>Guidance</b>	<a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the <i>Public Governance, Performance and Accountability Act 2013</i></a>
<b>Related AAls</b>	<i>Risk management</i> <i>Disclosure of interests</i>
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	Nil.
<b>Contacts</b>	Chief Finance Officer

## Taxation obligations

This section provides officials with instructions on how to maintain appropriate records and how to meet fringe benefits tax and goods and services tax obligations.

### Instructions – all officials

You must maintain appropriate records for the required duration and provide information as requested to enable the entity to meet its taxation obligations.

Before seeking approval for a proposed commitment of relevant money, you must:

- consider the potential fringe benefits tax (FBT) implications of the proposed commitment
- ensure that the price to be charged for the goods and/or services is inclusive of goods and services tax (GST), where applicable.

You must ensure that a valid tax invoice is obtained for each purchase to enable the entity to claim input tax credits for the purposes of GST, where applicable.

You must ensure that all contracts for the acquisition or sale of goods and services by the entity appropriately address taxation issues.

<b>Legislative requirements</b>	PGPA Act: s. 41 Fringe Benefits Tax Assessment Act 1986 A New Tax System (Goods and Services Tax) Act 1999
<b>Related AAls</b>	Approving commitments of relevant money Accounts, records and non-financial performance information
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## 4. Managing money

This part covers instructions to officials on the proper management of relevant money, including the following topics:

- agreements with banks and managing bank accounts
- receiving and handling relevant money
- cash advances
- investments and borrowings
- special accounts
- user charging.

Relevant money is money that the Commonwealth holds as cash or in bank accounts and includes:

- Australian currency, foreign currency and cheques in any currency
- money raised by, or on behalf of, the Commonwealth in a variety of ways, including by appropriations, taxes, borrowings, loan repayments, rebates, levies and fees
- money held on trust by the Commonwealth (for the benefit of persons outside the Commonwealth)
- money found on Commonwealth premises.

Relevant money does not include other Consolidated Revenue Fund (CRF) money (see *Arrangements for other CRF money*).



## Agreements with banks and managing bank accounts

This section provides instructions for officials with a delegation to:

- enter into agreements with banks
- open and maintain bank accounts.

The Finance Minister has delegated the power in section 53 of the PGPA Act to accountable authorities to enter into transactional banking agreements on behalf of the Commonwealth, and to open and maintain bank accounts. Accountable authorities may delegate this power to officials.

### Instructions – all officials

You must not:

- enter into an agreement with a bank for banking business services; or
- open, maintain or close a Commission bank account

unless you have been delegated the power to do so under *section 53* of the PGPA Act.

## Agreements with banks

### Instructions – officials with a delegation to enter into agreements with banks

You may only enter into an agreement with a bank for banking business services in Australia, unless your entity is permitted to open and maintain bank accounts outside Australia.

When entering into an agreement with a bank, you must comply with the directions in relation to the delegation from your accountable authority.

You may only enter into an agreement with a bank for overdraft drawings if the agreement provides for each drawing to be repaid within 30 days.

## Managing bank accounts

### Instructions – officials with a delegation to open and maintain bank accounts

You may only open and maintain entity bank accounts in Australia, unless your entity is permitted to open and maintain bank accounts outside Australia.

When opening and maintaining an entity bank account, you must comply with the directions in the delegation from your accountable authority.

<b>Legislative requirements</b>	PGPA Act: s. 53, s. 55 PGPA Rule: s. 19, s. 20, s. 21
<b>Guidance</b>	<i>Committing relevant money</i> <i>Resource Management Guide No. 300: Banking of relevant money by Commonwealth entities</i> <i>Resource Management Guide No. 413: Banking of cash by non-corporate Commonwealth entities</i>
<b>Related AAls</b>	Receiving and handling money Cash advances (including petty cash and change floats)
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## Receiving and handling money

This section provides instructions for officials who receive relevant money that:

- can be deposited in a bank (bankable money)
- is not bankable (unbankable money).

Officials are required to ensure the security of any relevant money that is in their custody. A loss of relevant money may result in a debt owed to the Commonwealth. A person's liability to pay such a debt is not avoided if they stop working for the entity. For further information on the management of debt, see *Managing debts and amounts owing to the Commonwealth*.

### Instructions – all officials

If you receive relevant money, you must ensure the safe custody of the money.

You must not misuse or improperly dispose of relevant money.

If a loss of relevant money occurs while the money is in your custody, you will be liable to pay the Commonwealth an amount equal to the loss, unless you took reasonable steps to prevent the loss (see section 68 of the PGPA Act).

If you cause or contribute to a loss of public money by misconduct, or a deliberate or serious disregard for reasonable standards of care, you will be liable to pay the Commonwealth an amount that reflects your share of the responsibility for the loss (see section 69 of the PGPA Act).

If you are entering into an arrangement with a person outside the Commonwealth or a Commonwealth entity to handle other CRF money, you must comply with the instructions in *Arrangements for other CRF money*.

### Instructions – officials who receive or handle bankable money

If you receive relevant money that is bankable money, then unless specified in these instructions, you must deposit the money in a bank before the end of the next banking day.

You must ensure that relevant money is only ever deposited into an entity bank account, unless the money is to be retained as cash for the purposes of making payments in relation to the Commonwealth entity in accordance with any requirements in these instructions.

### Instructions – officials who receive or handle unbankable money

If you receive relevant money that is unbankable money, you must deal with it in accordance with any requirements prescribed in these instructions.

## Instructions – officials responsible for reporting on the loss of relevant money

You must ensure that the Chief Finance Officer is informed of any a loss of relevant money and deciding on appropriate follow-up actions.

<b>Legislative requirements</b>	PGPA Act: s. 26, s. 53, s. 55, s. 68, s.69, s. 70, s. 74, s. 74A, s. 78, s. 80 PGPA Rule: s. 19, s. 20, s. 21, s. 27
<b>Guidance</b>	<a href="#">Committing relevant money</a> <a href="#">Resource Management Guide No. 300: Banking of relevant money by Commonwealth entities</a> <a href="#">Resource Management Guide No. 413: Banking of cash by non-corporate Commonwealth entities</a>
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information Agreements with banks and managing bank accounts Cash advances (including petty cash and change floats) Managing debts and amounts owing to the Commonwealth Arrangements for other CRF money
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer



## Cash advances (including petty cash and change floats)

This section provides instructions on cash advances, including petty cash and change floats. Cash advances are typically used as change floats or to cover minor expenses that cannot be conveniently or cost-effectively processed for payment by cheque, electronic funds transfer or credit card.

A cash advance is relevant money that has been withdrawn from an entity bank account and provided to a specific official to make payments in cash. It also includes money received for the purposes of reimbursing the petty cash or change float.

### Instructions – officials who are authorised to hold cash advances

You may receive an amount withdrawn from an entity bank account to establish or replenish a cash advance approved by the Commissioner (or their delegate).

You are responsible for the cash advance and must take reasonable steps to safeguard the money from loss.

You must:

- comply with any other directions from the Commissioner in relation to the cash advance.

You must not:

- make a payment from a cash advance, unless you are authorised to do so
- make a payment for any purpose other than that for which the cash advance was established.

If you enter into an arrangement in relation to a cash advance, you must be delegated the power to do so under section 23 of the PGPA Act.

If you authorise a proposed commitment of relevant money that will result in a payment of the cash advance, you must be delegated the power or authorised to do so under section 23 of the PGPA Act.

<b>Legislative requirements</b>	PGPA Act: s. 23
<b>Related AAls</b>	<i>Risk management</i> <i>Disclosure of interests</i> <i>Accounts, records and non-financial performance information</i> <i>Approving commitments of relevant money</i> <i>Entering into and administering arrangements</i>

Internal delegations	
Other relevant documents	
Contacts	Chief Finance Officer

## Investments and borrowings

This section provides instructions on investing and borrowing relevant money. As a general rule, relevant money managed by the Commonwealth cannot be invested by an entity.

