



Frequently asked questions

Commonwealth Grant Rules and Principles 2024

On 1 October 2024, the *Commonwealth Grants Rules and Principles 2024* (CGRPs) will replace the *Commonwealth Grants Rules and Guidelines 2017* (CGRGs). A range of fact sheets about the changes are available at www.finance.gov.au/government/commonwealth-grants.

These frequently asked questions (FAQs) provide further information on the transition.

The FAQs will be updated regularly. If you have a question you'd like answered, please email grants@finance.gov.au.

General

Why have the CGRGs had a change of name?

The *Commonwealth Grants Rules and Principles 2024* (CGRPs) replace the *Commonwealth Grants Rules and Guidelines 2017* (CGRGs).

The new name reflects that the CGRPs include both 'rules' (things that must be done) and 'principles' that are intended to guide grants administration practices, but that allow for flexibility. Both the rules and the principles are important to effective grants administration.

The new name also helps to distinguish between the contents of this document and the other guidance materials that the Department of Finance has developed to help officials implement the CGRPs.

Will the CGRGs still apply?

From 1 October 2024, the CGRGs will no longer apply. The CGRPs will replace the CGRGs from that date. The CGRPs include a lot of the same content as the CGRGs, but with several important additions and clarifications.

Why are changes being made?

The changes will strengthen integrity and accountability and provide greater transparency in grants administration.

The changes will also address several recommendations made by the Australian National Audit Office and Joint Committee of Public Audit and Accounts.

When will the changes take effect?

All changes will take effect from 1 October 2024. However, entities are encouraged to start to implement the new requirements before this date if possible.

Do the changes apply to all grants?

The changes apply to all grants that are subject to the CGRPs. Paragraphs 2.3–2.6 of the CGRPs explain what a grant is, the types of grants that are subject to the CGRPs and those that are not.

Do the changes apply to grant opportunities that are already in progress?

Yes. From 1 October 2024, entities will need to comply with relevant requirements of the CGRPs for all grants administration activities – including those relating to grant opportunities that are already in progress.

Entities can begin incorporating the new requirements of the CGRPs into their activities before 1 October 2024.

The following examples show how the CGRPs will apply to grants at different stages of the grant lifecycle from 1 October 2024.

Example 1: *My grant opportunity guidelines will be published after 1 October 2024. Do I have to comply with the CGRPs even though my grant was designed before 1 October 2024?*

Yes. The CGRPs are a legislative instrument and you will need to comply with all aspects of the CGRPs. See the Summary of changes fact sheet for more information.

Example 2: *I have guidelines that will open on 1 August and close on 31 October. Do I need to amend my guidelines to apply the CGRPs?*

Entities are encouraged to apply the CGRPs as soon as possible, it is not necessary to wait until 1 October. It is unlikely that guidelines will need to be substantially amended. You may need to update your guidelines to reflect the change of title from the CGRGs to the CGRPs. If you need to discuss potential changes, please contact GrantGuidelines@finance.gov.au.

Example 3: *My grant round closes for applications in August 2024. The minister will be the approver of grants and we expect decisions to be made after 1 October 2024. Do we need to comply with the new ministerial briefing requirements?*

Yes. From 1 October 2024, the new requirements for briefing the minister where they are the approver of grants will apply. The minister will also need to comply with the new requirements for recording and reporting certain decisions. For more information see the Briefing and reporting changes fact sheet.

Will updates be made to other guidance, tools and processes?

The guidance material on the Department of Finance website, including the Resource Management Guides, will be updated to reflect the new CGRP requirements from 1 October 2024. Finance will also update the whole of government grant agreement and grant guideline templates.

The best way to stay up to date with these changes is to be on our distribution list. You can be added to the list by emailing grants@finance.gov.au.

Where can I find more information?

You can find a range of fact sheets to help understand the changes on the Department of Finance website. Finance will also be hosting information sessions, both online and in person.

The best way to stay up to date is to be on our distribution list. You can be added to the list, or ask us any questions, by emailing grants@finance.gov.au.

Changes to ministerial briefing and reporting

The CGRPs require me to provide advice to the minister on the merits of a specific grant or group of grants and to use the listed categories. Does this mean I am required to make recommendations to the minister about which grants to approve?

