

AFP National Guideline on Debt Management

1. Disclosure and compliance

This document is classified **OFFICIAL** and is intended for internal AFP use.

Disclosing any content must comply with Commonwealth law and the [AFP National Guideline on information management](#).

This instrument is part of the AFP's Governance Instrument Framework, as defined in the AFP Commissioner's Order on governance (CO1). The [AFP Commissioner's Order on professional standards \(CO2\)](#) and [AFP Commissioner's Order on security \(CO9\)](#) establish the professional standards framework, and make clear the obligations of AFP appointees in order to maintain the safety and security of AFP information, operations, assets and people. Inappropriate departures from the provisions of this instrument may constitute a breach of AFP professional standards and be dealt with under Part V of the [Australian Federal Police Act 1979](#) (Cth) (AFP Act).

2. Guideline authority

This guideline was issued by the Chief Financial Officer, using power under section 37(1) of the AFP Act, as delegated by the Commissioner under section 69C of the AFP Act.

3. Introduction

This document informs AFP appointees of the way debt is managed by the AFP in accordance with the [Public Governance, Performance and Accountability Act 2013](#) (Cth) (PGPA Act), the [Public Governance Performance and Accountability Rule 2014](#) (Cth) (PGPA Rule) and the [Fair Work Act 2009](#) (Cth).

This guideline is required to mitigate the Enterprise Risk – Resourcing (E7) as documented in the [AFP Risk Profile](#). The consequences of not complying constitutes mismanagement and improper use of AFP resources needed to meet operational objectives.

4. Background

Commonwealth entities subject to the [PGPA Act](#) have obligations under section 15: Duty to govern the Commonwealth entity, to promote financial sustainability and proper use and management of public resources. These obligations guide decision-making about debt management, including the extent to which debts are identified, investigated and methods by which debt recovery is pursued by the Commissioner or their delegate.

[PGPA Rule](#) section 11: Recovery of debts, requires the Commissioner to pursue recovery of each debt owed to the AFP unless certain criteria are met. These criteria are circumstances where the:

- Commissioner considers it is not economical to pursue recovery of the debt
- Commissioner is satisfied that the debt is not legally recoverable
- debt has been written off as authorised by an Act.

A decision to write off or not recover a debt does not legally extinguish the debt. The debt may be reinstated or pursued later if circumstances change.

The only way to legally extinguish a debt is for the Finance Minister to waive the amount owing under PGPA Act section 63(1) which permits the Finance Minister to authorise the:

- waiver of an amount owing to the Commonwealth; or

- modification of the terms and conditions on which an amount owing to the Commonwealth is to be paid to the Commonwealth.

Part 9 of the [Public Governance, Performance and Accountability \(Finance Minister to Accountable Authorities of Non-Corporate Entities\) Delegation 2021](#) (PGPA Delegation) delegates the power to the Commissioner to authorise payment by instalments or defer the time for payment of an amount owing to the Commonwealth. The Commissioner has further delegated this power as set out in the CFIs – [Annex A, Schedule 4](#).

[CFI 16](#) – Debts owing to the AFP and debt management sets out the Commissioner's instructions in relation to debts owing to the AFP and debt management.

5. General principles

5.1 What is a debt?

The PGPA Act does not define *debt* and in the absence of a definition the term *debt* should be interpreted in its ordinary sense. A *debt* for the purposes of the [PGPA Rule](#) is an amount which is:

- ascertainable and certain
- capable of recovery in an action for a debt
- due for payment.

The PGPA Rule does not require a debt to be acknowledged or established in some formal legal sense before the AFP is required to pursue recovery. This includes if the debt was due to an error.

Upon becoming aware of a debt, the Commissioner or delegate must consider whether it amounts to a *debt* in the sense outlined above. They may then consider whether any of the exceptions in the PGPA Rule apply. If not, the Commissioner or delegate must recover the debt.

5.2 Debt types – current AFP appointees debt

5.2.1 Salary overpayments

Salary overpayments arise when an AFP appointee is paid an amount which they are not entitled to, including overpayment(s) of salary, allowances, leave or other entitlements.

