

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2014-15 Supplementary Estimates Hearings

Outcome Number: Cross Outcome - Across Programs

Question No: 166

Topic: Grants

Hansard Page: Written

Senator Ludwig asked:

Since Budget Estimates in June, 2014:

1. What guidelines are in place to administer grants?
2. How are grants applied for?
3. Are there any restrictions on who can apply for a grant? If yes, please detail.
 - (a) Can these restrictions be waved? If yes, please detail the process for waving them and list any grants where the restrictions were waved.
4. What is the procedure for selecting who will be awarded a grant?
5. Who is involved in this selection process?
6. Does the minister or the minister's office play any role in awarding grants? If yes, please detail.
 - (a) Has the minister or the minister's office exercised or attempted to exercise any influence over the awarding of any grants? If yes, please detail.
7. Provide a list of all grants, including ad hoc, one-off discretionary grants awarded to date. Provide the recipients, amount, intended use of the grants, what locations have benefited from the grants and the electorate and state of those locations.
8. Update the status of each grant that was approved prior to the specified period, but did not have financial contracts in place at that time. Provide details of the recipients, the amount, the intended use of the grants, what locations have benefited from the grants and the electorate and state of those grants.

Answer:

1. The Commonwealth Grants Rules and Guidelines.
2. Information on how to apply for DSS grants is available on the DSS website at <http://www.dss.gov.au/grants/applying-for-grant-funding>
- 3&4. Yes. There are three types of selection processes: 'Open'; 'Restricted'; and 'Direct'.
 - (a) The most appropriate type of selection process is determined in the planning stage of the grant funding round.
 - An open competitive selection process is available to all providers operating in the market place.
 - A restricted (or targeted) selection process is used where there are few providers available in the market, as a result of the highly specialised services or expertise required, geographical considerations, or time constraints. A restricted grant round is competitive, but is only open to a limited number of potential grant recipients based on the specialised requirements of the granting activity or project under consideration.

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- A direct selection process is a closed process, where an approach is made directly to an existing, high performing provider to expand their current service delivery activities or deliver new services. It involves assessment of a provider's capacity to deliver an expanded service, or capability to deliver a new service through use of selection criteria and/or an assessment of a provider's current performance.
5. This selections process involves:
- Grants funding applicants
 - Departmental officers and contracted staff
 - Independent external Quality Assurance, Probity and Programme Management consultants.
6. Under the Commonwealth Grants Rules and Guidelines, the Minister can exercise the role of spending approver in awarding grants. When a Minister exercises the role of spending approver, the Minister must not approve spending without first receiving written advice from the Department on the merits of the proposed grant or group of grants. This advice must meet the requirement of the Commonwealth Grants Rules and Guidelines. The Minister must record in writing, the basis for the approval relative to the grant guidelines and key considerations of value for money. The Minister does not, however, have to follow the advice of the Department or its recommendation. The Minister may make their own determination that a funding offer would accord with the policies of the Commonwealth and make efficient and effective use of public money.

Where a Minister exercises the role of spending approver for grant funding in their own electorate that was recommended by the Department, the Minister must write to the Minister for Finance advising of the details. There are two circumstances where grants awarded in the Minister's own electorate do not need to be reported:

- Senators do not need to report on funding they approve in their own state or territory; or
- where grants are awarded Australia-wide, state-wide or across a region on the basis of a formula by a Minister, and any of these grants falls in the relevant Minister's electorate, the Minister does not need to report to the Minister for Finance.

If the Minister approves funding of an applicant in their own electorate that was not recommended by the Department, this information is reported to the Minister for Finance. The report must include a brief statement of reasons (i.e. the basis of the approval for each grant).

The Department provides consolidated data annually to the Minister for Finance (by 31 March each year for the preceding calendar year) for the spending approval of grants by the Minister that was not in accordance with the Department's recommendation.

(a) No. The Minister is also not a delegate for the current funding rounds.

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7. Information on all grants awarded since June 2014 is available on the DSS website at <https://www.dss.gov.au/about-the-department/overview/grants-funding>
8. There is insufficient information relating to the specified period to provide a response to this question.