It is not **mandatory** to make recommendations about which grants the minister should approve. However, officials **must** recommend the minister reject applications that do not meet any of the selection criteria outlined in the grant opportunity guidelines. Officials are also **encouraged** to make any other specific recommendations regarding the grant applications (paragraph 4.7d).

The examples below provide guidance on how to use the categories and provide information to ministers. For more information on briefing ministers see the Briefing and reporting changes fact sheet.

Example 1: *I have received 30 grant applications for a grant opportunity, and the minister is the approver of the grant. Ten of these applications have been assessed to 'fully meet' the selection criteria, 15 applications 'partially meet' the selection criteria, and 5 applications 'do not meet' any of the selection criteria. The grant opportunity only has funding to award 5 grants. What recommendations do I need to provide to the minister?*

The CGRPs set out a range of information that you **must** provide to the minister (see the Briefing and reporting changes fact sheet).

In addition, you **must** include a specific recommendation that the minister reject (not approve) applications that do not meet any selection criteria.

You **should** also make any other specific recommendations regarding the applications – for example, recommendations based on other factors that the grant opportunity guidelines indicate may be considered in determining which applications will receive funding. While making specific recommendations is not a mandatory requirement of the CGRPs, it is encouraged as better practice.

You **may** also rank the applications if appropriate. Ranking is not mandatory, but may assist the minister in their decision making – for example, by providing clear advice about the relative merits of different applications. You **must** also provide the minister with an indication of which applications can be supported within the available funding.

If the minister does not approve a grant that you recommended be approved, the minister **must** record in writing the basis for not approving the grant.

If the minister awards a grant that you recommended be rejected (e.g. the applications that 'do not meet any selection criteria') the minister **must** record in writing the basis for approving the grant **and** report this decision to the Minister for Finance as soon as practicable.

Ministers must record in writing and declare any conflicts of interest relating to a grant.

How should officials rank applications when a minister is the approver of a grant?

While the CGRPs require that officials use the listed categories, ranking applications is **not** mandatory. However, officials **may** rank applications. The examples below provide guidance on how rankings may be used.

20 applications have been received for a grant round. 10 of those applications have been categorised as 'fully meet the selection criteria', 5 as 'partially meet the selection criteria' and 5 as 'do not meet any of the selection criteria'. Only 5 applications may be selected within the available funding.

Example 1: Officials rank all 20 applications from 1–20, with the top 5 applications recommended for funding.

Example 2: Officials provide no rankings of applications, allowing the minister to choose 5 applications.

Example 3: Officials provide rankings only on the 10 applications that have been categorised as 'fully meet the selection criteria' in order of recommendations from 1–10.

In each of these circumstances, the minister only needs to report if they choose to award a grant to one of the 5 applications that were categorised as 'do not meet any of the selection criteria'.

GrantConnect reporting

Do ministerial decisions relating to the minister's own electorate and against the advice of officials (paragraphs 4.11 and 4.12) need to be reported via ministerial correspondence and on GrantConnect?

Yes. For more information see the GrantConnect fact sheet.

Why do one-off ad hoc grant guidelines need to be published on GrantConnect?

Publishing one-off ad hoc grant guidelines on GrantConnect will provide greater transparency and consistency with other grant selection processes.

Why do I need to link grant opportunity guidelines and grants awarded on GrantConnect?

Linking grant opportunity guidelines and grants awarded is now a requirement under the CGRPs. This allows greater transparency in reporting by allowing users to see who was funded under a grant opportunity.

Design and administration

Where can I find to support me to implement the new requirements?

Letter templates for briefing the Minister for Finance under paragraphs 4.11 and 4.12 can be found on the Tools and Templates page on the Department of Finance website. We encourage you to use these templates as soon as possible.

You can find an updated checklist for briefing ministers on the Tools and Templates page on the Department of Finance website.

Clarification and definitions

If a third party organisation is administering grants, does it have to follow all the CGRP requirements?

Yes, where applicable. Accountable authorities and officials **must** ensure that any arrangement with a third party to undertake grants administration functions on behalf of the government is in writing and requires the third party to adhere to the key principles and applicable requirements of the CGRPs. For more information see the Third Parties fact sheet.