Salary overpayments may be the result of changes in an AFP appointee's circumstances which are not accurately recorded at the time, resulting in a payment to which the AFP appointee is not entitled. Where possible, these will be treated as a salary adjustment. Salary overpayments may also be the result of organisational processing errors or delays in appointee or supervisor actions, resulting in payment to which the AFP appointee is not entitled, for example a supervisor not approving leave in a timely manner.

Salary overpayments may be treated as salary adjustment based on section 5.2.2. The delegate does not need the written agreement of a debtor to determine a debt exists or to seek recovery; however, the AFP cannot deduct an amount from an AFP appointee's pay, classified as a salary overpayment, without their written agreement.

For more information on salary overpayments, please refer to [AFP Enterprise Agreement 2024 – 2027](#) section 97.

5.2.2 Salary adjustments

Salary adjustments arise when an AFP appointee is paid an amount that is retrospectively incorrect due to changes to a roster or other circumstances advised by the AFP appointee or their supervisor, including a supervisor not approving leave in a timely manner.

Salary adjustments are not salary overpayments and there is no requirement to establish salary adjustments as a debt. Salary adjustments are managed by Payroll Services and processed in accordance with the payroll processing cycle. Subject to the value, Payroll Services may consider recovery of the salary adjustment in instalments.

5.2.3 Travel debts

Travel debts may occur when an AFP appointee has received a per diem payment and an adjustment is required because of travel delays, meal inclusions, trip variations or other events. Per diem debts are guided by the [National Guideline on travel and living away from home](#). Contact the [Per-Diems Team](#) for travel debts. Travel debts must be repaid in full when identified. Repayment plans are not applicable as a per diem is to cover meals and incidentals when travelling.

Travel debts not repaid in 28 calendar days are referred to [s 47E\(d\)](#) [@afp.gov.au](mailto:perdiems@afp.gov.au) for recovery action and PRS for breach of guidelines.

5.3 Debt types – former AFP appointee customer debts

Salary overpayments are treated as customer/commercial debt where it relates to former AFP appointees.

5.4 Debt types – commercial/customer debts

Customer/commercial debt is debt arising from services provided by the AFP for policing activities provided under the AFP Act and/or other legislation, together with associated fees, taxes and charges.

It also includes debts resulting from the administration of the AFP that are subject to the [PGPA Act](#) and/or related contractual arrangements.

6. Responsibilities

At all times, all participants engaged throughout the debt management process need to cooperate fully and respectfully, acting in line with AFP core values.

6.1 AFP appointees

AFP appointees are responsible for:

- monitoring their leave balances and ensuring all leave is entered accurately and approved in Insight! before taking leave
- reporting promptly any suspected errors or possible overpayment/s to Payroll Services (AFP appointees are provided with fortnightly pay slips through Insight! or other mediums, where arranged)
- engaging with the Debt Management Team. Pursuant to section 7 of this Guideline, engaging with the [Debt Management Team](#) within 14 calendar days of receiving a notification of a debt is required
- settling debts to the Commonwealth promptly, as set out in this Guideline
- reporting changes in their financial circumstances according to Personnel [Security](#) Vetting (PSV) requirements
- when separating from the AFP, providing contact details and/or further information, as requested.

6.2 Supervisors

Supervisors are responsible for:

- reviewing pay-related matters such as leave requests and cessation of higher duties regularly to assist in the prevention of salary overpayments
- submitting a leave request and/or contacting [People Centre](#) to discuss appropriate action where a salary overpayment may result, for example where an AFP appointee takes unplanned leave and

- insufficient leave entitlements exist or when an AFP appointee is on long term leave or is under suspension without pay
- assisting the Debt Management Team by communicating with affected AFP appointees when requested to do so in relation to a pay matter and escalating the matter, where appropriate
- understanding and communicating to their team the requirements of this Guideline.

6.3 Payroll Services

Payroll Services is responsible for identifying and calculating salary overpayments and providing verified amounts to Debt Management Team or Accounts Receivable for recovery. This includes:

- identifying and understanding salary overpayments
- working with Quintiq to identify and resolve issues
- calculating the amount of the debt
- contacting the AFP appointee on salary debts including those in the process of ceasing employment with AFP
- providing the Debt Management Team with all relevant communication and other information for the management of the debt
- notifying Accounts Receivable when an appointee has ceased employment with the AFP owing a debt which was not recovered upon cessation and requesting a debtor account be created and invoice issued to the former appointee
- responding to requests for information from Employees, Debt Management Team and Accounts Receivable.