### Investments

The Finance Minister and Treasurer have delegated limited powers to a limited number of accountable authorities to invest relevant money in authorised investments on behalf of the Commonwealth (see section 58 of the PGPA Act). Accountable authorities can sub-delegate this authority. The investments that are authorised under section 58 are limited to a specific list of conservative investments outlined in section 22 of the PGPA Rule.

#### Instructions – officials with a delegation to invest relevant money

You must not invest relevant money on behalf of the Commonwealth unless you have been delegated the authority to do so by the Finance Minister or Treasurer under section 58 of the PGPA Act.

When investing relevant money, you must comply with any directions in relation to the delegation from the Commissioner.

You must:

- ensure that relevant money is only invested in authorised investments (section 22 of the PGPA Rule)
- ensure that the proceeds of an investment debited from a special account are, upon realisation, credited to that special account.

When investing relevant money from a special account, you must ensure that the investment is consistent with the purposes of that special account.

When investing relevant money that is trust money, you must ensure that the investment is consistent with the terms of the trust.

Prior to an investment maturing, you may authorise the reinvestment of the proceeds, upon maturity, in an authorised investment with the same entity.

You must take all reasonable steps to obtain the maximum return available on authorised investments.

Prior to making an investment or authorising a reinvestment that involves an amount of \$15 million or more, you must provide details of the proposed investment or reinvestment to the Australian Office of Financial Management.

<b>Legislative requirements</b>	<i>PGPA Act:</i> s. 58 <i>PGPA Rule:</i> s. 22
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<b>Guidance</b>	<i>Resource Management Guide No. 301: Investment by Commonwealth entities</i>
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer



## Borrowing

The Finance Minister has delegated to accountable authorities, under section 56 of the PGPA Act, very limited powers to enter into borrowing agreements for Commonwealth credit card or credit voucher services (see *Commonwealth credit cards and credit vouchers*).

### Instructions – officials with a delegation to enter into borrowing agreements for credit card or credit voucher services

You must not enter into a borrowing agreement on behalf of the Commonwealth unless you have been delegated the authority to do so under section 56 of the PGPA Act.

You may only enter into a borrowing agreement for a credit card or credit voucher to be issued to, and used by, officials of the Commission on behalf of the Commonwealth.

When entering into a borrowing agreement, you must comply with the instructions on [Commonwealth credit cards and credit vouchers](#).

### Instructions – Department of Foreign Affairs and Trade officials with a delegation to enter into borrowing agreements for overdraft facilities

You may enter into agreements for the provision of overdraft facilities with overseas banks, provided the agreements require the money to be repaid within 90 days.

When entering into an agreement for the provision of overdraft facilities with an overseas bank, you must comply with the directions in the delegation from the Finance Minister or any directions in relation to the delegation from the Commissioner.

You must ensure that any agreement is for a maximum amount of \$1 million, with the sum of all agreements not totalling more than \$10 million.

You must ensure that the overdraft facility is only accessed in situations where funds cannot be transferred from Australia in time for a specific payment.

When an agreement for overdraft facilities provides for the charging of fees by the bank, you must ensure that:

- the account incurs only the bank's standard fees and charges
- arrangements are put in place to debit any fees and charges to a departmental appropriation for the entity.

You must, at least annually, review all of the Commission's overdraft facilities and be satisfied of the continuing need for those facilities.

You must ensure that any use of the delegation is reported to Finance within one week of the use.

<b>Legislative requirements</b>	PGPA Act: s. 56
<b>Related AAls</b>	Risk management Disclosure of interests Accounts, records and non-financial performance information Commonwealth credit cards and credit vouchers
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## Using special accounts

This section provides instructions on the use and management of special accounts.

Special accounts are an appropriation mechanism to draw money from the Consolidated Revenue Fund for particular purposes. They are not bank accounts. Special accounts can be established by a determination made by the Finance Minister (see section 78 of the PGPA Act), or by another Act (see section 80 of the PGPA Act).

How money can be credited to, or debited from, a special account will depend on the purpose of the special account set out in the Finance Minister's determination or the Act that establishes the special account.

### Instructions – officials involved with the use and management of special accounts

You must ensure that only those amounts that have been identified for crediting to a special account are credited to it.

You must ensure that amounts are only debited from a special account in accordance with the purposes for which the account was established.

You must not use money from a special account to make a payment unless you are authorised to do so. Before making a payment, you must ensure that the balance of the special account is sufficient to cover the proposed payment (see *Making payments of relevant money*).

Moneys allocated to a special account must not be invested or earn interest, unless the authority to invest such moneys has been provided by the Finance Minister under section 58 of the PGPA Act.

You must consult with Finance prior to establishing a special account.

<b>Legislative requirements</b>	PGPA Act: s. 78, s. 79, s. 80 <i>PGPA Financial Reporting Rule</i>
<b>Guidance</b>	<a href="#">Finance Circular 2009/01</a> <a href="#">Financial Management Guidance (No. 7)</a>
<b>Related AAls</b>	Making payments of relevant money Investments and borrowings
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## Charging

This section provides instructions on:

- charging for regulatory, resource and commercial activities in line with the Australian Government Charging Framework
- portfolio charging reviews.

These instructions do not cover intra- or inter-government charges, fines, penalties, general taxation, or Freedom of Information Act 1982 charges.

The Australian Government Charging Framework:

- helps determine whether it is appropriate to charge for a government activity
- encourages a common approach to planning, implementing and reviewing charging activities
- indicates how to classify each charging activity and the best policy, legislative and pricing approach for each activity
- incorporates and builds on the Australian Government Cost Recovery Guidelines, which apply to regulatory charging activities.

Consistent with the PGPA Act requirements relating to proper use and management of public resources, charging is appropriate only where it is cost-effective and efficient. In particular:

- the cost of administering a charging activity needs to be proportional to the revenue generated from the activity
- where the charging activity is provided to government and non-government stakeholders, charges need to be set on the same basis
- different pricing models can be used, depending on the specific charging activity being undertaken (more than one pricing model can be used for different aspects of an activity).

Undertaking a charging activity includes planning, developing, managing and reviewing a charging activity.

A key element of undertaking a charging activity is to identify and engage with risk at each stage of the charging process. Officials may use the charging risk assessment template to assess the risk of a new or amended charging activity.

### Instructions – all officials

When planning, developing, managing and reviewing a charging activity, you must apply the Australian Government Charging Framework. Specifically, you must:

- take account of the charging policy statement and charging considerations
- apply the six charging principles.

For each charging activity, you must consider:

- whether policy approval is required from the Australian Government



- what statutory authority is required
- whether there is a need to align expenses and revenue
- maintaining appropriate up-to-date records, including the level of publicly available documentation and reporting.

You must provide information on existing or potential charging activities for the portfolio charging review.

### Instructions – officials undertaking regulatory charging activities

For each regulatory charging activity, you must:

- have policy approval from the Australian Government to recover costs
- have statutory authority to charge
- ensure alignment between expenses and revenue
- maintain up-to-date, publicly available documentation and reporting, specifically:
  - a cost recovery implementation statement must be completed, approved and published in line with the Australian Government Charging Framework for all regulatory charging activities, regardless of value, before charges commence
  - regulatory charging expenses and revenue must be reported
    - at an aggregate level in the Commission's financial statements, in accordance with the financial reporting rule
    - at the activity level on the Commission's website as part of the cost recovery implementation statement.

When developing or revising a regulatory charging activity, you must undertake a risk assessment. If a new policy proposal is being brought forward, the risk rating in the charging risk assessment must be agreed with the Department of Finance.

## 5. Managing debts and amounts owing to the Commonwealth

This part covers instructions to officials on the management of debts and amounts owing to the Commonwealth, and includes the following topics:

- Debt management recovery and non-recovery (write-off)
- waiver of amounts owing to the Commonwealth
- payment by instalments or deferral of the time for payment.

