



Australian Government

Australian Government response to the
Joint Committee of Public Accounts and Audit Report
No. 449

*Regional Development Australia Fund, Military Equipment
Disposal and Tariff Concessions:
Review of Auditor-General Reports Nos 1-23 (2014-15)*

FEBRUARY 2016

Response to the recommendation

Recommendation No. 3

The Committee recommends that the Department of Finance, in consultation with the Australian National Audit Office (ANAO), update, as required, the Commonwealth Grants Rules and Guidelines to reflect recent ANAO audit findings concerning departmental grants administration, including further reinforcing the requirement for decision-makers to record the basis for funding decisions.

Noted

The *Commonwealth Grants Rules and Guidelines* (CGRGs) were introduced in July 2014 to reflect changes in legislation, Government policy and recommendations of ANAO audit reports. The CGRGs explicitly state that decision-makers who approve a commitment of relevant money in relation to a grant *must* record, in writing, the basis for the approval relative to the grant guidelines and key consideration of value with relevant money (CGRGs 4.5 and 4.11).

In addition to the CGRGs, the Department of Finance (Finance) has published guidance on the Finance website to assist entities and ministers comply with the requirements, including in Resource Management Guide No. 412 Australian Government Grants - Briefing and Reporting. Finance will continue to periodically update this guidance material, including taking into account recent ANAO audit findings.