

Australian Government Grants News – September 2020 Edition

Grants News!



This September edition of Grants News provides a number of interesting articles on:

- PGPA (CCE grants) Rule
- Ministerial Reporting
- Making a Difference Outcomes of ARC supported research
- Commonwealth Fraud Prevention Centre
- Capital Works Clauses
- Cultural and Linguistically Diverse (CALD) Clauses
- Australian Charities and Not-for-profits Commissioner update
- GrantConnect changes Grant
 Awarded link to Grant Opportunity ID
- Measuring the benefits of the Business Grants Hub

We hope that you find this edition full of useful updates.

PGPA (CCE grants) Rule

An amendment has been made to the *Public Governance, Performance and Accountability Rule 2014* (Amendment Rules) that will apply to corporate Commonwealth entities (CCEs) where a Minister is involved in making CCE grants. The Amendment Rules have been tabled and will

come into effect once the disallowance period ends, no earlier than **1 December 2020**.

The Amendment Rules replicate relevant mandatory requirements of the *Commonwealth Grants Rules and Guidelines 2017* (CGRGs) and apply to CCEs that make grants and Ministers who approve or request them. In particular:

- CCEs will be required to produce grant guidelines and provide appropriate written advice to Ministers before a Minister makes a decision on a CCE grant;
- Grant guidelines and grants awarded are to be published on <u>GrantConnect</u>. Where a decision is made that publication is not appropriate, the reasons must be recorded in writing;
- Ministers will have the same "own electorate" and annual reporting requirements that apply to Ministers under the CGRGs, when deciding to award a CCE a grant within their own electorate or where that CCE grant was recommended not be made; and
- The Amendment Rules do not confer a general power for Ministers to approve a CCE grant.

In anticipation of the commencement of the Amendment Rules in December, the Department of Finance (Finance) will produce guidance material for CCEs and Ministers and engage with CCEs on the new requirements for grants administration.

If you have any questions or feel that your agency may be immediately impacted by these changes please contact the Grants team at grants@finance.gov.au.

We would also like to request that contacts from Departments, **please share this** *Grants News* **with CCEs** across their portfolio.

The Amendment Rules (the *Public Governance, Performance and Accountability Amendment*

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(Grant Rules for Corporate Commonwealth Entities) Rules 2020) are available here: www.legislation.gov.au/Details/F2020L00923.

Ministerial Reporting

An Order of Continuing Effect for the production of documents relating to annual Ministerial reporting requirements for grants was agreed by the Senate on 13 May 2020. The Order requires by **30 April each year**, the Minister for Finance table all reports and correspondence received by then for the preceding year (under paragraph 4.12 of the CGRGs) including a summary of those decisions, including details from the annual ministerial reporting template.

This Order will apply to the Ministerial annual reports provided for the current calendar year.

Making a Difference Outcomes of ARC supported research

The Australian Research Council (ARC) is excited to announce the digital release of its 2019-2020 edition of *Making a Difference—Outcomes of ARC supported research*.

Making a Difference is an annual publication celebrating the high quality grants funded by the Australian Government through the ARC's National Competitive Grants Program.

This fourth edition highlights a selection of diverse outcomes over the last twelve months of research grants from outstanding Australian researchers delivering significant cultural, economic, social and environmental benefits to Australians and the world.

Making a Difference features stories of research to uncover the hidden secrets of neutron stars and radio signals from deep space, efforts to revive the world's damaged coral reefs, projects that are reducing agricultural methane emissions, and bringing new life to the humble old pair of jeans. The legacy of Australia's first Archbishop is unpacked, as is a grant to double the number of Indigenous entries in the Australian Dictionary of Biography.

Read about how industry driven research is generating economic impacts for Australia and the advances made in environmental science and management. Indigenous research and collaboration, improving health and well-being and striving for cultural and social outcomes round out the research highlights featured in Making a Difference.

For the first time, *Making a Difference* is available online in a new interactive format with enhanced accessibility and multimedia content. It is also available as a <u>printable pdf</u>. Feel free to share the publication on your social media channels: <u>ARC Making a Difference tweet</u> and if you'd like a printed copy get in touch with us at <u>ARC-Communications@arc.gov.au</u>.

We hope you enjoy the new flipbook format and take some time out to read about the exciting ways Australian research is making a difference.

Commonwealth Fraud Prevention Centre

While the majority of grant recipients do the right thing and comply with the rules, there will always be opportunistic behaviours to make dishonest gains when an opportunity arises.

It is crucial for the Commonwealth to consider risks when designing and implementing grants programs.

The Commonwealth Fraud Prevention Centre is currently speaking to experts from different Commonwealth grants programs to better understand key fraud risks and learn about effective fraud prevention methods.

The Centre will develop a practical guidance product to support better practice fraud control in grants administration.

