

Joint Committee of Public Accounts and Audit

QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000537

Type of Question: Written

Questioner: Julian Hill MP

Question:

The Sport Australia website says 224 successful Round 1 applicants were notified in December 2018.

- a. Are grant agreements in place for all of those successful Round 1 applicants?
- b. If not, why not?
- c. If yes, have those 224 successful Round 1 applicants all received the funding they were awarded?
- d. For those that have received funding, have they received all or only part of the funding they were awarded?
- e. If only part, why?

Answer:

- a. No.
- b. Grant agreements are not in place for the following reasons:
 - Four organisations withdrew from the grant program after approval and prior to execution of an agreement.
 - One organisation has not returned a signed agreement.
 - One organisation had delays in obtaining the information needed to enter into a grant agreement.
 - Agreements are in place for all other 218 organisations.
- c. N/A.

- d. Of the 218 organisations with executed agreements, 213 are fully paid and five have received 80% of their funding.
- e. Five organisations are yet to receive their final 20% payment as they have outstanding compliance requirements. Once these are completed and approved by Sport Australia they will receive their final payment.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000538

Type of Question: Written

Questioner: Julian Hill MP

Question:

Are grant agreements in place for all of the 232 successful Round 2 applicants?

- a. If not, it's 15 months later: why not?
- b. If yes, have those 232 successful Round 2 applicants all received the funding they were awarded?
- c. For those that have received funding, have they received all or only part of the funding they were awarded?
- d. If only part, why?

Answer:

No.

- a. Grant agreements are not in place for the following reasons:
 - Two organisations withdrew from the grant program after approval and prior to execution of an agreement.
 - One organisation had delays in obtaining the information needed to enter into a grant agreement.
 - Agreements are in place for all other 229 organisations.
- b. N/A.
- c. Of the 229 organisations with executed agreements, 223 are fully paid and six have received 80% of their funding.
- d. Six organisations are yet to receive their final 20% payment as they have outstanding compliance requirements. Once these are completed and approved by Sport Australia they will receive their final payment.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000543

Type of Questions: Written

Questioner: Lucy Wicks MP

Question:

Questions regarding consistency with the grant guidelines

Sports Commission: Recommendation 3 of the audit report states that Sport Australia should strengthen its assessment records by concisely recording the reasons for the assessment scores that are awarded.

- a. Was there any information which Sports Australia included in the assessment process which allowed others to know why an application had received a certain score?
- b. If an application was assessed by more than one assessor as the planned assessment process stipulated, could the second assessor have known the rationale for the first assessor coming their score?

Answer:

Sport Australia has agreed to Recommendation 3.

The ANAO Report noted that the records of the assessment process were largely adequate.

- a. An Assessment Scoring Matrix which provided clear content descriptors for each possible score against the selection criteria was available to all assessors throughout the assessment process. Additionally, the assessment form provided the opportunity for assessors to highlight in writing, any positive or negative aspects of the application.
- b. Yes.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000544

Type of Questions: Written

Questioner: Lucy Wicks MP

Question:

Sports Commission: Paragraph 4.32 states that eight projects were completed by the time funding agreements were executed by Sport Australia, despite the program guidelines stating no projects that had commenced work would be funded.

- a. Could you please explain why these projects were not deemed ineligible during the initial assessment process?
- b. **ANAO/Sports Commission:** Could this have been avoided if funding guidelines were drafted more clearly? How can this be avoided in the future?

Answer:

- a. The eight projects referred to in paragraph 4.23 of the ANAO report were assessed as eligible during the initial assessment process as they met all the eligibility criteria at that point in time.
- b. The eligibility criteria were designed for one round of funding, not three. Sport Australia acknowledges it would have been beneficial to review and update the CSI Program Guidelines to provide flexibility to deal with new rounds of funding and the subsequent long periods between applications being submitted and the execution of funding agreements.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000546

Question Number: 2

Question: Brief on 11 April.

Type of Questions: Hansard Page 11-12, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Okay. Well, it's pretty clear. I commended you before for being frank and fearless. I'd just observe that I think that's pretty pathetic and I can't imagine that anyone would be proud of that in terms of public administration. This is my final area of questioning. The ANAO gave evidence to the select committee that, on 11 April 2019, the signed approval brief was provided to Sport Australia with a printed-out replacement for the minister. This was a day after the minister wrote to the Prime Minister attaching printouts of two work sheets highlighting the political party and electorate. At what time on 11 April did Sport Australia receive the brief?

Mr McCann: We received the email just after 12 o'clock on the 11th.

Mr HILL: Can that brief be provided to the committee?

Mr McCann: We've taken that on notice in a previous hearing. We'll take that on notice today.

Answer:

Please refer to Sport Australia's response to IQ20-000213 (Question Number 28) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000547

Question Number: 3

Question: How many times did Sport Australia seek an update on the brief between 4 and 11 of April?