A debt is an amount owing to the Commonwealth that is known (or capable of being objectively determined) and is not disputed, due for payment now, and capable of being recovered in an action for debt (e.g. an official who is overpaid salary, or a person who has been overpaid a social security payment, may owe a debt to the Commonwealth).

An amount owing to the Commonwealth includes all debts owed to the Commonwealth, as well as amounts that are not yet due for payment (e.g. an invoice has been issued but payment is not due until the following month).

It is important that you can identify and distinguish between a debt and an amount owing. In relation to amounts owing to the Commonwealth, the general principle is that such amounts need to be paid in full immediately when they become due. However, in certain circumstances it may be appropriate to defer the time for payment, allow payment by instalments, waive the amount owing to the Commonwealth, or set off the amount owing to the Commonwealth in accordance with sections 63 and 64 of the PGPA Act.

The Finance Minister has delegated the power in section 63 of the PGPA Act to waive amounts owing to the Commonwealth or modify the terms and conditions on which an amount owing to the Commonwealth is to be paid (see *Waiver of amounts owing to the Commonwealth*).

## Debt management (recovery and write-off)

This section provides instructions on the recovery and non-recovery (write-off) of debts. Accountable authorities are required to recover all debts for which they are responsible in accordance with the proper use and management of public resources (section 15 of the PGPA Act) and section 11 of the PGPA Rule, unless:

- the debt has been written off as authorised by an Act
- they consider that the debt is not legally recoverable or
- recovery is not economical to pursue.

An accountable authority may delegate to officials their authority in section 11 of the PGPA Rule to approve the non-recovery (write-off) of a debt.

A decision to write off a debt does not legally extinguish the debt. For example, if the debtor's circumstances change in the future, the debt can be reinstated and pursued. The only way to legally extinguish a debt or other amount owing to the Commonwealth is for the Finance Minister (or delegate) to waive the amount owing under section 63 of the PGPA Act (see *Waiver of amounts owing to the Commonwealth*).

### Instructions – officials with a delegation to pursue debt recovery

You must cease any incorrect or ongoing overpayments as soon as you are made aware of them, and determine the amount owing to the Commonwealth or Commonwealth entity.

You must pursue recovery of each debt for which your accountable authority is responsible, except debts that are:

- written off as authorised by an Act
- not legally recoverable; or
- not economical to pursue.

### Instructions – all officials

You must ensure that a decision not to pursue the recovery of a debt is approved by your accountable authority or a delegate under section 11 of the PGPA Rule.

### Instructions – officials with a delegation to approve non-recovery of a debt

You may approve the non-recovery of a debt where:

- the non-recovery has been authorised by an Act
- you are satisfied that the debt is not legally recoverable; or
- you consider that it is not economical to pursue recovery of the debt.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 103(c) PGPA Rule: s. 11
<b>Guidance</b>	<i>Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</i>
<b>Related AAls</b>	Risk management Disclosure of interests Waiver of amounts owing to the Commonwealth Payment by instalments or deferral of the time for payment
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer



## Waiver of amounts owing to the Commonwealth

A waiver is a special concession granted to an individual or other body that extinguishes a debt or other amount owing to the Commonwealth. This means that the amount owing is completely forgiven and can no longer be recovered (even if the debtor's circumstances change in the future). Waivers are a last resort in circumstances where the recovery of the debt would be inequitable or cause ongoing financial hardship.

The Finance Minister may waive an amount owing to the Commonwealth under section 63 of the PGPA Act (subject to some additional requirements for large amounts; see section 24 of the PGPA Rule). The Finance Minister has also delegated this power to the Secretary of Finance, and to the accountable authority of the Australian Securities and Investments Commission for use in limited circumstances.

### Instructions – all officials

You must not approve the waiver of an amount owing under the PGPA Act unless you are delegated the power to waive the amount owing under section 63 of the PGPA Act.

You must ensure that all requests for waiver of a debt are referred to the Finance Minister.

### Instructions – all officials of Finance and the Australian Securities and Investments Commission

A decision to waive an amount owing to the Commonwealth must be made in accordance with the duties of accountable authorities, in particular under sections 15 and 21 of the PGPA Act.

You must refer requests for waiver of an amount owing to your accountable authority or a delegate with the power to waive the amount owing under section 63 of the PGPA Act.

### Instructions – officials with a delegation to waive amounts owing

When waiving an amount owing under the PGPA Act, you must comply with the directions in the delegation from the Finance Minister or any directions in the sub-delegation from your accountable authority.

The waiver may be conditional as modified by the Finance Minister or your accountable authority.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. 63, s. 64, s. 65, s. 103 PGPA Rule: s. 11, s. 24 <a href="#">Public Governance, Performance and Accountability (Financial Reporting) Rule 2015</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</a>
<b>Related AAls</b>	Risk management Disclosure of interests Debt management (recovery and write-off) Payment by instalments or deferral of the time for payment
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## Payment by instalments or deferral of the time for payment

This section provides instructions on permitting payment by instalments or deferral of the time for payment. Amounts owing to the Commonwealth are generally required to be paid in full immediately when they become due. However, there may be circumstances that warrant allowing a payment to be made by instalments, or deferring the time for payment.

The Finance Minister has delegated the power in section 63 of the PGPA Act to all accountable authorities to modify the terms and conditions on which an amount owing to the Commonwealth is to be paid. Accountable authorities may sub-delegate this power to officials in their entity.

### Instructions – all officials

You must refer requests to:

- allow the payment by instalments of an amount owing to the Commonwealth; or
- defer the time for payment of an amount owing to the Commonwealth

to your accountable authority or a delegate with the relevant power under section 63 of the PGPA Act.

### Instructions – officials with a delegation to allow payment by instalments or defer the time for payment

When allowing payment by instalments or deferring the time for payment of an amount owing to the Commonwealth, you must comply with the directions in the delegation from the Finance Minister or any directions in the sub-delegation from your accountable authority.

#### Cases of hardship

When considering cases of claimed hardship, you must require that the debtor provide sufficient evidence to satisfy you that it would be unreasonable to require repayment of the amount owing other than by instalments or at a deferred date. You must also have regard to the Commonwealth's interests not being subordinate to other creditors of the same ranking.

#### Instalments

When authorising payment by instalments, you must impose conditions to ensure recovery of the amount owing as soon as reasonably practicable, having regard to the debtor's ability to pay.

#### Interest

When authorising payment by instalments or deferring the time for payment, you must impose interest on the amount owing at the 90-day bank-accepted bill rate (available from the Reserve Bank of Australia). However, if this would cause undue financial hardship, you may impose a lesser rate of interest, or no interest, provided you record in writing your reasons for doing so.

**Information to be given to debtor**

When authorising payment by instalments or deferring the time for payment, you must inform the debtor in writing of:

- the amount owing to the Commonwealth
- the date(s) when payment is due
- the interest rate (if any)
- any other matter you consider relevant
- the conditions of acceptance contained in the delegation from the Finance Minister.

You must also obtain written confirmation from the debtor that they accept all of the matters listed above.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 21, s. <u>63</u> , s. 103 PGPA Rule: s. 11
<b>Guidance</b>	<a href="#"><i>Resource Management Guide No. 401: Requests for discretionary financial assistance under the Public Governance, Performance and Accountability Act 2013</i></a>
<b>Related AAls</b>	Risk management Disclosure of interests Debt management (recovery and write-off)
<b>Internal delegations</b>	
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer



## 6. Managing property

This part covers instructions to officials on the proper use and management of relevant property, including acquisition, custody, use, loss and disposal.

Relevant property is property (other than relevant money) that is owned or held by the Commonwealth or a corporate Commonwealth entity, or any other thing prescribed by the PGPA Rule (see *section 8* of the PGPA Act). It includes:

- real property (i.e. land and buildings)
- other goods or assets such as:
  - equipment and furniture
  - stationery and office supplies
  - vehicles and fuel
  - clothing and uniforms
  - IT and telecommunications assets
  - intellectual property and other intangible items
  - heritage and cultural assets
  - shares, bonds, debentures and other securities
  - accounts and records.

