



Variations to grants

Commonwealth Grants Rules and Principles 2024

Overview

This fact sheet explains the use of and reporting requirements for grant variations under the *Commonwealth Grants Rules and Principles 2024* (CGRPs).

Variations are used when changes need to be made to an existing grant agreement.

The CGRPs have been updated to provide information on the requirement for reporting grant agreement variations.

You can read more about variations at **paragraphs 5.4 and 14.13-14.16** in the CGRPs.

Varying a grant agreement

It **may** be appropriate to vary a grant agreement in limited circumstances. Grant agreements **should** only be varied when:

- it is necessary to enable the grantee to complete the projects or activities set out in the original agreement, and then only for the length of time needed to achieve completion, **and**
- the variation does not significantly change the scope of the initial agreement.

A variation **should not** be used as an alternative to appropriately planning a new grant opportunity.

When recommending or approving a variation to a grant agreement, officials and decision makers **should** consider the key principle of achieving value with relevant money. Extending a grant agreement through a variation for continued or new grant activities may not always achieve value with relevant money. This could be because:

- changes have occurred that impact the grantee's ability to deliver the activities
- input costs have changed, or
- new potential grantees have emerged that could offer solutions that better achieve the policy outcome.

Where variations have been used more than once, officials **should** consider why they are being used and consider other options such as using longer term grant agreements or undertaking a new process.

Reporting variations on GrantConnect

Material variations made to grants awarded **must** be reported on GrantConnect within 21 calendar days after the variation takes effect. Variations include:

- material increases to the dollar value of a grant
- extensions of the grant activity into another financial year, and
- changes in organisation details.

When publishing a material variation, the grant award notification **must** be updated. Officials **must** link the information on GrantConnect to the previously published grant opportunity guidelines.

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