

Australian Government

Grants News December 2021



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Government response to JCPAA Report 484

On 21 October 2021, the <u>Government response</u> to the Joint Committee of Public Accounts and Audit (JCPAA) report, <u>The Administration of Government Grants</u>, was tabled.

The report noted grants administration is a key aspect of the administration of government expenditure and is a matter that the JCPAA will continue to have an interest in monitoring.

The Government has agreed to the six JCPAA recommendations.

In doing so, the Government notes existing provisions under the Public Governance, Performance and Accountability Rules and Commonwealth Grants Rules and Guidelines 2017 (CGRGs) already partially address some recommendations.

Finance is implementing the JCPAA recommendations by:

- considering options to strengthen the CGRGs, including in relation to the importance of adherence to grant guidelines, support for timely communications on new grant opportunities;
- consolidating and revising guidance to ensure clarity of requirements and provide best practice examples; and
- reviewing the reporting and compliance system relating to grant opportunity guidelines (and reporting back to the JCPAA on outcomes).

Finance has also undertaken to review operation of the CGRGs and Division 6A of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) by the end of 2022.

ANAO information report on Australian Government Grants Reporting

On 19 October 2021, the ANAO tabled Report No. 7 (2021-22) – Australian Government Grants Reporting.

This is the first ANAO information report on grants reporting. Its objectives are to provide transparency of, and insights on, government grants expense and Commonwealth entities' self-reporting of grants on GrantConnect.

The report analyses:

- whole-of-government grant awards and grants expense;
- entities' administration of grants and self-reporting on GrantConnect; and
- grant award recipients.

Further to the report, Finance is engaging with Commonwealth entities on opportunities to enhance GrantConnect.

This work is focused on new public-facing system capability to further support users to view and access GrantConnect data and reporting.

Publishing grant guidelines for multi-stream Grant Opportunities on GrantConnect

The ANAO information report noted there were a number of grants awarded where the selection process did not match that for the GO ID.

When publishing grant guidelines that include multiple streams within the one document, Finance recommends the document is published once per stream/opportunity to accurately identify the selection process and closing date for each. This will enable more consistent reporting.

For example:

- Grant Opportunity Guidelines that currently include a closed non-competitive selection stream and a targeted competitive stream should be published once as a closed non-competitive grant and once as a targeted competitive grant.
- Each grant awarded can then be linked to the relevant GO ID. This removes inconsistency in reporting a GO ID for a closed noncompetitive selection and a grant awarded against it as a targeted competitive grant.

Commonwealth Evaluation Policy and toolkit

Senator the Hon Simon Birmingham, Minister for Finance, has endorsed a Commonwealth Evaluation Policy and supporting toolkit, which took effect on 1 December 2021. This has been developed as part of the Government's APS Reform Agenda.

The policy and toolkit aim to build evaluation capability and expertise into everyday practice across the APS, and to support better practice evaluation activities across the policy cycle. They are relevant for anyone responsible for the design, delivery and effectiveness of government programs and activities in the Commonwealth.

Over 40 Commonwealth entities, and a number of external stakeholders, helped to develop the policy and toolkit through an extensive collaborative design and user testing process.

From January 2022, Finance will deliver information sessions in partnership with the APS Academy to help to embed the policy and toolkit across the Commonwealth. Tailored information sessions are also available on request.

More information and links to instructional videos are available on the <u>Finance website</u>.

Grants Administration Counter Fraud toolkit

It is crucial to consider fraud risk when designing and delivering grants programs. While grants are necessary to achieve key government objectives, they may also carry a risk of fraud. These risks are often elevated when a grant program is designed and delivered rapidly and/or with limited resources.

The Commonwealth Fraud Prevention Centre's toolkit will help Australian Government officials to:

- Increase their awareness of fraud vulnerabilities in grants administration.
- Understand how these vulnerabilities might be open to fraud.
- Identify useful countermeasures to prevent, detect and respond to fraud.

<u>Learn more about grant fraud</u> at <u>CounterFraud.gov.au</u>.

ANAO performance audit on Operation of Grants Hubs

The ANAO is conducting a cross-entity performance audit to assess the design and implementation of the Streamlining Government Grants Administration program in improving the effective and efficient delivery of grants administration.

Auditees are Finance, Department of Industry, Science, Energy and Resources, and Department of Social Services.

The audit is currently due to be tabled in March 2022.

Next Grants Community of Practice

The next Grants Community of Practice (CoP) provides an opportunity for grants practitioners (targeted at APS and EL levels) across the APS to network and share information and better practice relating to Commonwealth grants policy and administration.

The next CoP will be hosted by Finance in early 2022.

If you are a Commonwealth official interested in participating in the CoP or have suggestions for topics for discussion, contact us at grants@finance.gov.au.

Annual Ministerial reporting requirements

Under paragraph 4.12 of the CGRGs and section 25E of the PGPA Rule, ministers are required to report to the Minister for Finance any instances where they approved a grant that officials recommended be rejected.

Ministerial reporting for the calendar year 2021 is required by 31 March 2022.

Further information on grants reporting is at:

- Grant reporting | Department of Finance
- Australian Government Grants Briefing, Reporting, Evaluating and Election Commitments (RMG 412) | Department of Finance.

Where to find information on the Commonwealth grants framework

There is a range of Commonwealth grants framework information available on the Finance website.

Resources include the <u>CGRGs</u> and <u>grant</u> <u>connected policies</u>, as well as <u>Grants News</u> editions.

There are also <u>tools and templates</u> to assist Commonwealth entities to:

- Develop grant opportunity guidelines.
- Develop grant agreements and variations.
- Support Ministerial grants reporting.

Season's greetings!

It has been a busy and challenging year for all. We wish you a happy and safe end of year, and hope you have a restful and relaxing break.

We look forward to working with you in 2022!

Want to contribute?

To subscribe to Grants News or request to submit an article for a future quarterly edition, contact us at grants @finance.gov.au.

