Welcome

Grants News is a publication for entities to share grant management information and learning’s across the Commonwealth.

This edition of Grants News looks at one-off and ad hoc grants. Some of the key characteristics of one-off and ad hoc grant activities are highlighted, including entity requirements for this type of grant, under the Commonwealth Grant Rules and Guidelines.

The National Health and Medical Research Council (NHMRC) are featured as this edition’s entity profile. Updates are provided on the grants.gov.au project, and the Building Code 2013 as it relates to grant agreements. The ANAO has shared their reflections on entity grant management processes, with particular focus on assessment criteria, their relative weightings and threshold scores.

Click on the links to find out more.

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Read about the grants policy framework
Grants information and reporting: grants.gov.au

The final round of entity consultation on the grants.gov.au scoping study was completed in October 2014. The project is now in Phase 2: Design and Build, and is on schedule. The system is expected to be fully operational in 2017, with some functions, such as grants advertising and notification, to be rolled out in 2016.

Current status of grants.gov.au

The project management and governance framework is now established and work is well advanced on the system’s IT infrastructure and hosting environment. Grants.gov.au infrastructure will be established as a private Cloud solution following the outcomes of a technical Proof of Concept (Feb 2014) and a Business Case (June 2014).

Operational governance documents, including the Memorandum of Arrangement to support service provision to Commonwealth entities, are currently under legal drafting and review.

What’s next?

An Entity Reference Group, including representatives from the major granting entities, has been established to assist in defining the system’s business and functional requirements. This group will meet throughout June and July 2015.

One-off or ad hoc grants: a closer look

A one-off or ad hoc grant generally does not involve planned selection processes, but is instead designed to meet a specific need, often due to urgency or other circumstances. These grants are generally not available to a range of applicants or on an ongoing basis.

What are one-off or ad hoc grant guidelines?

Grant guidelines are required for all grants. One-off or ad hoc grant guidelines can involve:

- an overarching set of guidelines designed to cover similar activities that the entity undertakes, such as scholarships or sponsorships
- specific guidelines for a single unique purpose.

Is my grant one-off or ad hoc?

In the first instance, officials should identify opportunities to appropriately accommodate one-off or ad hoc grant giving activities within the structure of an existing grant programme. Where an appropriate programme does not exist, or cannot be developed, the following questions may assist entity staff to determine whether the grant can be considered one-off or ad hoc in nature:

- Is this an urgent payment for a recipient to address an unexpected need?
- Is this a single grant for a purpose not expected to be repeated?
- Is the agreement unable to be renewed?
- Is the grant a single payment available to only one applicant?

What information should be included in one-off or ad hoc grant guidelines?

The format and complexity of one-off or ad hoc grant guidelines may vary depending on the activity and are usually less detailed than programme guidelines. At a minimum, guidelines for one-off or ad hoc grants should include:

- the purpose or description of the granting activity
- the objectives
- the selection process
- reporting and acquittal requirements
- the proposed evaluation mechanisms.

As with all programme guidelines, one-off or ad hoc grant guidelines should effectively communicate key information to potential applicants.

Grant guidelines should also assist in providing sufficient information to the decision maker for them to determine the activity to be an efficient, effective, economical and ethical use of relevant money.

One-off or ad hoc grant guidelines are often attached to, or form part of, the brief to the approver. While one-off or ad hoc grant guidelines are not required to be published, website reporting obligations regarding the provision of the grant is still required, as per CGRGs sections 5.2-5.8.
**Frequently asked questions**

My entity has a grant we consider to be one-off or ad hoc. What are our obligations in regard to the CGRGs for this type of grant? How are these obligations different to our obligations for a grant that forms part of a programme?

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<th>Are grant guidelines required?</th>
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<th>Must grant guidelines be published or made publicly available?</th>
<th>Grant programme guidelines</th>
<th>One-off or ad hoc grant guidelines</th>
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<th>Is a risk assessment required to be agreed in consultation with Department’s of Finance and PM&amp;C?</th>
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<th>Is my entity required to report awarded grants on our entity website?</th>
<th>Grant programme guidelines</th>
<th>One-off or ad hoc grant guidelines</th>
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<th>Where our Minister approves a grant in his/her own electorate must our Minister write to the Finance Minister?</th>
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*Exceptions detailed in CGRGs section 4.12(c)*

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<th>Where our Minister approves a grant that our entity recommended be rejected must our Minister report these grants annually to the Finance Minister?</th>
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<th>If a selection process other than competitive merit based is used should I record the reasons for this decision??</th>
<th>Grant programme guidelines</th>
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**Assessment criteria weightings and threshold scores: an ANAO perspective**

According to the ANAO the purpose of the assessment criteria is to provide an efficient and effective means of differentiating between the eligible, compliant applications that are seeking access to the available funding. Experience has shown that the assessment process, and the resulting funding recommendations to decision-makers, can benefit from criteria being weighted and minimum scores being set that a grant proposal needs to achieve in order to be recommended for funding.

When determining whether weightings will be applied, and what those weightings will be, it is important to consider the contribution each criterion makes in assessing the relative merits of an application against the objectives of the granting activity. In this respect, various ANAO audits have highlighted that criteria that are critical to achieving the objectives of the granting activity should have a higher weighting than those criteria that are not critical. This will assist in ensuring that maximum value with public money is achieved through the grants that are awarded. It can also help to target available funding at projects that exhibit characteristics that are particularly important to the granting activity achieving its objectives.

