



**Australian Government**  
**Department of Finance**

**Jenny Wilkinson PSM**  
**Secretary**

Our Ref: EC24-000630

Mr Julian Hill MP  
Chair  
Joint Committee of Public Accounts and Audit  
Parliament House  
CANBERRA ACT 2600

Dear Chair

**UPDATE TO THE JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT  
REPORT 495: INQUIRY INTO COMMONWEALTH GRANTS  
ADMINISTRATION**

Recommendation 7 of the Committee's Inquiry into Commonwealth Grants Administration requested the Department of Finance report within 12 months on the implementation status of recommendations outlined in the Auditor-General Report No. 21 2021–22, *Operation of Grants Hubs*.

The Department of Finance welcomes the opportunity to update the Committee on progress to modernise Commonwealth grants administration.

The Auditor-General's report made three recommendations:

**Recommendation 1:** Finance and the hubs agree a methodology to capture and report performance information that demonstrates the efficiency and effectiveness of grants administration through the hubs.

**Recommendation 2:** Finance develop and agree a future plan for the operation of grants hubs, and where this plan differs from the SGGA Program funding proposal, seek authority for changes from government.

**Recommendation 3:** To assist in the achievement of the intended benefits of the SGGA Program, Finance and hubs establish a whole-of-government grants administration and payments dataset and implement arrangements to assure the quality of the data.

I am pleased to confirm that Finance and the grants hubs have developed and agreed a Benefits Measurements Plan to measure and report on performance of the grants administration system. The Benefits Measurements Plan captures data on the performance of grants hubs through quantitative and qualitative data points to support targeted outcomes. As such, Recommendation 1 was formally closed in June 2023.

To address Recommendations 2 and 3, the Government has agreed that Finance explore modernisation of Commonwealth grants administration through a Second Pass Business Case. The Second Pass Business Case will consider pathways for a common technology approach, improvements to whole-of-government grants datasets and a future plan for the operation of the grants hubs. Finance will work with the grants hubs and granting entities to develop the Second Pass Business Case, ahead of expected Government consideration in the second half of 2025.

Yours sincerely



Jenny Wilkinson  
Secretary

8 June 2024