



Australian Government Grants News - June 2021 Edition

Grants News!



Welcome to the first edition of Grants News for 2021. This edition provides a number of interesting articles on:

- **Grants Framework Working Group meeting**
- **Understanding the Core Principles of the Commonwealth Grants Rules and Guidelines 2017**
- **Useful tools and templates**
- **Introducing the Grant Recipient Portal**
- **Grant Programs as part of the COVID-19 response**
- **Australian Charities and Not-for-profits Commission launches new Best Practice Guide for Financial Disclosures for Charities**
- **Comcover Risk Education**

Grants Framework Working Group

On 15 March 2021, the Department of Finance (Finance) hosted a Grants Framework Working Group (GFWG) meeting. The GFWG members are representatives at the SES Band 1 level from entities that undertake grants administration.

The GFWG discussed the findings and recommendations in the Joint Committee of Public Accounts and Audit's (JCPAA) report 484 *The Administration of Government Grants (the Report)*.

The Report contains five recommendations for Finance. The response to this report is still being considered.

Full details of the JCPAA, Report 484 *The Administration of Government Grants* is available at:

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Public_Accounts_and_Audit/AdminGovGrants/Report.

The GFWG also discussed possible updates to the whole-of-government grant opportunity guidelines and grant agreement templates.

Understanding the Core Principles of the Commonwealth Grants Rules and Guidelines 2017

The *Commonwealth Grants Rules and Guidelines 2017* (CGRGs) establish the Commonwealth grants policy framework. The CGRGs contain the key legislative and policy requirements, and explain the better practice principles of grants administration.

The CGRGs are divided into two parts:

- **Part 1** - mandatory requirements. This section requires officials to have regard to the seven key principles for grants administration. This allows officials to flexibly develop systems of control and internal practices/procedures that ensure grants administration is conducted in a manner that is consistent with the principles in Part 2.

- **Part 2** - seven key principles of grants administration explains how accountable authorities and officials should apply the seven key principles of grants administration.

The key principles are:

- robust planning and design
- collaboration and partnership
- proportionality
- an outcome orientation
- achieving value with relevant money
- governance and accountability, and
- probity and transparency.

In this edition of Grants News we take a closer look at the collaboration and partnership principle.

The CGRGs encourage collaboration with government and non-government stakeholders to achieve government policy outcomes. Working together with stakeholders can:

- improve the design and delivery of grant opportunities
- help identify and reduce fragmentation and unnecessary overlaps in grant opportunities
- reduce administration and compliance costs and
- aid in the development of appropriate outputs, outcomes, impact measures.

While entities do need to balance collaboration and partnership with maintaining probity and transparency, governance and accountability, this should not deter entities from collaborating.

Entities should be careful to:

- be inclusive in consultations, so as to reduce the risk of bias
- qualify consultations as information gathering, and
- not prejudice sound planning and design by providing advice on the expected outcomes or next steps in grant opportunities.

Useful tools and templates

Did you know that Finance has developed a flow diagram that outlines some of the key processes used when developing Commonwealth grant opportunities for publication and decision makers? This information is available on the Finance website under the following link: [Flow diagram for grant guidelines](#)

Finance has also developed a whole of government suite of templates to assist officials in developing grant opportunity guidelines. These templates are available on the Finance website: <https://www.finance.gov.au/government/commonwealth-grants/tools-and-templates>

Introducing the Grant Recipient Portal

The Grant Recipient Portal is a Community Grants Hub (the Hub) platform where grant recipients can self-manage their grant information.

The portal has been in a trial. The portal is now being gradually released to all grant recipients of the Hub.

The portal allows grant recipients to:

- access grant information in one place, anytime
- view activities and milestones
- submit financial acquittal reports
- submit activity work plans
- view and resend payment advice
- update organisational details and add users.

The portal offers the following benefits to grant recipients:

- automation of many grant administration processes
- reduction of manual effort required by grant recipients

The portal and the Hub's grant system are linked so the most up-to-date information is available in real time.

The Hub is also working on a range of enhancements to the portal to further improve the service provided to grant recipients. These enhancements are scheduled for release early in the 2021-22 financial year. The enhancements will include, but are not limited to:

- the acceptance of offers of new grant agreements and variations to existing grant agreements through the portal
- the ability to submit milestone reports through the portal.

If you would like to learn more about the portal visit the Grant Recipient Portal page of the CGH website at www.communitygrants.gov.au.

If you have any queries, please contact the GRP Project team at GRP.Project@communitygrants.gov.au.