Type of Questions: Hansard Page 12, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Because it's difficult to believe that the minister signed the brief on 4 April and that it was not backdated, given the evidence provided to Senate estimates and the select committee. And, in a letter to the chair of the select committee on 16 April, the Auditor-General gave evidence that the minister's approval for the third and final round of grants was still being chased after 4 April and, I quote, 'the earliest version of the signed briefing located by the ANAO was scanned by an administrative staff member in the minister's office at 8.27 am on Thursday, 11 April 2019'. I have two final questions. How many times between 4 April and 11 April, when Sport Australia received the signed brief, did Sport Australia seek an update on the status of the brief from either the minister's office or the department?

Mr McCann: We will take that on notice. I'm not aware of any instances where we sought an update, but we'll take that on notice.

Answer:

Sport Australia has no record of seeking an update on the brief between the 4th and 11th of April 2019.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000549

Question Number: 5

Question: 2056 CSI grants

Type of Questions: Hansard Page 14, 3 July 2020

Questioner: Alicia Payne MP

Question:

Ms PAYNE: The opposition and the Select Committee on Administration of Sports Grants have been seeking a number of documents in relation to this program. Can Sport Australia provide to this committee the full list of all 2,056 applications made under the Community Sport Infrastructure Grant Program, or a summary of all applicants, including organisation name, basic project details, merit score and whether the application was successful or not, if that is more readily available?

Mr Dalton: We would have to take that on notice in consideration of public interest immunity claims with respect to clubs' private information.

Answer:

Please refer to Sport Australia's response to IQ20-000210 (Question Number 25) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000550

Question Number: 6

Question: All colour coded spreadsheets.

Type of Questions: Hansard Page 14, 3 July 2020

Questioner: Alicia Payne MP

Question:

Ms PAYNE: Okay. It'd be great if you could take that on notice, thanks, but it does seem like a fairly reasonable request. My next question is: can you provide all 28 versions of the colour-coded spreadsheet, or all those in the possession of Sport Australia, referred to by the ANAO in evidence, including document creation date and the date of the most recent edits?

Mr Dalton: Again, it's a similar answer to our previous question: we will prepare and provide a response to that in the context of the public interest immunity claim. I would also note that we don't have all 28 versions that were referenced in that material. We have found eight through our searches.

Answer:

Please refer to Sport Australia's response to IQ20-000211 (Question Number 26) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000551

Question Number: 7

Question: Information provided assessment panel.

Type of Questions: Hansard Page 14, 3 July 2020

Questioner: Alicia Payne MP

Question:

Ms PAYNE: It would be good if you could take that on notice, thanks. Can you provide the material and overview provided by Sport Australia to the assessment panel ahead of its 9 November 2018 meeting, as referenced in paragraph 2.26, page 26 of the ANAO report.

Mr Dalton: This is subject to a prior question on notice, and, again, it is also subject to the public interest immunity claim with respect to information contained within the material, so we'll take that on notice.

Answer:

Please refer to Sport Australia's response to IQ20-000212 (Question Number 27) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000552

Question Number: 8

Question: Brief on 11 April.

Type of Questions: Hansard Page 14, 3 July 2020

Questioner: Alicia Payne MP

Question:

Ms PAYNE: Okay. Thank you. Can you provide the signed brief returned to Sport Australia by the minister's office on 11 April 2019, including the replacement list of 228 approved grants as referenced in paragraph 4.22, page 50 of the ANAO report?

Mr Dalton: Again, we would take that particular question on notice, in reference to a prior QON—a question on notice in a prior hearing.

Answer:

Please refer to Sport Australia's response to IQ20-000213 (Question Number 28) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000554

Question Number: 10

Question: Section 11 guidance.

Type of Questions: Hansard Page 18, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Have previous, former, ministers of the current minister ever used section 11 directions?

Mr McCann: Not to my knowledge, certainly not the current minister. I would have to take that on notice. The commission's been in operation for quite some time so I'd have to go back and check the record.

Answer:

No Minister has used a Section 11 direction.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000555

Question Number: 11

Question: Has Ministerial decision making to this degree been a feature of other grants?

Type of Questions: Hansard Page 18-19, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Has ministerial decision-making to this degree in terms of departure from your recommendations, advice and assessments been a feature of any other grant programs administered by Sport Australia?

Mr McCann: I'd have to take that on notice specifically, but there have been some instances where the minister has made alterations to our recommendations. I think more broadly, as well as with respect to the minister's involvement in the Sports Commission, it is actually in our act that the minister needs to be part of the decision-making process for all agreements over and above \$500,000. That's also part of our act. It's broader than the engagement in grants.

Mr HILL: The question that I asked though went to degree, not to whether in other programs the minister changed a thing or two. We've got evidence from the Auditor-General that in one of the rounds only 41 per cent of your recommendations were approved by the minister.

Mr McCann: I'd have to go back on notice [inaudible] each of those. I don't have the specifics—

Mr HILL: I can give them to you. Does Sport Australia think that 41 per cent of round 1 grants, 70 per cent of round 2 grants and 73 per cent of round 3 grants being awarded against your advice, which was based on merit assessment of applications, is an ordinary or appropriate use of ministerial discretion? Are there any other programs where this happens?