6.4 Debt Management Team

The AFP Debt Management Team is responsible for managing debts that have been identified by Payroll. This includes:

- engaging with AFP appointees in a timely manner once a salary overpayment has been identified and transferred from Payroll Services
- confirming appointee queries about salary overpayments calculations with Payroll Services
- engaging with AFP Legal, Australian Federal Police Association (AFPA), PSV, PRS and Industrial Relations where required
- ensuring that debt is recovered in a manner consistent with policy and delegate direction
- maintaining a register of salary overpayments
- reviewing debt repayments and adjustment to repayment amounts as necessary (i.e. change in appointee circumstances through promotions, increment or evidence of financial hardship)
- processing amended income statements as required.

6.5 Accounts Receivable

Accounts Receivable are responsible for:

- raising invoices for customer/commercial debt including debts for former AFP appointees where overpayments were not recovered prior to cessation of employment with AFP
 - working with Debt Management Team to record debt repayments correctly
 - sending invoices and reminders at 30-day intervals for customer/commercial debt
 - reporting on all AFP customer/commercial debts
 - engaging with AFP customers in a timely manner once an overdue account has been identified
 - engaging with Payroll Services to resolve withdrawn appointee queries.
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7. Debt recovery

7.1 Appointee salary overpayment process overview

7.2 Notifying an AFP appointee of a debt	7.3.1 Repay the debt immediately	Case closed
	7.3.2 Apply to repay the debt by instalments	Delegate considers application and, if approved, repayments will be deducted from pay
	7.3.3 Apply for deferred or reduced repayments on financial hardship grounds	Delegate considers financial hardship application and reduced repayments; if approved, repayments will be deducted from pay
		Delegate considers financial hardship application and deferral; if approved, Debt Management Team will be in contact at the agreed timeframe
	7.3.4 Dispute the debt	Provide information to the relevant area for consideration and amendment of records as required
	7.3.5 Apply for a waiver of the debt	Finance Minister will only consider debts that have no other options for resolution

7.2 Notifying an AFP appointee of a debt

Once a debt has been identified, the AFP appointee will receive an overpayment notification which details:

- the amount owing, including how it occurred and how it has been calculated
- all overpayment supporting documentation, including pay slips
- applicable repayment options
- potential impacts, including possible referral to PSV and PRS
- applicable fringe benefits tax (FBT) and reportable FBT implications (if any).

Once a debt has been notified to an AFP appointee, the AFP appointee must either repay the debt in full immediately under section 7.3.1 of this guideline, or advise the [Debt Management Team](#) of an intention to:

- apply to the delegate to repay in instalments (section 7.3.2)
- apply to the delegate to defer the debt (section 7.3.3)
- dispute the debt (section 7.3.4)
- apply for a debt waiver (section 7.3.5).

Where the AFP appointee fails to respond to an overpayment notification within 14 calendar days, the matter is escalated, as detailed in section 9 of this guideline.

When an AFP appointee grants the AFPA permission to act on their behalf, the appointee is required to submit written authorization to the Debt Management Team. If the AFPA does not engage in accordance with this obligation, all communication will revert directly to the appointee.

AFP appointees must submit a [change of circumstances form](#) to PSV if the debt is over \$10,000 or if a debt has created a notable change in their financial circumstances (i.e. claiming financial hardship).

The Debt Management Team must notify PSV of debts over \$10,000.

7.3 Options for an AFP appointee notified of a debt

7.3.1 Repay the debt immediately

AFP appointees may make an immediate repayment through direct deposit or authorising the AFP to make a post-tax deduction from their next pay. If the appointee agrees to repay the money, a written agreement is required to detail the:

- reason for the overpayment
- calculation and total value of the overpayment
- method of repayment – direct deposit to AFP bank account or payroll deductions (amount and payment terms).

The AFP is not authorised by legislation or an industrial instrument to deduct any amount of an overpayment from an AFP appointee's salary without their consent.

7.3.2 Apply to repay the debt by instalments

Where it is not possible for an AFP appointee to immediately repay their debt in full, they may apply to repay by instalments as per Table 1 below.

The standard minimum repayment schedule may be applied on a pro-rata basis to AFP appointees on approved part-time hours.

