



Ministerial Responsibilities - When approving a Corporate Commonwealth Entity (CCE) grant

Fact Sheet

At a glance

The *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) has been amended to improve transparency and accountability of grants made by or on behalf of corporate Commonwealth entities where a Minister is involved in approving **CCE grants**.

The new mandatory requirements apply to both Ministers and the corporate Commonwealth entity and will ensure that Ministers are properly informed of the legal basis for their decisions and their reporting responsibilities as part of any **CCE grant** decision-making process.

In particular, when a Minister is involved in approving a **CCE grant**.

- grant guidelines *must* be produced by the corporate Commonwealth entity;
- grant guidelines and grants awarded *must* be published on GrantConnect, the whole-of-government grants information system (www.grants.gov.au); and
- Ministers have reporting requirements when approving the making of a **CCE grant**,
 - within their own electorate (members of the House of Representatives only); and
 - when a corporate Commonwealth entity recommends a **CCE grant** not be made (all Ministers, including Senators).

Please note:

The PGPA Rule does not confer a general power for Ministers to approve a **CCE grant**.

New requirements

Division 6A of the PGPA Rule introduces advising, decision-making and reporting requirements for Ministers and corporate Commonwealth entities, **ONLY** when a Minister is involved in making **CCE grants**.

Decision-making

A Minister **must not** approve the making of a **CCE grant** without first:

- receiving a written notice from a corporate Commonwealth entity which includes:
 - a statement that the arrangement for financial assistance is a **CCE grant**;
 - advice on the legal or administrative basis for the Minister to approve the **CCE grant**;
 - an outline of the Minister's reporting requirements;
 - an assessment of applications against the guidelines;
 - an assessment that the **CCE grant** achieves value with relevant money;
 - list of the applications, noting which satisfy all, some or do not satisfy any criteria;
 - recommendations on the **CCE grant**;
- assessing the **CCE grant** by having regard to the matters included in the written notice; and
- creating a record of that assessment.

CCE grants defined

CCE grant means an arrangement for the provision of financial assistance by or on behalf of a corporate Commonwealth entity under which relevant money is paid to a person or body that is not a Commonwealth entity.

There are some arrangements that are not considered **CCE grants** under the PGPA Rule, such as procurement, an investment or loan, or payments of compensation, benefit or entitlement.

Publishing of grants information

The grant guidelines and the **CCE grants** awarded **must** be published on GrantConnect.

A Minister (or corporate Commonwealth entity) may decide that:

- there is a specific policy reason not to publicise the guidelines; or
- publishing particular information on the **CCE grant** awarded:
 - would contravene:
 - » the *Privacy Act 1988* (or other law), or
 - » any terms and conditions relating to the **CCE grant**; or
 - could reasonably be expected to adversely affect the achievement of a government policy outcome.

Where a decision is made that publication of guidelines or some or all of a **CCE grant** awarded is not appropriate, the reasons for that decision **must** be recorded in writing.

Ministerial Reporting

A Minister **must** write to the Finance Minister:

- as soon as practicable – after approving a **CCE grant** in the Minister's own electorate (own electorate reporting); or
- annually (by 31 March) – where the Minister approves a **CCE grant** in the preceding calendar year, which was recommended not be made (annual reporting).

Own Electorate Reporting

Applies when a Minister approves a **CCE grant** within the Minister's own electorate, UNLESS:

- the **CCE grant** is also awarded across a region by applying a formula, such as Australia-wide, state-wide or on the basis of defined areas such as drought or flood affected areas; or
- the Minister is a Senator.

The Minister's written notice is to include:

- details of the **CCE grant**,

- a statement, if the **CCE grant** was made despite the recommendations of the corporate Commonwealth entity;
- the Minister's reasons for approving the **CCE grant**; and
- a copy of any correspondence between the Minister and the recipient of the **CCE grant**.

Annual Reporting

A Minister may approve **CCE grants** that are recommended not be made.

When a Minister approves a **CCE grant** that has been recommended not be made, the Minister's written notice is to include:

- details of the **CCE grant**; and
- reasons for approving the making of the **CCE grant**.

All Ministers (including Senators) **must** report under the annual reporting requirements on decisions to approve the making of **CCE grants** against recommendation, for the previous calendar year.

Please note:

Where an application does not satisfy any of the selection criteria for the **CCE grant** and there is no recommendation that the **CCE grant** not be made, the decision may be subject to the annual reporting requirements should the Minister decide to approve the making of the **CCE grant**.

Useful Resources

[PGPA Rule](#)

[Grants and corporate Commonwealth entities](#)

[GrantConnect](#)

Contact: grants@finance.gov.au