Grant Programs as part of the COVID19 Response

The Community Grants Hub (the Hub) have been working with the Department of Social Services and seven Client Agencies to implement measures to help Grant Recipients meet their obligations, since the COVID-19 pandemic took hold in Australia in March 2020.

During this period, COVID-19 related grants were prioritised by the Hub and Client Agencies, with 9,166 additional grant activities funded. Associated grant funding totalled \$779.7 million, the majority of grant activities related to new funding.

The Hub assisted the Department of Education, Skills and Employment, for example, to establish over 2,000 Special Circumstances grants to assist Child Care providers early in the pandemic.

To meet the surge in grant activity, the Hub established satellite teams nationally and implemented additional supporting material, processes, and grant administration arrangements to both support Client Agencies and ease administrative burdens on grant recipients during restrictions.

Further, the Hub introduced a streamlined COVID-19 ad-hoc grants process to enable Client

Agencies to have grant agreements in place within eight business days of engagement with the Hub.

The Hub published FAQs online to provide grant recipients with information about support during the COVID-19 pandemic. Other measures included accepting electronic signatures for grant agreements, higher levels of Funding Arrangement Manager 'virtual' engagement and flexible approaches to grant milestone reporting requirements.

Australian Charities and Not-for-profits Commission launches new Best Practice Guide for Financial Disclosures for Charities

To assist charities and professional advisers working with them to prepare their financial information, the Australian Charities and Not-for-profits Commission (ACNC) has published a new best practice guide for charities to report on government revenue they receive.

ACNC Assistant Commissioner, Anna Longley said donors, funders, supporters and the public want to know whether a charity received funds from government, precise government sources and the amounts.

"Nearly half of charity sector revenue comes from government, and increasingly, people are viewing financial details on the ACNC Charity Register, often to inform decisions on charitable giving," Ms Longley said.

The guide, [Annual Financial Report Disclosures – Best Practice](#), will help charities provide useful, consistent information, enhancing transparency and accountability across the sector.

The ACNC recommends the use of the disclosures to ensure that the information a charity provides in its annual financial report supplements and corresponds with the information it submits to the ACNC in its Annual Information Statement. This will improve the consistency and comparability of the financial

information available on the [ACNC Charity Register](#), which had 3.2 million searches last financial year.

“An added benefit of disclosing such information is that it may allow us to explore more ways to cut red tape for charities,” Ms Longley said.

The ACNC provides three recommended disclosures of government funding in a charity’s annual financial report.

1. Disclose information about the sources of government revenue

For a charity that received 10 per cent or more of its total revenue from government, it should disclose the following information about the sources of its government revenue:

- the total revenue it received by each level of government
- the names of the government departments or agencies from which it received revenue (up to 10), as well as the total amounts it received from each
- the revenue from providing goods and services to beneficiaries who receive related government financial assistance (for example, payments from the National Disability Insurance Agency).

2. Disclose economic dependency on government revenue

For a charity dependent on government for significant revenue or financial support, it should include an economic dependency note in its financial statements.

3. Disclose funding received from government but not yet recognised as revenue

For a charity that prepares Special Purpose Financial Statements and does not make the disclosures required by AASB 15 and AASB 1058, the ACNC recommends disclosing funding from government that has been received but not yet recognised as revenue.

To ensure the financial statements are clear and easy for users to read and understand, the ACNC recommends making the majority of these

disclosures in the notes to the financial statement rather than on the face of the financial statement.

“The recommended disclosures are not intended to replace existing disclosure requirements under the Australian Accounting Standards; for some charities, the recommended disclosures are already required. Instead, they provide the ACNC’s view of best practice in disclosing this kind of financial information and encourage charities to adopt this approach. These recommendations should be considered as charities prepare their annual financial report,” Ms Longley said.

Detailed examples and further information are in the guide, [Annual Financial Report Disclosures - Best Practice](#)

Comcover Risk Education

In response to the ongoing Covid-19 Pandemic, Comcover has adapted its face-to-face risk workshops to be accessible virtually. For 2021, we have decided to keep this approach and take on a blended learning environment of both face-to-face and virtual workshops. Face-to-face workshops will be held in Canberra, ACT at Rydges Hotel, and our virtual workshops are available on GovTeams.

Currently, there are three workshops across four different pathways available for free to all APS employees: Foundation Pathway, Generalist Pathway, Specialist Pathway and Executive Pathway. Further information including the availability and location of the workshops can be found on:

<https://www.finance.gov.au/government/comcover/education>

If any of these free workshops sound beneficial to you or anybody within your entity, please register on the [Comcover Learning Centre](#), or email comcover@comcover.com.au, or call 1800 651 540 – option 2. Remember, Risk is everyone’s business!

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