Appointees have the option to repay amounts that are above the prescribed amounts outlined in Table 1.

Table 1: Standard minimum repayment schedule

Amount of Debt	Fortnights to recover	Indicative value range per fortnight
\$0-\$100	2	\$0-\$50
\$101-\$300	4	\$25-\$75
\$301-\$500	6	\$50-\$83
\$501-\$1000	8	\$63-\$125
\$1001-\$5000	Up to maximum 13 fortnights (as nominated by AFP Appointee)	As nominated by AFP Appointee
>\$5000	Negotiable	As determined by an authorised delegate under section 63 of the PGPA Act

Note: The 'Amount of debt' divided by 'Fortnights to recover' equals the fortnightly repayment amount.

Section 7.4 of this guideline sets out the process to repay a debt by instalments in further detail.

7.3.3 Apply for deferred or reduced repayments on financial hardship grounds

AFP appointees who are unable to make full repayment under the standard minimum repayment schedule or require a grace period to settle other financial matters (for example a compensation claim) must submit a financial hardship application, including a [Statement of Financial Position \(PDF, 285KB\)](#), requesting that the delegate consider a different repayment plan or timeframe. Refer to section 8 of this guideline, for further information about this process. Appointees are required to inform PSV of financial changes greater than \$10,000.

7.3.4 Dispute the debt

An AFP appointee may dispute a debt by providing written notice. This enlivens the dispute resolution process outlined in section 10 of this guideline.

The AFP will not take debt recovery action in the first 28 calendar days of a dispute being raised. After this time, follow-up action resumes and, if the dispute is unresolved, the appointee should seek a deferral from the delegate until the dispute is resolved. To seek a deferral, the appointee notifies Debt Management Team in writing of their intention to dispute the debt including any steps they propose to take such as reviewing time sheets, seeking advice from AFPA, Legal and Industrial relations. When this request is received, the Debt Management Team will seek approval from the delegate to defer recovery action for the period requested by the appointee.

7.3.5 Apply for a waiver of the debt

A waiver is a special concession that extinguishes a debt owed to the Commonwealth. This means the debt is completely forgiven and can no longer be reinstated.

A debt owing to the Commonwealth may only be waived by the Finance Minister pursuant to [PGPA Act](#) section 63. Applications must be made in writing to the [Department of Finance](#) by the AFP appointee or commercial debtor. In the event the AFP appointee chooses to seek a waiver from Department of Finance, they must advise the Debt Management Team of their intentions.

7.4 Authorisation to repay a debt by instalments

Part 9 of the [PGPA Delegation](#): Delegation under section 63 of the Act – Otherwise modify the terms and conditions of amounts owing to the Commonwealth, and CFI 16.4 Recovery of debts, place certain obligations on the AFP and AFP appointees.

If the delegate authorises repayment of a debt by instalments (or at a deferred date for financial hardship), the AFP appointee must accept in writing the matters set out below:

- the amount owing to the AFP.
- the date or dates when payment is due.
- other matters the delegate considers relevant, taking into account the evidence of hardship.
- the conditions of acceptance by the AFP appointee (see section 7.4.2 of this guideline).

7.4.1 Interest

Interest will not be charged on salary overpayments as per [AFP Enterprise Agreement 2024-2027](#) Section 97.8.

7.4.2 Conditions of acceptance

The conditions of acceptance of an authorisation to repay a debt by instalments are set out in Part 9.4 of the [PGPA Delegation](#) as follows:

- the delegate may, at any time, review and, if necessary, revise the arrangements to determine whether different conditions should be imposed, taking into account the AFP appointee's ability to pay (see section 7.4.3 of this guideline); and
- upon termination of employment, or other engagement with the Commonwealth, the amount outstanding must be set off against any final monies due; and
- any default of the conditions may result in legal action being commenced to recover the amount owing; and
- if legal action is commenced, the AFP may seek to recover its costs from the AFP appointee.

If the AFP appointee does not confirm, in writing, acceptance of the conditions specified, then the AFP appointee must repay the debt in full on the due date.

7.4.3 Review of repayment arrangements

Authorisation for debt repayment by instalments may be reviewed anytime and must be reviewed at least once a year by the Debt Management Team.

