



Premier & Cabinet

Ref: A4544483

Mr Sam Griffith
Director Committees – Public Accountability Committee
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Griffith

I am writing to provide further information to the evidence provided at the Public Accountability Committee's hearing of 1 February 2021.

At the hearing, I spoke about the *Department of Premier and Cabinet's Good Practice Guide to Grants Administration 2010*. As foreshadowed, a copy of the *Guide* is provided for the Committee's consideration and reference.

Further, I note it is the Department's intent to review this Practice Guide at an appropriate time.

Yours sincerely


Kate Foy
Deputy Secretary, Community Engagement

8.3.21

C2010-16 Good Practice Grants Administration

Description

- The *Good Practice Guide to Grants Administration* has been updated and is available from the Department of Premier and Cabinet's website.
- Departments should review their grants programs and administrative processes to improve transparency and reduce red tape for grant applicants and recipients.
- The *Non-Government Organisation Red Tape Reduction* report provides further guidance on how grants programs can be improved.
- Departments should consider consolidating administration of grants programs where this would improve expertise in grants administration, provide better economies of scale, reduce red tape, or improve program outcomes.

Function and Subject

Financial Management and Accounting (1)

Grants and Other Funding

Detailed Outline

Keypoints

The [Good Practice Guide to Grants Administration](https://www.dpc.nsw.gov.au/assets/memos-circulars/Good-Practice-Guide-Nov-2010-Revision.pdf) (<https://www.dpc.nsw.gov.au/assets/memos-circulars/Good-Practice-Guide-Nov-2010-Revision.pdf>) provides grants program managers

with resources and guidance for managing the grants cycle. It has been updated to reflect recommendations of the Audit Office's *Performance Audit on Grants Administration* and the *Non-Government Organisation Red Tape Reduction* report.

In light of the Audit report, departments should review their programs to:

- manage risk and streamline procedures to the minimum needed to ensure accountability and value for money
- improve transparency by publishing a rolling calendar of grants, procedures for making grant decisions, reasons for any variations from normal procedures in the granting or refusal of grants, and evaluation of what grant programs achieved and how the distribution of funds has supported government objectives
- set up timely monitoring systems, tie payment to clear performance measures and require the recipient to establish internal controls
- consider using web technology to streamline applications and administration
- reduce red-tape by using standard terminology when dealing with grant recipients, set targets to better manage the time taken to process grants, and consider harmonising requirements such as audit thresholds across different grant programs
- regularly evaluate programs and publish the results.

The *Non-Government Organisation Red Tape Reduction* report sets out a series of reforms that will be implemented by the Department of Human Services and NSW Health throughout 2010. Other departments may find the recommendations useful when reviewing their grants programs.

In light of the recent agency amalgamations, departments should consider consolidating administration of grants programs where this would improve expertise in grants administration, provide better economies of scale, reduce red tape, or improve program outcomes.

Further information can be found in the [Good Practice Guide to Grants Administration](https://www.dpc.nsw.gov.au/assets/memos-circulars/Good-Practice-Guide-Nov-2010-Revision.pdf) (<https://www.dpc.nsw.gov.au/assets/memos-circulars/Good-Practice-Guide-Nov-2010-Revision.pdf>), the [Performance Audit on Grants Administration](http://www.audit.nsw.gov.au/publications/reports/performance/2009/grants/grants-contents.htm) (<http://www.audit.nsw.gov.au/publications/reports/performance/2009/grants/grants-contents.htm>) and the [Non-Government Organisation Red Tape Reduction](https://www.dpc.nsw.gov.au/assets/dpc-nsw-gov-au/gipa/4f189e979b/RedTapeReport.pdf) (<https://www.dpc.nsw.gov.au/assets/dpc-nsw-gov-au/gipa/4f189e979b/RedTapeReport.pdf>).

Chris Raper
A/Director General

Overview

Who needs to know and/or comply with this?

Departments

Executive agencies related to Departments

Separate agencies

Statutory Authorities/Bodies

AR Details

Date Issued

May 26, 2010

Review Date

May 26, 2015

Replaces

[Circular 2006-35](http://www.dpc.nsw.gov.au/announcements/circulars/2006/c2006-35) (*<http://www.dpc.nsw.gov.au/announcements/circulars/2006/c2006-35>*)

Replaced By

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