Relevant property also includes:

- leased property and property held by the Commonwealth or a corporate Commonwealth entity on behalf of someone else
- gifts given to the Commonwealth entity and its officials.

## Acquiring property (including receiving gifts and benefits)

This section provides instructions on:

- procuring relevant property (by lease or purchase)
- finding property on Commonwealth entity premises
- receiving gifts or donations

Acquisition of property under specific legislation, such as the acquisition of any interest in real property under the *Lands Acquisition Act 1989*, is subject to the provisions of the specific legislation.

### Procuring property

#### Instructions – officials responsible for procuring property

When procuring relevant property, you must:

- act in a proper manner (efficient, effective, economical and ethical) and in a way that is not inconsistent with Australian Government policy.
- comply with the requirements of section 18 of the PGPA Rule when approving proposed commitments of relevant money (see *Procurement, grants and other commitments and arrangements*)
- act in accordance with the Commonwealth Procurement Rules, if relevant (see *Procurement*).

### Finding property on Commonwealth entity premises

Property found on Commonwealth entity premises is relevant property and must be retained and disposed of in a proper manner consistent with section 15 of the PGPA Act. This extends to property found in an aircraft, vessel, vehicle, container or receptacle that is under the control of the Commonwealth entity.

#### Instructions – officials who find property on Commonwealth entity premises

You are responsible for the security of any property that you find on the Commission's premises or in other containers and vehicles that are under the control of the Commission.

You must take reasonable steps to safeguard any found property.

You must not misuse or improperly dispose of any found property (see *Disposing of property found on Commonwealth entity premises*).

## Receiving gifts and benefits

Officials, in the course of their work, may be offered gifts such as souvenirs, bottles of wine and personal items, or benefits such as sponsored travel, hospitality, accommodation or entertainment.

Generally, officials cannot accept gifts or benefits in the course of their work. However, there may be circumstances where it is appropriate to accept a gift or benefit – for example, where refusal could cause cultural offence, where an item of token value is offered by way of public thanks, or where attendance at an event is an important means of developing and maintaining relationships with key stakeholders. Officials need to carefully consider the appropriateness of a gift or benefit before accepting or rejecting it.

Gifts provided to officials in the course of their work immediately become relevant property when received.

### Instructions – all officials

You must not:

- ask for, or encourage, the giving of gifts to yourself or other officials.
- accept a gift of money (except in exceptional circumstances).
- accept a gift or benefit that influences, or could be perceived to influence, your decision or action on a particular matter.

If you decide to accept a gift or benefit, your decision must be defensible and able to withstand public scrutiny. You must have regard to the general duties of officials in deciding whether to accept a gift.

<b>Legislative requirements</b>	PGPA Act: s. 15, s. 23, s. 52 PGPA Rule: s. 18 <a href="#">Lands Acquisition Act 1989</a> <a href="#">Commonwealth Procurement Rules</a>
<b>Related AAls</b>	Risk management Disclosure of interests Procurement, grants and other commitments and arrangements Disposing of property found on Commonwealth entity premises
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	Nil.

s 22(1)(a)(ii)

Contacts	Chief People Officer and Chief Finance Officer
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## Custody, use and management of property

This section provides instructions on the proper use, management and security of any relevant property that officials receive or have custody of, including:

- vehicles belonging to or leased by a Commonwealth entity
- accountable forms
- bonds, debentures and other securities
- shares in a company.

### Instructions – all officials

You must not misuse or improperly dispose of relevant property.

You are responsible for the security of any relevant property you receive, or have custody of, and must take reasonable steps to safeguard the property from loss.

You may only use relevant property for official purposes, unless permission for private use has been given.

## Use of Commonwealth entity vehicles

Most Commonwealth entities have vehicles that are owned or leased by the Commonwealth entity to be used by officials for official purposes. This does not include private-plated vehicles that are provided as part of a remuneration package, such as those under the Executive Vehicle Scheme, where separate arrangements exist.

Accountable authorities are required to ensure that officials promote the proper use, management and security of any Commonwealth vehicles they have custody of.

### Instructions – all officials

You must not drive a Commonwealth entity vehicle unless prior agreement has been obtained.

When driving a Commonwealth entity vehicle, you must:

- hold a valid driver's licence appropriate for the class of vehicle and country where you are driving
- comply with all relevant traffic laws, ordinances and regulations, including parking restrictions, of the country where you are driving.

You must not drive a Commonwealth entity vehicle if you are not medically fit to drive or are taking prescribed or non-prescribed drugs that can impair your driving ability.

You may only use a Commonwealth entity vehicle for official purposes, unless permission for private use has been given.

## Accountable forms

An accountable form is a form that, once completed, can be exchanged or negotiated for a benefit such as money, goods or services. Accountable forms include cheques, credit notes, official manual receipts, credit vouchers and miscellaneous charge orders.

While Cabcharge vouchers are accountable forms, they are also Commonwealth credit vouchers for the purposes of the PGPA Act. For instructions on using Cabcharge vouchers, see [Commonwealth credit cards and credit vouchers](#).

### Instructions – all officials

You must ensure the safe custody and control of any accountable forms in your possession.

## Bonds, debentures and other securities

Bonds, debentures and other securities are written documents that are evidence of an obligation to pay money to fulfil a debt or other obligation. 'Other securities' in this context means other documents similar to bonds and debentures, such as shares. When an official receives a bond, debenture or other security in the course of his or her work, it immediately becomes relevant property.

### Instructions – all officials

If you receive any bonds, debentures or other securities, you must ensure that:

- a receipt is issued for the bond, debentures or securities received
- a register is maintained of all bonds, debentures or securities received
- all reasonable steps are taken to safeguard the bonds, debentures or securities.

## Acquiring shares and Commonwealth involvement in a company

Shares become relevant property when they are acquired by a Commonwealth entity. Shares may be represented by a certificate, but more generally are in electronic form only. Section 72 of the PGPA Act places a special requirement on ministers to inform the Parliament of any involvement in a company by a Commonwealth entity.

### Instructions – officials who become aware of changes to the Commonwealth entity's involvement in a company

You must ensure that the Minister for Senior Australians and Aged Care Services is advised that he or she must inform the Parliament if the Commission:

- forms, or participates in forming, a company or a relevant body

- becomes, or ceases to be, a member of a company or a relevant body
- acquires shares in a company (either by purchase or subscription) or disposes of shares in a company
- has its rights attaching to company or relevant body shares varied
- has its rights as a member of a company or relevant body varied.

<b>Legislative requirements</b>	PGPA Act: s. 19, s. 72 PGPA Rule: s. 26
<b>Guidance</b>	n/a
<b>Related AAls</b>	<a href="#">Risk management</a> <a href="#">Disclosure of interests</a> <a href="#">Disposing of property</a> <a href="#">Commonwealth credit cards and credit vouchers</a> <a href="#">Official travel</a>
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## Loss and recovery of property

Sections 68 and 69 of the PGPA Act deal with who is responsible for the loss of relevant property. In relation to relevant property, loss also includes deficiency, destruction or damage. Officials can be held responsible for a loss of relevant property, whether or not the property was in their custody at the time when it was lost.

A loss of property may result in a debt owed to the Commonwealth entity by an official or minister. A person's liability to pay such a debt is not avoided just because they stopped working for the Commonwealth after the loss occurred. For further information on the management of debt, see *Managing debts and amounts owing to the Commonwealth*.

### Instructions – all officials

You are responsible for the security of any relevant property you receive or have custody of, and must take reasonable steps to safeguard the property from loss.

If you do not take reasonable steps to prevent a loss of relevant property, and the loss occurs while the property is in your custody, you will be liable to pay the Commonwealth an amount equal to the loss.

If you cause or contribute to a loss of relevant property by misconduct, or a deliberate or serious disregard for reasonable standards of care, you will be liable to pay the Commonwealth an amount that reflects your share of the responsibility for the loss.