Similarly, it is important that agencies have a clear view as to whether, for each criterion, there is a minimum standard that applications are expected to achieve. Where this is the case, the guidelines should make this situation clear to potential applicants. Equally, the agency’s planned assessment methodology should clearly identify the minimum rating that needs to be achieved against each criterion. It may be appropriate for different minimum scores to be established for each criterion, so long as the approach taken reflects the relative importance of each criterion (as reflected in any weighting of the criteria). Such an approach recognises that grant proposals that do not satisfactorily meet each of the published selection criteria are most unlikely to represent value with public money in terms of the objectives of the granting activity.
Commonwealth funded construction

Compliance with the Building Code 2013 is a prerequisite for contractors to carry out Commonwealth funded building work. In specific regard to grants, this requirement applies to Commonwealth officials. Commonwealth entities must ensure the following documentation sets include the requirement for contractors to comply with the Building Code 2013:

- Grant programme guidelines
- Grant funding agreements

The Building Code 2013 replaces all previous versions of the 'Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry'.

**NOTE:** All funding entities should reference the Building Code 2013 in tenders and contracts. The following should not be referenced:

- the National Code of Practice
- the Implementation Guidelines for the National Code of Practice.

**When does the Building Code 2013 apply?**

The Building Code 2013 applies to building work that is being undertaken by, or on behalf of a grant giving entity, irrespective of the value of that work.

The Building Code 2013 also applies to building work that is indirectly funded by the Commonwealth by a grant or other programme, where building work is an explicit component and for which:

- the value of the Commonwealth's contribution to the project is at least $5 million and represents at least 50 per cent of the total construction project value
- the Commonwealth's contribution to the project is at least $10 million irrespective of the proportion of the total value

The **Department of Employment website** includes useful information for funding entities and contractors. The information includes a number of model clauses for inclusion in contractual documentation.

**Building Code 2014**

December 2013 saw the introduction of the **Building and Construction Industry (Improving Productivity) Bill 2013** (the Bill). The Bill, which will re-establish the Australian Building and Construction Commission (ABCC), was part of the Government’s 2013 Federal election commitments for the building and construction industry. These commitments include that the ABCC will administer a new Building Code that will apply to Commonwealth-funded building work. The Bill is currently before the Senate.

While the Building and Construction Industry (Fair and Lawful Building Sites) Code 2014 (the Building Code 2014) will not come into effect until the Bill is enacted, there is a **revised advance release** available to assist contractors to prepare for its introduction.

The Building Code 2014 will only apply to projects that are subject to expressions of interest or tender after it commences. The Building Code 2013 will continue to apply to all existing projects.

**Want more information?**

✉ building@employment.gov.au
✎ www.employment.gov.au/buildingcode
📞 1300 731 293

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**The National Health and Medical Research Council: Profile**

The National Health and Medical Research Council (NHMRC) is a non-corporate Commonwealth entity established under the **National Health and Medical Research Council Act 1992** (NHMRC Act) and is Australia’s largest funder of health and medical research. The mission statement of the NHMRC is *working to build a healthy Australia*.

The NHMRC’s strategy for health and medical research, as set out in the **NHMRC Strategic Plan 2013-2015**, is to invest in the highest quality research and researchers, as determined through peer review. Funds are awarded across the four pillars of health and medical research through recurring and targeted schemes:

- biomedical
- clinical
- public health
- health services research

**Grant guidelines**

Grant guidelines for the NHMRC’s research funding programmes are developed in consultation with **NHMRCs Research**
Committee and Council to ensure scheme objectives and requirements are aligned to both Government and sector needs. Guidelines are checked for consistency with the Commonwealth Grants Rules and Guidelines, undergo a risk assessment and are submitted for Ministerial approval prior to publication.

Application and assessment processes
Grant applications are lodged electronically through the NHMRC’s Research Grants Management System (RGMS), which was simplified and upgraded in 2013-2014 to minimise red-tape and improve ease-of-use.

Applications are assessed in two key stages:

**Stage One:** provides the applicant with reviewers’ written assessments and an opportunity to write a rebuttal.

**Stage Two:** is the meeting of the Grant Review Panel, which makes the final decision regarding the application’s score.

In both stages, applications are assessed by independent, expert peer reviewers with multiple mechanisms in place to mitigate potential conflicts of interest as outlined in the Guide to NHMRC Peer Review. All applications are assessed (typically on a 1-7 scale) against published criteria, including:

- the scientific quality
- significance and/or innovation of the proposal
- the research achievements of the researcher.

In addition, for ‘Research Support’ schemes, proposed costs are scrutinised by experts based on the requirements of each application. This ensures associated budgets are both reasonable and sufficient.

The highest quality, most relevant and most competitive (effective, efficient and economical) research is recommended for funding and, together with conditions for ethical review, value with Commonwealth money is achieved.

Decision-making
Applications for funding are recommended by NHMRC’s Chief Executive Officer to the Minister for Health as required under the NHMRC Act. Recommendations to the Minister follow advice from peer reviewers, NHMRC’s Research Committee and the Council of NHMRC.

Continuous improvement
The NHMRC is trialling a number of initiatives aimed at streamlining grant approvals, in line with the Government’s election commitment and 2014-15 Budget measure for simplified health and medical research. These include:

- earlier removal of uncompetitive applications to reduce the load on those involved in the grant reviewing process.
- use of video conferencing for peer review, to enable greater participation and reduce travel costs.

Want more information?

NHMRC website
media@nhmrc.gov.au