Register your interest in receiving the guidance or share your insights into fraud risks with grant administration by emailing info@counterfraud.gov.au.

Capital Works Clauses

Draft capital works clauses were prepared in consultation with Australian Government entities

and released to the Grants Hubs and specific entities to trial from December 2019.

Prior to finalising the clauses for inclusion in the Standard Grant Agreement Clause Bank, the Grants team would be interested to hear from entities their experiences and lessons from using the clauses at grants@finance.gov.au.

Cultural and Linguistically Diverse (CALD) Clauses

The Grants team will shortly commence initial discussions on the creation of appropriate CALD clauses for use in grant agreements (including the Clause Bank). If you or your entity would like to be involved, please send appropriate contact details to grants@finance.gov.au.

Australian Charities and Not-for-profit Commissioner update

The Australian Charities and Not-for-profits Commissioner (ACNC) will release the 2020 Annual Information Statement (AIS) this month. This year they will ask questions about charity programs for the first time using a recognised taxonomy to create metadata that will then be used to create an enhanced search function on the ACNC Charity Register.

The Charity Marketplace initiative will provide increased transparency and enable individuals and grant administrators wanting to support charities to better understand the programs charities deliver. The new search function is due for release in 2021. However, registered users will be able to view data on individual charity's programs once they have submitted their 2020 AIS by searching the register.

The ACNC is also developing best practice guidance to encourage consistent disclosure of government revenue when charities report. They will ask charities to include details in their financial statements about: the source and amount of revenue received from each level of government and agency or department name; goods and services provided to government funded beneficiaries (eg. National Disability Insurance Scheme); economic dependency from

government revenue; and unspent government revenue including the amount not included as revenue, and the amount included as a liability.

The ACNC expects that these two initiatives will result in a much richer dataset being accessible via the <u>ACNC Charity Register</u> about charity programs and charity finances. This will provide benefits to charities, the public, donors and government.

GrantConnect Changes – Grant Awarded Link to Grant Opportunity ID

As part of the development of GrantConnect in 2016, Finance signalled a transitional and phased approach towards more transparent reporting in the future. This was to provide time for users to adapt systems and/or processes to ensure compliance. The next phase is to require the linking of Grant Awarded (GA) records to the relevant Grant Opportunity (GO).

Since the commencement of GA reporting on GrantConnect, 31 December 2017, entities have been reminded of the need to link GA records to the GO.

Finance provided notifications to GrantConnect users in November 2019 and again in June 2020, that from 1 July 2020, it will be mandatory to include the relevant GO details (GO ID) for all GAs published on GrantConnect- where a GO exists.

Consistent with previous notifications, as of 1 July 2020, GA records reported on GrantConnect must be linked to the relevant GO. This will further improve transparency in reporting information in line with the Government's commitment to improve publication of grant opportunities and reporting on grants awarded.

RMG 421 Publishing and reporting Grants and GrantConnect and GrantConnect guidance will be updated to reflect the linkage between GO's and GA's (where a current or active GO is published on GrantConnect).

This will develop a best practice approach to grant reporting, drive better grant administration behaviour, and enable Finance to maximise the use of GrantConnect data when the data

analytics capability for GrantConnect is implemented.

Mandatory reporting of Grant Opportunities took effect from 30 April 2017, and for Grant Awards from 31 December 2017, as detailed in the *Commonwealth Grants Rules and Guidelines* 2017 and RMG 421.

Next steps

It is mandatory that all published GAs be linked to GO IDs (where a publicly available GO was published on GrantConnect).

Consultation

Please contact the Grant Policy team via grants@finance.gov.au, by 4pm Thursday 24 September 2020, should you have any issues in managing these requirements.

Further information and updates will be provided.

Measuring the benefits of the Business Grants Hub

Earlier this year, the Department of Industry, Science, Energy, and Resources (DISER) released the updated Benefits Management Framework for the Business Grants Hub. The revamped framework consists of 27 metrics, which also feed into the Streamlining Government Grants Administration Benefits Framework administered by the Department of Finance.

Measurements for the first half of 2020 have just been finalised, and provide insights into the operations of the BGH. Compared to the period July to December 2019, the new measurements reveal that:

- The number of ineligible applicants has fallen by 15 per cent as a result of clearer guidelines and better designed application forms,
- The time it takes to complete variations has been reduced by 19 per cent due to streamlining the approval processes, and
- The average time it takes for a customer to complete an application form has decreased by 21 per cent due to improvements in the customer portal.

Metrics will continue to be measured every six months and will allow us to articulate our benefits achieved to date and identify areas of future improvement so we can continue to evolve the way we do business. For further information about the BGH Benefits Management Framework, contact the Business Grants Hub at AusIndustryAssurance@industry.gov.au.

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