### Instructions – officials responsible for coordinating reports on a loss of relevant property

<b>Legislative requirements</b>	PGPA Act: ss. 68 and 69
<b>Related AAls</b>	<a href="#">Risk management</a> <a href="#">Disclosure of interests</a> <a href="#">Managing debts and amounts owing to the Commonwealth</a>
<b>Internal delegations</b>	Nil.
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer



## Disposing of property (including gifting relevant property)

This section provides instructions on:

- disposal of relevant property generally (e.g. sale, trade-in, transfer to another Commonwealth entity, destruction, recycling or dumping)
- disposal of property found on Commonwealth entity premises
- gifting of relevant property.

For non-corporate Commonwealth entities, the Commonwealth's general policy on the disposal of relevant property is that, wherever it is economical to do so, the property needs to be sold at market price or transferred (with or without payment) to another government entity within Australia (including state or territory governments) with a need for the property.

Disposal of property under specific legislation, such as the disposal of any interest in real property by the Commonwealth under the *Lands Acquisition Act 1989*, is subject to the provisions of that legislation.

### Instructions – all officials

You must not:

- improperly dispose of relevant property
- make a gift of relevant property, unless it complies with the instructions *Gifting relevant property*
- dispose of relevant property found on Commonwealth entity premises, except in accordance with the instructions *Disposing of property found on Commonwealth entity premises*.

### Instructions – officials responsible for the disposal of relevant property

You must ensure that relevant property is disposed of by:

- transferring the property (with or without payment) to another government entity within Australia (including state or territory governments) with a need for the property
- selling the property at market value, where it is economical to do so; or
- seeking authorisation in writing from the Finance Minister (or a delegate) to gift the relevant property (see *Gifting relevant property*).

## Disposing of property found on Commonwealth entity premises

### Instructions – officials responsible for the disposal of found property

You may only dispose of property (other than money) found on Commonwealth entity premises, or in containers, receptacle or vehicles that are under the control of the

Commonwealth entity, if the property is not claimed by its owner within a reasonable timeframe.

You must dispose of the property by sale, unless doing so is impracticable or undesirable with regard to the public interest.

## Gifting relevant property

Section 66 of the PGPA Act sets out the circumstances where a gift of relevant property may be made by a minister or an official of a non-corporate Commonwealth entity. This section also provides the Finance Minister with the power to authorise in writing a gift of relevant property. This power has been delegated with directions to all non-corporate Commonwealth entity accountable authorities, who in most cases have sub-delegated it to certain officials.

### Instructions— all officials

You must not make a gift of relevant property unless:

- the property was acquired or produced to be used as a gift
- the making of the gift is expressly authorised by law; or
- the Finance Minister or a delegate has given written authorisation to the gift being made under section 66 of the PGPA Act.

If you make an unauthorised gift of relevant property, you must personally pay the Commonwealth the value of the relevant property.

### Instructions – officials with a delegation to authorise a gift of relevant property

When authorising a gift of relevant property, you must comply with the directions in the delegation from your accountable authority.

You must have regard to the Commonwealth's overarching principles for the disposal of relevant property, as outlined in the delegation from the Finance Minister.

Despite the Commonwealth's overarching principles for the disposal of relevant property, you may authorise a gift of relevant property where the property is:

- genuinely surplus to the entity's requirements, and of historical or symbolic significance to the proposed recipient
- holds other special significance for the proposed recipient and there are compelling reasons to justify its gifting to that recipient or
- of low value and otherwise uneconomical to dispose of, or the gifting supports the achievement of an Australian Government policy objective.

You must not authorise:

- a gift of military firearms

- a gift that would create an onerous or undesirable precedent.

You need to ensure that the grounds on which you authorise a gift to a selected recipient are publicly defensible and documented.

You must provide written authorisation for the gifting of relevant property.

You must obtain a reasonable estimate of the market value of the property before authorising it to be gifted. If this is not possible, you must assign a notional value and record the basis for determining the value of the property.

<b>Legislative requirements</b>	PGPA Act: s. 15, ss. 66 and 67 <a href="#">Lands Acquisition Act 1989</a>
<b>Guidance</b>	<a href="#">Resource Management Guide No. 203: General duties of officials</a>
<b>Related AAls</b>	Risk management Disclosure of interests
<b>Internal delegations</b>	Financial Delegations (No. 2) 2022
<b>Other relevant documents</b>	
<b>Contacts</b>	Chief Finance Officer

## AUTHORISATION OF OFFICER TO EXERCISE POWERS OF THE MINISTER FOR AGED CARE

I, THE HONOURABLE ANIKA WELLS MP, Minister for Aged Care, acting in accordance with sections 64 and 61 of the Constitution, and all other powers thereunto enabling, as the case requires, hereby authorise each person from time to time holding the position of:

- i. the Chief Finance Officer, Corporate Division, Aged Care Quality and Safety Agency; and
- ii. the Commissioner, Aged Care Quality and Safety Commission;

to exercise for and on my behalf my powers and functions under the Claims for Detriment caused by Defective Administration Scheme in relation to claims made against the Aged Care Quality and Safety Commission.

Dated: XX January 2025

[Signature of Anthony Albanese]

Anika Wells MP  
Minister for Aged Care





## Australian Government

### AUTHORISATION

#### **To approve payments under the Scheme for Compensation for Detriment caused by Defective Administration**

I, The Hon Anika Wells MP, Minister for Aged Care, hereby **authorise** the officials holding, occupying or performing the duties of the positions of:

- Aged Care Quality and Safety Commissioner
- Deputy Commissioner, Corporate, Aged Care Quality and Safety Commission
- Chief Financial Officer, Aged Care Quality and Safety Commission

to determine proposals to make payments under the Scheme for Compensation for Detriment caused by Defective Administration on my behalf.

Dated:

The Hon Anika Wells MP  
Minister for Aged Care

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Australian Government  
Aged Care Quality and Safety Commission

Ministerial Submission – Standard  
MS25-00XXXX  
Version (1)

Date sent to MO: **Click or tap to enter a date.**

To: Minister Wells

Subject: Scheme for Compensation for Detriment caused by Defective Administration Authorisation

Critical date: XXX

**Commented [MW1]:** This is to be completed by s 22(1)(a)(ii). The 'critical date' is the five business day timeframe between the date that the submission is provided to the MO and the date for the Minister's signature.

#### Recommendations:

- |   |   |
|---|---|
| <p>1. <b>Agree</b> to authorise three officials in the Aged Care Quality and Safety Commission (the Commission) to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration.</p> <p>2. <b>Sign</b> the attached authorisation instrument appointing three officials in the Commission for the abovementioned purpose.</p> | <p>1. <b>Agreed/Not agreed/Please discuss</b></p> <p>2. <b>Signed/Not signed/Please discuss</b></p> |
|---|---|

Signature .....

Date: / /

Comments:

Contact Officer:	s 22(1)(a)(ii)	A/g Deputy Commissioner, Corporate Division Aged Care Quality and Safety Commission	Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)
Clearance Officer:	Janet Anderson	Aged Care Quality and Safety Commissioner	Ph: Mobile:

**Commented [MW2]:** s 22(1)(a)(ii). Can you please complete this section?

#### Submission summary:

The Aged Care Quality and Safety Commission (the Commission) seeks the agreement of Minister Wells (as the portfolio minister) to authorise three officials in the Commission (the Aged Care Quality and Safety Commissioner, Deputy Commissioner, Corporate, and Chief Financial Officer) to consider and make decisions on claims under the Scheme for

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Compensation for Detriment caused by Defective Administration (CDDA Scheme). In the absence of this authority, Minister Wells is responsible for making decisions on such claims for compensation.

As any claims made under the CDDA Scheme that are received by the Commission relate to the defective administration of its functions and performance, the authorisations sought align with the responsibilities of the Commission as a non-corporate Commonwealth entity and Resource Management Guide 409.

