Australian Government

Department of Education

Inquiry into the Administration of Government Grants: Auditor-General's Report 5 and 12 (2019-20)

Submission from the Department of Education to the Joint Committee of Public Accounts and Audit

7 January 2020

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Introduction

The Department of Education (the department) welcomes the opportunity to make a submission to the Joint Committee of Public Accounts and Audit Inquiry into the Administration of Government Grants: Auditor-General's Report 5 and 12 (2019-20). This submission is only in relation to Report 5 (the report) on the Australian Research Council's (ARC) Administration of the National Competitive Grants Program (NCGP).

The department notes that the report found the ARC's administration of the NCGP was effective and identified areas of best practice grant management. The report made three recommendations for improvement of the administration of the NCGP, all of which have been accepted by the ARC.

Response to recommendations

Recommendation 1: Review the practice of issuing NCGP guidelines annually

In its response to the audit, the department understands that the ARC will review the practice of issuing NCGP guidelines annually, and have commenced consulting and planning to implement multi-year guidelines. The department understands that the ARC has since implemented this recommendation.

Recommendation 2: Ensure that KPIs for the NCGP are reliable and include efficiency

The department supports the ARC's review into its KPIs and the development of efficiency targets with the ANAO. The department notes the ARC's concerns regarding the potential difficulty in developing efficiency targets in the absence of a single indicator or evaluation method which adequately captures results of research and development, and supports the ARC's endeavour to identify an appropriate performance measure.

Recommendation 3: Ensure that monitoring and assurance activities are risk-based and contribute to the assurance that NCGP objectives are being achieved

The department understands the ARC have initiated an internal audit of the NCGP assurance framework, and once completed, will take appropriate actions to ensure that its monitoring and assurance framework is more risk-based.

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Additional comments

The department offers a suggestion in its submission in relation to the comparability of ARC data. The department suggests that the ARC could make their dataset more comparable at a granular level and make the availability of NCGP data comparable to national research quality data collected through the Excellence in Research for Australia (ERA) assessment.

Conclusion

The department would welcome the sharing of any relevant learnings in due course following the ARC's implementation of the report's recommendations.