When an appointee's ability to pay increases (from an Enterprise Agreement pay rise, appointee promotion or increment advancement), their repayment instalment will rise by the same percentage. For instance, a 4% pay raise results in a 4% instalment increase. The new amount will be provided in writing and take effect after 28 days.

7.5 Customer/commercial debt recovery

Customers and commercial partners of the AFP should refer to their contract or arrangement for payment terms and conditions.

In the absence of payment terms and conditions in a contract or arrangement, notification and collection in section 9.4 of this guideline should apply. Section 9.3 of this guideline applies to appointees who have separated from the AFP.

8. Financial hardship

Where an AFP appointee has submitted a financial hardship application in accordance with section 7.3.3 of this guideline, the Debt Management Team must notify PSV.

Hardship applications are reviewed by the Debt Management Team, which may consult with AFP Legal, PRS, SHIELD and/or PSV, and a recommendation is provided to the delegate. When making the recommendation, one factor to be considered is whether the AFP Appointee is building wealth by making extra contributions to their superannuation at a time when they still owe a debt to the Commonwealth.

The delegate should make a decision on a hardship application within 14 calendar days and the AFP appointee must be notified of the outcome in writing.

Personal information must be treated in accordance with the [Privacy Act 1988 \(Cth\)](#) and retained and disposed of in accordance with the [Archives Act 1983 \(Cth\)](#).

8.1 Documentation requirements

Part 9 of the [PGPA Delegation](#): Delegation under section 63 of the Act – Otherwise modify the terms and conditions of amounts owing to the Commonwealth, provides specific requirements which must be met before the delegate authorises payment by instalments or deferral for financial hardship reasons. The delegate must have regard to the Commonwealth's interests not being subordinate to other creditors of the same ranking.

An application for hardship must include:

- a [Statement of financial position \(PDF, 285KB\)](#) sufficient to satisfy the delegate that it would be unreasonable to require the AFP appointee to discharge the debt other than by instalments or at a deferred date.
- a proposed reduced fortnightly repayment plan or deferred date.

The delegate may request additional information from an AFP appointee in relation to their application for financial hardship.

8.2 Application outcome

Where a financial hardship application with requested reduced instalments is accepted by the delegate, the AFP and the AFP appointee must enter into an authorisation to repay a debt by instalments pursuant to section 7.4 of this guideline.

The delegate may deny a hardship application if:

- insufficient information is supplied to satisfy the delegate that the AFP appointee is unable to discharge their debt within the standard minimum repayment schedule; or
- the fortnightly repayment plan is not considered to be reasonable and sufficient, for example the suggested repayment amount is excessively low.

If the delegate denies a hardship application, the AFP appointee must either:

- resubmit their application within 14 calendar days with additional evidence to support their financial circumstances; or
- accept the repayment terms of the standard minimum repayment schedule and enter into an authorisation to repay a debt by instalments pursuant to section 7.4 of this guideline; or
- repay the debt in full immediately.

8.3 Support services

The primary support service for the AFP is SHIELD.

The Employee Assistance Program is available for AFP appointees and their families on 1300 360 364 and provides general counselling, relationship counselling and financial counselling. Further information is available at [Health and Wellbeing](#).

9. Failure to reach agreement and non-compliance

9.1 Current AFP appointees

Where the Debt Management Team does not receive a response to an overpayment notification from the AFP appointee within 14 calendar days pursuant to sections 6.2, 7.2 and 9.4 of this guideline, or where agreement cannot be reached, the Debt Management Team must escalate the case.

If the Debt Management Team cannot contact an AFP appointee, they will contact the AFP appointee's supervisor for assistance (supervisors will only be provided with limited detail to ensure the privacy of the AFP appointee while assisting the AFP to meet its obligations).

If agreement cannot be reached between the AFP appointee and the Debt Management Team, the case will be referred by the Debt Management Team to AFP Legal.

Conduct that amounts to wilful and deliberate ignoring of correspondence regarding a debt may be referred to PRS.

9.2 Separating AFP appointees

When an AFP appointee is leaving the AFP and an outstanding debt has been identified:

- the outstanding debt is recovered from final entitlements if that debt is being repaid by instalments; or
- Payroll Services will contact the AFP appointee to seek to finalise the outstanding debt at that time.

9.3 Former AFP appointees

When an AFP appointee departs the AFP with a debt that has not been repaid from final monies owing, that debt is treated as a customer/commercial debt. However, former appointees should initially be provided with information in accordance with section 7.2 of this guideline.

