



New key principles

Commonwealth Grants Rules and Principles 2024

Overview

This fact sheet provides information about the 2 new key principles in grants administration set out in the *Commonwealth Grants Rules and Principles 2024*:

- merit-based processes, and
- consistency with grant guidelines and established processes.

Accountable authorities and officials **must** put processes in place to ensure grants administration is consistent with **all 9** key principles.

You can read more about the new principles at **paragraph 11 and paragraph 13** of the CGRPs.

Merit-based processes

This principle reflects the fact that competitive, merit-based selection processes can achieve better outcomes and value with relevant money.

Competitive, merit-based selection processes **should** be used for all grant opportunities unless a minister, accountable authority or appropriate delegate specifically agrees that another selection process is appropriate.

In some circumstances, it **may** be appropriate to use a selection process other than an open competitive process. When choosing a selection process for a grant opportunity, officials **must** consider the other key principles of grants administration, including:

- achieving value with relevant money
- an outcomes orientation
- proportionality.

Officials **should** choose selection methods that promote open, transparent and equitable access to grants.

Where a method other than a competitive, merit-based selection process is used, officials **must** document the reason for using that approach and explain this in the grant opportunity guidelines.

Consistency with grant guidelines and established processes

This principle reflects the importance of grants being administered consistently with the relevant grant opportunity guidelines and with the entity's grants administration processes.

Grant opportunity guidelines

Officials, accountable authorities, ministers and third parties involved in administering a grant opportunity **should** act in accordance with the grant opportunity guidelines for the grant.

Guidelines **must** be developed for all grant opportunities. Guidelines **must** be consistent with the CGRPs, including the 9 key principles of grants administration.

Guidelines **should** articulate the government policy outcomes that are to be achieved through the grant opportunity. They **should** clearly articulate the administrative procedures, eligibility and assessment criteria, appraisal processes, monitoring requirements, evaluation strategies and standard forms that will be used to administer the grant opportunity.

To facilitate accountability and transparency, all parties **should** keep and maintain appropriate and accessible records of decisions taken in relation to the guidelines and throughout the life of the grant opportunity.

Grant opportunity guidelines **should not** be changed after the grant opportunity is closed to applications. Decisions to deviate from published guidelines and any amended processes should be documented and appropriately communicated.

Entity processes

Accountable authorities and officials **must** put in place practices and procedures to ensure that grants administration activities are conducted in a manner that is consistent with the 9 key principles of grants administration (**paragraph 6.3**).

Grant guidelines and grants administration processes **should** align with an entity's other practices and procedures under the Commonwealth resource management framework, such as internal financial delegation instruments or accountable authority instructions.

Relevant processes **should** be documented before a grant opportunity commences. Any changes to processes during the grant life cycle **must** be documented in a timely way.

For more information visit www.finance.gov.au/government/commonwealth-grants or email grants@finance.gov.au.