**Issues:**

1. There are no officials in the Aged Care and Quality Commission (the Commission) that have been authorised by Minister Wells (as the portfolio minister) to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme). In the absence of this authority, Minister Wells is responsible for making decisions on such claims for compensation.
2. The Department of Finance does not manage claims made under the CDDA Scheme relating to the actions of other entities; and the Commission, as a non-corporate Commonwealth entity, is not exempt from the CDDA Scheme. The Commission is therefore unable to meet its responsibility with respect to the CDDA Scheme and ensure timely and effective management of such compensation claims without Minister Wells' authority.

**Background:**

The CDDA Scheme is a discretionary mechanism available to non-corporate Commonwealth entities. It allows an entity to pay compensation when a person or organisation has suffered detriment as a result of the entity's defective administration, when there is no legal requirement to make a payment.

The entity which is the subject of a claim under the CDDA Scheme is the entity responsible for considering and making a decision on that claim, with such decisions being made by the portfolio minister. The Department of Finance therefore does not manage claims made under the CDDA Scheme that relate to the actions of another entity. Relevantly, a portfolio minister may authorise one or more officials in a portfolio entity to make decisions on claims under the CDDA Scheme.

The Commission is a non-corporate Commonwealth entity to which the CDDA Scheme applies. There are presently no authorisations in place that allow for an official in the Commission to consider and make decisions on claims under the CDDA Scheme that are made in respect of the defective administration of the Commission's functions and performance. In the absence of this authority, Minister Wells (as the portfolio minister) is responsible for making decisions on such claims for compensation.

The Commission seeks the agreement of Minister Wells to authorise officials in the Commission to consider and make decisions on claims under the CDDA Scheme. In recognition of the potentially sensitive nature of decisions made under the CDDA Scheme and the duties that attach to the following positions, the Commission considers these positions to be appropriate as 'authorised officials':

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- Aged Care Quality and Safety Commissioner;
- Deputy Commissioner, Corporate; and
- Chief Financial Officer.

An authorisation instrument to that effect is attached for Minister Wells' consideration and execution, noting the content of the instrument is based on advice received from the Department of Finance. The authorisations sought align with the responsibilities of the Commission as a non-corporate Commonwealth entity and Resource Management Guide 409, and support the timely and effective management of claims made under the CDDA Scheme.

It is noted that as at the date of this submission, the Commission has not received any claims under the CDDA Scheme, although a potential claim has been received and is being actioned. This submission and the authorisation instrument assists in this regard.

**Attachments:**

**A:** Authorisation Instrument

**Sensitivities:**

Claims made under the CDDA Scheme may be of a sensitive nature, and therefore authorisations made by Minister Wells may be subject to public scrutiny. The Commission considers that the abovementioned positions for which authorisation is sought withstand any such scrutiny.

**Consultations:**

Person	Role	Consulted on
§ 22(1)(a)(ii)	A/g Executive Director, Enterprise Governance and Strategy	Submission objective and document review
§ 22(1)(a)(ii)	Chief Financial Officer	Proposed authorised official and document review
§ 22(1)(a)(ii)	A/g Deputy Commissioner, Corporate	Proposed authorised official and document review
Janet Anderson	Aged Care Quality and Safety Commissioner	Proposed authorised official and document review

**Communication/Media Activities:**

The Commission has not identified any current or potential communication or media activities relating to this submission or the proposed authorisations.

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Minister	Minister Wells
PDR Number	MS25-00XXXX
Subject	Scheme for Compensation for Detriment caused by Defective Administration Authorisation
Critical Date	<a href="#">Click or tap to enter a date.</a>
Contact Officer	s 22(1)(a)(ii), A/g Deputy Commissioner, Corporate Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)
Clearance Officer	Janet Anderson <a href="#">Insert Phone</a> <a href="#">Insert Mobile</a>
Division/Branch	Portfolio Agency   Aged Care Quality and Safety Commission
Has Budget Branch been consulted if there are financial implications?	Not Applicable

Commented [MW3]: s 22(1)(a) complete.

Commented [MW4]: s 22(1)(a) complete.

Commented [MW5]: s 22(1) can you please complete?

Adviser/DLO comments:	Returned to Dept for:  REDRAFT <input type="checkbox"/>  NFA <input type="checkbox"/>
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Quality Assurance Check (completed by line area)	<a href="#">Insert Name</a>  <a href="#">Insert Phone</a>
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**Aged Care Quality and Safety Commission**

**Ministerial Submission – Standard**  
**MS25-000105**

**Version (1)**

**Date sent to MO: [Click or tap to enter a date.](#)**

**To: Minister Wells**

**Subject: Scheme for Compensation for Detriment caused by Defective Administration Authorisation**

**Critical date: 31 January 2025**

**Recommendations:**

- |  |   |
|--|---|
| <p><b>1. Agree to authorise three positions in the Aged Care Quality and Safety Commission (the Commission) as authorised officials to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration.</b></p> | <p><b>1. Agreed/Not agreed/Please discuss</b></p> |
| <p><b>2. Sign the authorisation instrument (Attachment A) appointing three positions as authorised officials in the Commission for the abovementioned purpose.</b></p>   | <p><b>2. Signed/Not signed/Please discuss</b></p> |

Signature .....

Date:        /        /

Comments:

Contact Officer:	s 22(1)(a)(ii)	A/g Deputy Commissioner, Corporate Division Aged Care Quality and Safety Commission	Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)
Clearance Officer:	Janet Anderson	Aged Care Quality and Safety Commissioner	Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)

**Submission summary:**

The Aged Care Quality and Safety Commission (the Commission) seeks the Minister's agreement to authorise three positions in the Commission (the Aged Care Quality and Safety Commissioner, Deputy Commissioner, Corporate, and Chief Financial Officer) as 'authorised officials' to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme).

In the absence of this authority, the Minister is responsible for making decisions on such claims for compensation.

**Issues:**

1. There are currently no positions in the Aged Care and Quality Commission (the Commission) that have been authorised by the Minister to consider and make decisions on claims under the CDDA Scheme. In the absence of this authority, the Minister is responsible for making decisions on such claims for compensation.
2. In recognition of the potentially sensitive nature of decisions made under the CDDA Scheme and the duties that attach to the following positions, the Commission considers these positions to be appropriate as 'authorised officials':
  - Aged Care Quality and Safety Commissioner;
  - Deputy Commissioner, Corporate; and
  - Chief Financial Officer.

An authorisation instrument to that effect is provided at Attachment A for the Minister's consideration and execution, noting the content of the instrument is based on advice received from the Department of Finance.

3. As any claims made under the CDDA Scheme that are received by the Commission relate to the defective administration of its functions and performance, the authorisations sought align with the responsibilities of the Commission as a non-corporate Commonwealth entity and Resource Management Guide 409, and support the timely and effective management of claims made under the CDDA Scheme.

**Background:**

The CDDA Scheme is a discretionary mechanism available to non-corporate Commonwealth entities. It allows an entity to pay compensation when a person or organisation has suffered detriment because of the entity's defective administration, when there is no legal requirement to make a payment.

The entity which is the subject of a claim under the CDDA Scheme is the entity responsible for considering and making a decision on that claim, with such decisions being made by the portfolio minister. Relevantly, a portfolio minister may authorise one or more officials in a portfolio entity to make decisions on claims under the CDDA Scheme.

It is noted that as at the date of this submission, the Commission has not received any claims under the CDDA Scheme, although a potential claim has been received and is being actioned. This submission and the authorisation instrument assists in this regard.

**Attachments:**

**A:** Authorisation Instrument

**Sensitivities:**

Claims made under the CDDA Scheme may be of a sensitive nature, and therefore authorisations made by the Minister may be subject to public scrutiny. The Commission considers that the abovementioned positions for which authorisation is sought would withstand any such scrutiny.

~~OFFICIAL~~**Consultations:**

- s 22(1)(a)(ii), A/g Executive Director, Enterprise Governance and Strategy
- s 22(1)(a)(ii), Chief Financial Officer
- s 22(1)(a)(ii), A/g Deputy Commissioner, Corporate
- Janet Anderson, Aged Care Quality and Safety Commissioner

**Communication/Media Activities:**

The Commission has not identified any current or potential communication or media activities relating to this submission or the proposed authorisations.