9.4 Notification and collection

If a current AFP appointee does not respond to a debt notification within 14 calendar days, the Debt Management Team should send a first reminder notification. If there is no response after an additional 14 calendar days, the Debt Management Team should contact the AFP appointee's supervisor for assistance. This totals 28 calendar days from initial notification and will take into account any leave taken during this time.

If after Debt Management Team has made all reasonable efforts to pursue a debt and the debt remains unpaid or there is no condition of acceptance to repay a debt by instalments, the Debt Management Team may refer the matter to AFP Legal or an external debt collection agency to pursue. If customer/commercial debt, including a former AFP appointee's debt, remains unpaid after 28 calendar days of the initial notification/invoice being issued, the Debt Management Team should send a first reminder notification. If there is no response after 56 calendar days, a second and final reminder notification is sent. If there is no response after 60 calendar days of the initial notification/invoice being issued, the Debt Management Team should refer the debt to AFP Legal or an external debt collection agency to pursue.

10. Dispute resolution

Where an AFP appointee has a concern in relation to an overpayment notification received or the debt recovery process, the AFP appointee should contact the [Debt Management Team](#) within 14 calendar days. An AFP appointee can dispute a debt in two different ways.

10.1 Disputes under the Enterprise Agreement

Where the dispute relates to the interpretation or calculation of an entitlement under the [AFP Enterprise Agreement 2024 - 2027](#), and, when applicable, individual contracts and determinations for AFP SES appointees, an AFP appointee may raise a dispute under the dispute resolution provisions of the enterprise agreement. The [Better Practice Guide on dispute resolution](#) has more information about this process.

10.2 Other disputes

Where an AFP appointee disputes a matter that does not arise under the Enterprise Agreement, or individual contracts and determinations for AFP SES appointees, they may write to the delegate to address their concerns. To identify the correct delegate, contact the [Debt Management Team](#).

If an AFP appointee considers they have a legal defence to the debt, they should write to the delegate providing:

- the basis of the dispute.
- the reason the defence for the dispute exists.
- any supporting documentation to support the claim for dispute.

Legal defences are technical matters, and appointees may wish to seek external legal and/or external industrial advice before writing to the delegate.

The delegate must respond within 28 calendar days after receiving a dispute notification.

11. Reporting

Failure to reach an agreement or non-compliance with this guideline may result in a breach of the AFP Code of Conduct.

Where a breach results in the contravention of [CFI 16](#), the Debt Management Team must notify Finance Governance. Finance Governance must report contraventions to the AFP executive through the Chief Financial Officer every 4 months via compliance reporting.

Where there is an integrity incident or one is suspected, the Debt Management Team must report to WICR, via ServicePortal.

Financial circumstances are relevant to ongoing suitability to hold a security clearance, and the AFP may use any information provided about financial circumstances for security vetting purposes. For example, the Debt Management Team may notify PSV for debts over \$10,000.

12. Pay-as-you-go (PAYG) impact

Where a salary overpayment relates to a prior financial year, the AFP appointee must repay the gross amount of the payment – that is, the overpaid amount received plus any tax amount withheld. Once the debt is agreed to and repayments have commenced, an amended income statement, letter to the Australian Taxation Office (ATO) or adjustment in Single Touch Payroll (STP) reporting must occur for the relevant year/s, noting that the amount of tax withheld on the income statement should not be adjusted. The amended income statement is prepared and submitted by either Payroll or the Debt Management team, dependent on which team was managing the recovery of the debt. It is the AFP appointee's responsibility to liaise with the ATO and undertake any subsequent action.

Where a salary overpayment is identified within the same financial year as it is paid, the AFP appointee only has to repay the net amount of the overpaid amount. The net amount is the amount actually received by the AFP appointee. Any impact of an overpayment recovered in the same financial year as it occurred is automatically reflected on an appointee's income statement.

13. Fringe benefit tax implications

Benefits provided to current or former AFP appointees may form part of a reportable fringe benefits amount reported on an AFP appointee's income statement. This may affect certain government benefits and concessions.

FBT information contained in this document is general advice only. Appointees should seek professional advice on how this information may affect their individual financial situation.

