



Australian Government
Attorney-General's Department

3 March 2017

Joint Committee of Public Accounts and Audit

New inquiry into Commonwealth Grants Administration

Attorney-General's Department submission

Auditor-General Report No.12

The Design of, and Award of Funding Under, the Living Safe Together Grants Programme

Introduction

In relation to this new inquiry into Commonwealth grants administration, the department's submission relates to the Auditor-General Report No. 12: "The Design of, and Award of Funding Under, the Living Safe Together Grants Programme."

The Living Safe Together Grants Programme

Background

In 2014-15, the department was responsible for the design and delivery of a one-off grants programme known as the Living Safe Together Grants Programme (the Programme). The objective of the Programme was to help community based organisations strengthen their capacity to work with individuals to assist them to disengage from violent extremism and reconnect with their communities.

The Programme was established to support the national roll-out of CVE Intervention Programmes to provide an additional tool to complement existing law enforcement and intelligence efforts to prevent individuals from engaging in violent extremism, and to divert vulnerable Australians from violent extremist pathways through early intervention and diversion programmes.

Total funding for this Programme was \$1.9 million with 41 community-based organisations across Australia being awarded grants. The Programme addresses a critical capability gap in community organisations' ability to deliver countering violent extremism (CVE) intervention services and help smaller, community-based providers of intervention services to build their capacity and skills to work with individuals at risk of radicalisation to violence. Grant funding helped organisations to:

- design and develop new services,
- build more sustainable capacity in existing services, or
- strengthen existing services.

The ANAO concluded that the design and promotion of the Programme was effective, that merit criteria were well designed and appropriate to the Programme, and that applications were assessed through a sufficiently rigorous process.

Implementation status update on audit recommendations

The ANAO report made one recommendation for improvement - that the department take effective steps to provide greater accountability for, and effectively address, continuing deficiencies in its approach to assessing the eligibility and merit of grant applications and advising decision-makers about those applications that should be funded and those that should be rejected.

The department agrees with the ANAO's recommendation and has taken a number of actions to implement this recommendation as well as the recommendations made in relation to the ANAO audit into the Award of Funding under the Safer Streets Programme to improve its grants management processes. These include that the department has:

- developed and delivered a 'Grant Application and Assessment' training module that specifically addresses the recommendations of the Safer Streets ANAO report including all relevant footnoted references from the ANAO Better Practice Guide, Implementing Better Practice Grants Administration, December 2013. This module will continue to be delivered in a regular basis.
- updated the department's grants intranet page to highlight the contents of the Department of Finance's Resource Management Guide No. 412, July 2014, which provides both a 'Better practice checklist for grant guidelines' and a 'Checklist for officials briefing ministers on proposed grants'.
- developed and commenced delivery of an additional training module aimed at assisting staff involved in assessing grants to understand balance sheets and financial data, which can be relevant to both assessing applications and evaluating delivery. To date this module has been delivered to a total of 54 participants.
- established and maintained an active Grants Community of Practice within the department to promote best practice in grants administration and to provide a support base and forum for professional development, knowledge sharing and networking for grants administrators.
 - The Grants Community of Practice consists of all staff working on grants programmes, and is chaired by either a Deputy Secretary or a First Assistant Secretary. The Grants Community of Practice met on six occasions in 2016 with a range of specialist presenters providing detailed briefings including identifying conflicts of interest and a presentation from senior officers of the Department of Finance on achieving value for money in grants administration. Information exchange has included a broad range of grant related topics aimed at improving the knowledge of participants and their understanding of the importance of the department's commitment to the proper use of public money.
- the Countering Violent Extremism Centre (CVE Centre), the business unit responsible for the LST grants programme, has identified improvements to grants eligibility and merit assessment and the advice provided to decision makers about grant applications, on the basis of the ANAO's findings. The Deputy Coordinator of the CVE Centre has presented these conclusions to the department's Grants Community of Practice on three separate occasions to ensure that the lessons from the LST audit are shared and understood broadly within the department and can be applied to other grants programs.

- developed mandatory checklists and guidance material for grants staff. This material was circulated to the grants programme areas of the department on 5 September 2016, and includes specific requirements in relation to briefing decision makers. It is also available on the department's intranet.
- developed 'Knowledge Test' questionnaires to educate programme officers about the department's Grants Administration Guide and the Commonwealth Grant Rules and Guidelines. These questionnaires have been tested internally and the feedback is being incorporated. Once finalised, all staff working in grants programme areas will be required to undertake the 'Knowledge Test' on a biannual basis. New starters will be required to do so following commencement in a grants management role.

In addition, the department's Audit and Risk Management Committee was briefed on the actions taken as a result of the findings of the ANAO report. The Committee, which has an independent chair, two independent members, and two senior executive department members, agreed that the department is satisfactorily addressing the recommendation of the audit.

The Department will monitor implementation of the above improvements to its grants administration processes in order to ensure that the ANAO's recommendation continues to be incorporated into administration of its grants programmes.