~~OFFICIAL~~



<b>Minister</b>	<b>Minister Wells</b>
<b>PDR Number</b>	<b>MS25-000105</b>
<b>Subject</b>	Scheme for Compensation for Detriment caused by Defective Administration Authorisation
<b>Critical Date</b>	<b>Friday, 31 January 2025</b>
<b>Contact Officer</b>	s 22(1)(a)(ii), A/g Deputy Commissioner, Corporate Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)
<b>Clearance Officer</b>	Janet Anderson Ph: s 22(1)(a)(ii) Mobile: s 22(1)(a)(ii)
<b>Division/Branch</b>	Portfolio Agency   Aged Care Quality and Safety Commission
<b>Has Budget Branch been consulted if there are financial implications?</b>	Not Applicable

<b>Adviser/DLO comments:</b>	<b>Returned to Dept for:</b>  REDRAFT <input type="checkbox"/>  NFA <input type="checkbox"/>
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<b>Quality Assurance Check (completed by line area)</b>	s 22(1)(a)(ii)  s 22(1)(a)(ii)
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**Australian Government**  
**Aged Care Quality and Safety Commission**

**Ministerial Submission – Standard**  
**MS25-000105**  
**Version (1)**  
**Date sent to MO: 17 January 2025**

**To: Minister Wells**

**Subject: Scheme for Compensation for Detriment caused by Defective Administration Authorisation**

**Critical date:** 31 January 2025 to allow for a timely outcome of the recommendations in the brief

**Recommendations:**

- |  |  |
|--|--|
| <p><b>1. Agree to authorise three positions in the Aged Care Quality and Safety Commission (the Commission) as authorised officials to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration.</b></p> | <p><b>1. <u>Agreed</u>/Not agreed/Please discuss</b></p> |
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Signature: **s 22(1)(a)(ii)** ....  
 Comments:

Date: **7 / 2 / 25**

Contact Officer:	<b>s 22(1)(a)(ii)</b>	A/g Deputy Commissioner, Corporate Division Aged Care Quality and Safety Commission	Ph: <b>s 22(1)(a)(ii)</b> Mobile: <b>s 22(1)(a)(ii)</b>
Clearance Officer:	Janet Anderson	Aged Care Quality and Safety Commissioner	Ph: <b>s 22(1)(a)(ii)</b> Mobile: <b>s 22(1)(a)(ii)</b>

**Submission summary:**

The Aged Care Quality and Safety Commission (the Commission) seeks the Minister's agreement to authorise three positions in the Commission (the Aged Care Quality and Safety Commissioner, Deputy Commissioner, Corporate, and Chief Financial Officer) as 'authorised officials' to consider and make decisions on claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme).

In the absence of this authority, the Minister is responsible for making decisions on such claims for compensation.

**Issues:**

1. There are currently no positions in the Aged Care and Quality Commission (the Commission) that have been authorised by the Minister to consider and make decisions on claims under the CDDA Scheme. In the absence of this authority, the Minister is responsible for making decisions on such claims for compensation.
2. In recognition of the potentially sensitive nature of decisions made under the CDDA Scheme and the duties that attach to the following positions, the Commission considers these positions to be appropriate as 'authorised officials':
  - Aged Care Quality and Safety Commissioner;
  - Deputy Commissioner, Corporate; and
  - Chief Financial Officer.

An authorisation instrument to that effect is provided at Attachment A for the Minister's consideration and execution, noting the content of the instrument is based on advice received from the Department of Finance.

3. As any claims made under the CDDA Scheme that are received by the Commission relate to the defective administration of its functions and performance, the authorisations sought align with the responsibilities of the Commission as a non-corporate Commonwealth entity and Resource Management Guide 409, and support the timely and effective management of claims made under the CDDA Scheme.

**Background:**

The CDDA Scheme is a discretionary mechanism available to non-corporate Commonwealth entities. It allows an entity to pay compensation when a person or organisation has suffered detriment because of the entity's defective administration, when there is no legal requirement to make a payment.

The entity which is the subject of a claim under the CDDA Scheme is the entity responsible for considering and making a decision on that claim, with such decisions being made by the portfolio minister. Relevantly, a portfolio minister may authorise one or more officials in a portfolio entity to make decisions on claims under the CDDA Scheme.

It is noted that as at the date of this submission, the Commission has not received any claims under the CDDA Scheme, although a potential claim has been received and is being actioned. This submission and the authorisation instrument assists in this regard.

**Attachments:**

**A:** Authorisation Instrument

**Sensitivities:**

Claims made under the CDDA Scheme may be of a sensitive nature, and therefore authorisations made by the Minister may be subject to public scrutiny. The Commission considers that the abovementioned positions for which authorisation is sought would withstand any such scrutiny.

**Consultations:**

- s 22(1)(a)(ii) A/g Executive Director, Enterprise Governance and Strategy
- s 22(1)(a)(ii) Chief Financial Officer
- s 22(1)(a)(ii) A/g Deputy Commissioner, Corporate
- Janet Anderson, Aged Care Quality and Safety Commissioner

**Communication/Media Activities:**

The Commission has not identified any current or potential communication or media activities relating to this submission or the proposed authorisations.





## Australian Government

### AUTHORISATION

#### **To approve payments under the Scheme for Compensation for Detriment caused by Defective Administration**

I, The Hon Anika Wells MP, Minister for Aged Care, hereby **authorise** the officials holding, occupying or performing the duties of the positions of:

- Aged Care Quality and Safety Commissioner
- Deputy Commissioner, Corporate, Aged Care Quality and Safety Commission
- Chief Financial Officer, Aged Care Quality and Safety Commission

to determine proposals to make payments under the Scheme for Compensation for Detriment caused by Defective Administration on my behalf.

Dated: *4 February 2025*

A handwritten signature in blue ink, appearing to read 'Anika Wells'.

The Hon Anika Wells MP  
Minister for Aged Care

# Compensation for Detriment caused by Defective Administration Scheme (CDDA Scheme)

## Information on claiming compensation and Application Form

**Version 1.0** | March 2025



**Australian Government**  
**Aged Care Quality and Safety Commission**

Engage  
Empower  
Safeguard





## Claiming compensation from the Commission

If you think the Aged Care Quality and Safety Commission (Commission) has made a mistake that has caused you a financial loss or some other detriment, you may be able to make a claim for compensation under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme.

### What is the CDDA Scheme?

The CDDA Scheme allows organisations such as the Commission to compensate people who have experienced detriment as a result of defective actions or inaction. This only applies if there is no legal liability to pay compensation.

The CDDA Scheme is discretionary: it does not oblige the Commission to approve a payment in any particular case.

### Who has the authority to make decisions?

The CDDA Scheme is an administrative, not a statutory (legislative) scheme. Portfolio Ministers have responsibility for decisions made under the CDDA Scheme. Ministers may also authorise departmental officers to make decisions. The Commission has officers authorised by the Minister to make decisions on applications under the CDDA scheme.

### When are compensation payments made?

Payments made under the CDDA Scheme are discretionary. This means there is no automatic entitlement to a payment. The CDDA Scheme is generally an avenue of last resort and is used only where there is no other viable avenue to provide redress. That a mistake has been made by an entity or an official of an entity does not automatically mean compensation is payable under the CDDA Scheme.

### What has to be proved before compensation is paid?

To obtain compensation under the scheme you have to show that there has been defective administration by the Commission or a Commission decision maker and that this has caused you detriment. These terms are defined within the scheme.





## What is defective administration?

Defective administration is defined as:

- a specific and unreasonable lapse in complying with existing administrative procedures
- an unreasonable failure to institute appropriate administrative procedures
- an unreasonable failure to give to (or for) an applicant, the proper advice that was within the officer's power and knowledge to give (or reasonably capable of being obtained by the officer to give)
- giving advice to (or for) an applicant that was, in all the circumstances, incorrect or ambiguous.