Mr Dalton: I'd have to take on notice if there are any other programs. I haven't got that information available. But I think quoting percentages is a bit misleading, because in some respects it is subjective as to which projects to select.

Answer:

As reflected in responses to previous written questions on notice from the Senate Select Committee (IQ20-000009.18 and IQ20-000009.21), the former Minister exercised discretion on one occasion in the Move It Aus Participation grant program.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000556

Question Number: 12

Question: Can you table records associated with design of program/ GLs and assessment?

Type of Questions: Hansard Page 21-22, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: In the development of guidelines, and this touches a bit on the minister's approval role, I will start with some key findings from the Auditor General's report in relation to Sports Australia. One of the key facts presented in the ANAO report's audit snapshot is that Sports Australia assessed the applications against the published criteria. Those published criteria were part of the move at Australian Community Sports Infrastructure Grant program guidelines. Appendix 2 of the ANAO report on page 66 states: A key source of audit evidence was the Australian Sports Commission (Sport Australia) records of the design of the program as well as of the application assessment and the decision-making processes. Are you able to table those records seeing as though it is a question to Sports Australia?

Mr McCann: We'd have to take that on notice. Just to clarify, do you want us to table all of the records associated with the design of the program, the design of the guidelines? I just need to understand the question.

Mr HILL: The question was that the key source of audit evidence was Sports Australia's records of the design of the program as well as of the application assessments and the decision-making process; that's right—records in relation to those aspects.

Mr McCann: We would have to take that on notice.

Mr HILL: Is there any reason you can see—

Mr McCann: As I mentioned previously, we received an example guidelines template, if you like, from the department back in May 2018 and there would have been an extensive amount of consultation for a number of months, so I'll have to—

Mr HILL: We're not scared of large piles of paper, I can assure you, in this committee, and the normal stuff around FOI and voluminous work doesn't apply. If there's no public interest immunity claim that might magically appear, can you table them, please?

Mr McCann: Yes. We'll take that on notice.

Answer:

The audit evidence referred to was obtained through the fieldwork conducted by the ANAO. The ANAO team was given direct access to Sport Australia's systems, where they could access information at any time throughout the audit without having to directly request this from Sport Australia. This enabled them to access:

- **Content Manager** – the Information Management system in which electronic files were created and stored including ministerial briefings, deliberative material, working files. The audit team were given a list of the relevant files created in content manager from 1 January 2018 – March 2019.
- **Smarty Grants** – the ASC grants management system used to store, manage and assess the CSI grants. The ANAO team had access to in excess of 10,000 records for the CSI program including applications, grant assessments, agreements, progress reports etc from Smarty Grants.
- **Office 365** – Access to SharePoint and email.
- **Email** – All relevant staff email accounts were downloaded and provided.

As the ANAO had direct access to Sport Australia's systems, we are not aware of the exact documents that the ANAO accessed during their fieldwork.

It would be an unreasonable diversion of Sport Australia resources to collate and provide those records to the Committee.

Joint Committee of Public Accounts and Audit

QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000560

Question Number: 16

Question: Emails re concerns about five new applications.

Type of Questions: Hansard Page 23, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: That's convenient, isn't it! Did you raise any concerns about late and amended applications being received while others that were received on time and scored strongly against the published criteria were not funded?

Mr McCann: Yes, we wrote emails to the minister outlining that fact in March 2019.

Mr HILL: Can we receive copies of those emails so we can understand the clarity of the advice you provided?

Mr McCann: I'll take that on notice. It was a QON in a previous hearing, so they may already be on the record. I'd have to quickly check. We'll take that on notice.

Answer:

Please refer to Sport Australia's responses to IQ20-000009 (Question Number 1) and IQ20-000202 (Question Number 3) from the Senate Select Committee on Administration of Sports Grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000561

Question Number: 17

Question: Two applications that changed from ineligible to eligible.

Type of Questions: Hansard Page 23, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Thank you. Were any of the five new or four amended applications related in any way to projects that Sport Australia had originally assessed as being ineligible?

Mr McCann: No, they were not.

Mr HILL: Paragraphs 3.3 to 3.6 of the ANAO report deal with eligibility, and para 3.4 says that two applications that were originally assessed as ineligible were reassessed and had their status changed to eligible. Those projects were later funded. Did Sport Australia receive any representations from the minister's office or any other external party in relation to the two applications that curiously had their status changed from ineligible to eligible?

Mr McCann: Not to my knowledge. I'd have to take that on notice and get back to the committee.

Mr HILL: Okay. Could you let us know what those two applications were?

Mr McCann: I'd have to check.

Answer:

Sport Australia is not able to release the information of applicants as it is subject to Minister Colbeck's Public Interest Immunity claim, as per the response to the Order of the Production of Document No. 387.

No representations from the former Minister's office or any other external party were received in relation to these applications.