13.1 Loan fringe benefit

When a current or former AFP appointee is given time to repay a salary overpayment, this in effect creates a loan by the AFP to the AFP appointee and a loan fringe benefit may arise. For more information on loan fringe benefits, please contact AFP Tax Team.

13.2 Non-recovery of debt

FBT may continue to be payable on debts which have been written off or deemed non-recoverable as a loan fringe benefit continues to exist. A debt must be legally extinguished before a loan fringe benefit ceases to exist.

13.3 Debt waiver fringe benefit

Where a debt is waived by the Finance Minister, a debt waiver fringe benefit may arise.

14. Personal information

All information collected as part of the recovery of appointee salary overpayments activities is considered **Official: Sensitive** and must comply and be in accordance with the:

- [Australian Privacy Principles](#) for personal information
- [AFP National Guideline on privacy](#)
- [Archives Act 1983 \(Cth\)](#).

All associated records must be stored in secure locations with controlled access. This information is only accessible by the Payroll and Debt Management teams. Other AFP appointees requiring access must seek written approval from the delegate.

15. Further advice

Queries about the content of this document should be referred to the Debt Management Team: [s 47E\(d\)](#)

[s 47E\(d\)](#) @afp.gov.au

16. References

Legislation

- [Archives Act 1983 \(Cth\)](#)
- [Australian Federal Police Act 1979 \(Cth\)](#)
- Australian Federal Police Regulations 2018 (Cth)
- [Fair Work Act 2009](#)(Cth)
- [Public Governance, Performance and Accountability Act 2013](#)(Cth)
- [Public Governance Performance and Accountability Rule 2014](#) (Cth)
- [Public Governance, Performance and Accountability \(Finance Minister to Accountable Authorities of Non-Corporate Entities\) Delegation 2021](#)
- [Privacy Act 1988 \(Cth\)](#)

AFP governance instruments

- [AFP Commissioner's Financial Instructions](#)
- [AFP Commissioner's Financial Instructions, Annex A: Schedules of delegations and authorisations](#)
- [AFP Enterprise Agreement 2024 - 2027](#)
- [AFP National Guideline on personnel security](#)
- [Better Practice Guide on dispute resolution](#)
- [Better practice guide on leave management](#)
- [Delegations and Authorisations Collection](#)

17. Shortened forms

AFP	Australian Federal Police
AFP Act	<i>Australian Federal Police Act 1979 (Cth)</i>
ATO	Australian Taxation Office
CFIs	Commissioner's Financial Instructions

FBT	fringe benefits tax
PAYG	pay as you go
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Delegation	Public Governance, Performance and Accountability (Finance Minister to Accountable Authorities of Non-Corporate Entities) Delegation 2021
PGPA Rule	Public Governance Performance and Accountability Rule 2014
PRS	Professional Standards
PSV	Personnel Security Vetting

18. Definitions

AFP appointee means a deputy commissioner, AFP employee, special member or special protective service officer and includes a person:

- engaged under section 35 of the AFP Act as a consultant or contractor to perform services for the AFP and determined under section 35(2) of the AFP Act to be an AFP appointee
- engaged overseas under section 69A of the AFP Act
- seconded to the AFP under section 69D of the AFP Act

(See section 4 of the AFP Act.)

Delegate means the Commissioner's delegate as authorised by Schedule 4 of Annex A to the CFIs.

Debt means a sum of money owing to the Commonwealth which is known and not being disputed, due for payment now and legally capable of being recovered in a legal action for debt.

Debtor means a person or entity that owes monies to the AFP, which is represented by a debt or legal obligation to pay a set amount.

Loan includes:

- an advance of money
- the provision of credit or any other form of financial accommodation
- the payment of an amount for, on account of, on behalf of or at the request of a person where there is an obligation (whether expressed or implied) to repay the amount.
- a transaction (whatever its terms or form) which in substance effects a loan of money.

Pay as you go (PAYG) is a system for making regular payments towards your expected income tax liability.

Salary means a fixed periodical payment for work or services, leave, allowances or other amounts payable under the relevant enterprise agreement.

Single Touch Payroll (STP) is an initiative to regularly report to the Australian Taxation Office on employee's payroll information including salaries and wages, tax and superannuation.

19. Attachments

- [Statement of financial position \(PDF, 285KB\)](#)