## What is detriment?

Detriment means quantifiable financial loss that the applicant has suffered. Detriment may include:

- detriment relating to a personal injury including mental injury (personal injury loss)
- economic detriment that is not related to a personal injury (pure economic loss)
- detriment relating to damage to property.

## Who can apply for compensation?

Any individual, company or other organisation can apply for compensation, either for themselves or on behalf of somebody has authorised them to apply.

## How do I apply?

Applications can be made through completing the CDDA Scheme Application Form.

Your application should:

- address the criteria for determining defective administration;
- explain how the actions or inactions by the Commission were defective;





- provide details of the detriment being claimed, including an explanation of how the amount claimed is calculated; and
- explain how the defective administration directly caused the loss.

Please attach all relevant documentation to support your claim. Include all relevant correspondence between yourself and the Commission.

Before submitting an application you should consider the information provided by the [Australian Government Department of Finance about making a CDDA claim](#) and also the information in the [Department of Finance's Resource Management Guide 409 \(RMG409\)](#). RMG409 is a guide for government decision makers.

You can send the completed application form and documents by email to:  
[cfocentralcoord@agedcarequality.gov.au](mailto:cfocentralcoord@agedcarequality.gov.au)

## How will my claim be assessed?

The criteria used by decision makers in deciding CDDA claims is set out in the [Department of Finance's Resource Management Guide 409](#).

The Commission will provide you with a formal decision, including reasons for decision, in relation to any validly submitted compensation claim.

## Losses that can't be considered

Generally, claims for the following types of losses can't be considered under the CDDA Scheme:

- claims for personal time spent resolving an issue
- claims for stress, anxiety, inconvenience
- costs of putting in a claim or conducting a claim for compensation

## Losses we can consider

Types of compensation we can consider are financial losses with a direct connection to our actions that lead to a finding of defective administration.



## Timeframes

We aim to acknowledge receipt of your compensation claim in writing within five (5) business days of receiving your validly completed compensation form.

We aim to resolve claims within 90 days, however, this will not always be possible. The authorised officer will make a decision about your claim and you will be notified in writing of the outcome.

If you did not provide us with all the information we need to investigate, consider and make a decision on your claim, we will contact you to tell you what information we need.

## Other matters that may impact your claim

If you are involved in other dispute resolution processes, including court or tribunal action (such as proceedings in the Administrative Review Tribunal) these need to be resolved before we can consider your claim.

## Reviewing the decision

### Internal review

There is no automatic right or legislated right of administrative review of decisions under the CDDA Scheme.

The Commission will however consider your further application if new and relevant evidence is provided that was not available to the decision maker on your CDDA application.

### Ombudsman review

If you have a complaint about the Commission regarding the CDDA Scheme, or you are dissatisfied with our decision under the CDDA Scheme, you can contact the Commonwealth Ombudsman.

The Commonwealth Ombudsman has also produced a factsheet on the CDDA Scheme. Contact details for the Commonwealth Ombudsman are below:





Commonwealth Ombudsman  
GPO Box 442  
CANBERRA ACT 2601  
1300 362 072  
[www.ombudsman.gov.au](http://www.ombudsman.gov.au)

DRAFT



# APPLICATION FORM

## When to use this form

Use this form to claim compensation from the Aged Care Quality and Safety Commission (Commission) for financial loss or personal injury suffered because of our negligence or defective administration.

## Purpose of this form

This form is to assist you to make a claim under the Compensation for Detriment caused by Defective Administration Scheme (CDDA Scheme).

The CDDA Scheme enables the Commission to pay compensation when a person or organisation has suffered detriment as a result of the Commission's defective administration, when there is no legal requirement to make a payment.

The CDDA Scheme provides that if a minister or an official authorised by the minister considers that an official of the entity, acting, or purporting to act, in the course of duty, has directly caused a claimant to suffer detriment, or, conversely, prevent the claimant from avoiding detriment, due to:

- a specific and unreasonable lapse in complying with existing administrative procedures that would normally have applied to the claimant's circumstances
- an unreasonable failure to institute appropriate administrative procedures to cover a claimant's circumstances
- giving advice to (or for) a claimant that was, in all circumstances, incorrect or ambiguous
- an unreasonable failure to give to (or for) a claimant, the proper advice that was within the official's power and knowledge to give (or was reasonably capable of being obtained by the official to give) the minister or the authorised official may authorise a payment to the claimant.

## Please read before completing this form (Important information)

The Commission applies the guidelines for the CDDA Scheme published by the Department of Finance on their website in the relevant [Department of Finance's Resource Management Guide 409 \(RMG409\)](#). For more information go to [finance.gov.au](https://finance.gov.au) and search for 'CDDA'. It is recommended





that you read the information provided by the Department of Finance before submitting your application.

### **If you are dissatisfied with the CDDA Scheme decision**

If you are dissatisfied with the decision or with the way the Commission have handled the matter, you can seek assistance from the Commonwealth Ombudsman. The Ombudsman can look at whether the decision was fair and reasonable in the circumstances. You can call the Ombudsman's office on 1300 362 072 for the cost of a local call anywhere in Australia.

### **Returning/Completing your form**

Check that all required questions are answered and that the form is signed and dated. Return this form (including any supporting documentation):

- by email: [cfocentralcoord@agedcarequality.gov.au](mailto:cfocentralcoord@agedcarequality.gov.au)
- by post:

Chief Finance Officer

Aged Care Quality and Safety Commission

GPO Box 9819

Canberra ACT 2601



## COMPENSATION FOR DETRIMENT CAUSED BY DEFECTIVE ADMINISTRATION APPLICATION FORM

### Section 1: Personal Details

Title:  Other:  Surname:   
Given Names:  Date of Birth:   
Contact Phone Number

#### **Residential**

Address:  State:  Postcode:

**Postal Address** (If the same as residential address, write 'as above')

Address:  State:  Postcode:

### Section 2: Details of the claim

1. Please explain how the Department of the Commission's **administration was defective**.

You should outline the events and circumstances that you consider contributed to the defective administration. Please attach any available supporting documents.

2. In relationship to point 1 above, have you have lodged a complaint or requested a review or reconsideration from the Commission? If yes, please provide the reference number/s of those matter/s.

3. Please explain what detriment you have suffered. Please attach any available supporting documents.



4. What is the total amount of compensation you are seeking for this detriment?

\$0.00

Please specify how this amount is calculated. Please attach any available supporting documents (e.g. invoice receipts).

Description (supporting documents)	Amount (\$0.00)

5. Please explain how the defective administration **directly caused** the detriment you have suffered. Please attach any available supporting documents.

6. Please advise what action you have taken to resolve this matter (for example, review by agency, Ombudsman, Courts, Tribunals). What is the status of these actions?

### Section 3: Other details and declaration

Are there any other factors that you believe are important and have not yet been mentioned in the application? If so, please provide details.





## Privacy Notice

The information collected in this form is necessary for the Commission to assess your application under the CDDA Scheme and is protected by the *Privacy Act 1988*. If you do not provide the requested information, the Commission may not be able to process your claim. To assess your claim, the Commission may contact other Australian Government entities or Australian Public Service employees that could hold information about your claim to request it and use it to process your claim. Any information you provide will be used by staff of the Commission to assess your claim for compensation and may also be disclosed to other Australian Government entities or Australian Public Service employees. The Commission will not otherwise use or disclose your information without your consent, unless authorised or required by law.

## Declaration and authorisation

I declare to the best of my knowledge and belief, the information that I have supplied in or attached to this application is accurate and true, and that all relevant information has been included. I authorise the Commission to collect, use and disclose information held about me by the Commission and by other entities for the purpose of processing this application.

Signature:

Date:





**Phone**  
1800 951 822



**Web**  
[agedcarequality.gov.au](https://agedcarequality.gov.au)



**Write**  
Aged Care Quality and Safety Commission  
GPO Box 9819, in your capital city