

## **Senate Select Committee on Administration of Sports Grants**

Answers to Questions on Notice

**Department/Agency:** Australian National Audit Office

**Topic:** Administration of Sports Grants

**Date of Hearing:** 2 September 2020

**Type of question:** Written

**Date set by the committee for the return of answer:** 25 September 2020

**Number of pages:** 4

### **Question 1**

What date did the ANAO notify Sport Australia it would commence an audit of the CSI?

#### **Answer**

On 14 March 2019 the Auditor-General decided to undertake the audit and advice of this decision was provided to Sport Australia that same day. Correspondence formally advising of the commencement of the audit including the audit objective, scope, criteria and timeframe was provided to Sport Australia on 15 March 2019.

### **Question 2**

Note (a) to Table 4.3 in the ANAO report refers to the delayed announcement of a project at the Minister's request. What was that project?

#### **Answer**

Glen Eira Council's application for \$213,675 for the EE Gunn Reserve Oval 1 Lighting Upgrade.

### **Question 3**

What were the four projects initially identified by the Minister's office but not included in the final round 2 list? (Appendix 4, paragraph 14). Was a reason given as to why they were not subsequently included?

#### **Answer**

Two of those projects were subsequently awarded funding in Round 3. They were:

1. Price Tennis Club's application for \$9,812 for the Price Tennis Court Lighting Upgrade; and
2. Guyra Gun Club's application for \$15,000 to Provide Disability Access to Club House.

The other two projects were not awarded funding in any round. The identity of unsuccessful applicants was not included in the Audit Report and has not otherwise been released by the Government in response to questions from the Committee or Senate Orders for the Production of Documents. As advised in correspondence to the Committee Chair dated 25 February 2020 and 26 June 2020, the Auditor-General considers that the public interest benefit in providing information subject to public interest immunity claims made by the Government, is outweighed by the public interest harm to the operation of the ANAO.

Individual reasons were not recorded for the removal of the four projects.

**Question 4**

In paragraph 2.16, the ANAO's report states that "Sport Australia advised the ANAO in March 2019 that the program guidelines would only be approved on the basis that the Minister was the decision-maker". Who required that the Minister be the decision-maker in order to approve the grant guidelines? Did the Minister approve the CSI guidelines?

**Answer**

While Sport Australia's Grants Administration Framework states that 'Grant program guidelines may need to be approved by the Minister' the Framework does not prescribe a process for obtaining Ministerial approval of program guidelines. For the CSIG program guidelines, approval by the Minister was through the process of developing and agreeing on the content of the program guidelines (the section of the Audit Report starting at paragraph 2.10 summarises the development of the guidelines). This approach to obtaining Ministerial approval of the guidelines was set out by Sport Australia in 18 July 2018 email advice to the Department of Health.

The first draft of the program guidelines was provided by the Department of Health to Sport Australia on 11 May 2018. In terms of decision-maker, the draft prepared by the Department stated: 'The Minister for Sport, in consultation with XXXX decides which grants to approve taking into account our recommendations and the availability of grant funds.' For the next draft exchanged between the two organisations, Sport Australia changed the decision maker to be an official within Sport Australia. Further drafts were exchanged between the Department and Sport Australia. As outlined at paragraph 2.16 of the Audit Report, during the exchange of drafts of the guidelines between the Department and Sport Australia, the Department reminded Sport Australia that the Minister wanted to approve CSIG grants. Nevertheless, Sport Australia continued to identify in drafts of the guidelines exchanged with the Department that an official within Sport Australia would be the decision-maker.

Between 6 June and 31 July 2018, six drafts of the program guidelines were submitted to the Minister's Office. On the first two occasions (6 June and 20 June 2018), the draft was provided to the Minister's Office by the Department of Health. The latter four drafts were submitted by Sport Australia to the Minister's Office (on 6 July, 20 July, 27 July and 31 July 2018).

Changes were requested in relation to the first five drafts submitted to the Minister's Office. On two occasions the Minister's Office stated that the changes had been requested by the Minister after she had reviewed the draft guidelines. The key changes requested and made by Sport Australia to the guidelines across those five versions involved:

- changing the name of the program (to remove the words 'Active Spaces and Places');
- edits to the wording of the Minister's message at the front of the guidelines;
- no longer specifying a minimum grant amount whereas Sport Australia had proposed a minimum grant of \$10,000;
- reducing the period the program would be open for applications from the eight weeks proposed by Sport Australia to six weeks;
- inclusion of wording encouraging applications to have co-contributions (see section 5.3 of the guidelines);
- changing the weighting for two of the assessment criteria (the weighting for the criterion relating to community participation in sport was increased from 45 per cent to 50 per cent

and the weighting for the criterion relating to community need for the project was reduced from 30 per cent to 25 per cent);

- changing the decision-maker from Sport Australia to the Minister; and
- inclusion of the 'emerging issues' wording that is in the second paragraph of section 8.1 of the published guidelines.

On 2 August 2018, Sport Australia recorded that the Minister had approved the program guidelines on 31 July 2018 (which related to the sixth version that had been provided on 31 July 2018). In this respect, on the afternoon of 31 July 2018 the Minister's Office had emailed Sport Australia informing it that the guidelines had been 'confirmed'.

**Question 5**

Correspondence from the Minister's office to Sport Australia on 11:54 am, 7 December 2019, notes a number of changes to be made to funding in the electorates of Hinkler, Denison, and Gippsland. Is the ANAO aware what these changes were?

**Answer**

Three projects were removed from the list of those being approved for funding (one in Denison and two in Gippsland) and three were added (two in Hinkler and one in Gippsland).

**Question 6**

Please provide a full list of projects that were identified at any stage for inclusion in the CSI, but which the Prime Minister's Office notified subsequently were to be funded through other programs.

**Answer**

In relation to Round 1, the Minister's Office advised Sport Australia on 7 December 2018 that three projects were being removed from the list of those being approved (see Answer to Question 5 above) because the Prime Minister's Office had advised that there have been some projects on the list funded under another grants program.

For Round 2, ANAO audit work did not identify any applications included in the draft lists of approved projects that were removed because the Prime Minister's Office had identified that they were to be funded through another Australian Government program.

For Round 3, the Cassowary Coast Regional Council application for \$500,000 for the Tully Multi Use Sporting Complex and Grandstand Project was removed on 11 April 2019 from the list of applications being approved after the Prime Minister's Office advised Minister's Office it had been funded under another program.

**Question 7**

In relation to the talking points prepared for the meeting initially scheduled for 20th November 2018, what was the last date of editing or printing of the document?

**Answer**

Based on metadata available to the ANAO:

Last Modified: 1:49 PM on 20 November 2018.

Last Printed: 11:05am on 20 November 2018.

**Question 8**

What time was the letter from Senator McKenzie emailed to the PMO on 18 October 2018? Were there other attachments in the same email?

**Answer**

7:14am on Thursday 18 October 2018. Attached to this email was the letter dated 17 October 2018 from the Minister to the Prime Minister seeking additional funding for the CSIG program, a spreadsheet titled 'Copy of Electoral Division of Applications' and a letter dated 16 October 2018 from the Minister to the Prime Minister relating to the announcement of increased funding for high performance grants to National Sporting Organisations.