

Joint Committee of Public Accounts and Audit

QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000539

Type of Question: Written

Questioner: Julian Hill MP

Question:

Are grant agreements in place for all of the 228 successful Round 3 applicants?

- a. If not, it's 14 months later: why not?
- b. Have those 228 successful Round 3 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:
 - Three organisations are in the process of executing their agreements.
 - Five organisations are awaiting decisions to finalise funding agreements.
 - Six organisations are yet to produce the information required to enter a grant agreement.
 - Agreements are in place for all other 214 organisations.
- b. No. Refer below.
- c. Of the 214 organisations with executed agreements, 200 are fully paid, 12 have received 80% of their funding and two organisations have not received any funding.
- d. 12 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.

One organisation has not yet received a payment because they have not yet submitted an invoice.

One organisation has agreed to delay all payments while it confirms the medium-term future of the club's facilities.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000557

Question Number: 13

Question: Who told Sport Australia GLs would only be approved if Minister was final approver?

Type of Questions: Hansard Page 22, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Who told Sport Australia that the program guidelines would only be approved on that basis? Was it the minister's office?

Mr McCann: That's my understanding.

Mr HILL: Who in the minister's office insisted on the minister providing final approval?

Mr McCann: I'll have to take that on notice.

Mr HILL: Because you might not tell us or you don't know?

Mr McCann: I don't know. I don't have the particular individual's name or who it was with me now.

Mr HILL: Can you take it on notice who that person was and the way in which that was communicated? That's obviously a very fundamental and quite important thing for an agency to receive as an instruction. It's not a trivial matter, so I presume it was recorded in writing somewhere.

Mr McCann: I'll take that on notice.

Mr HILL: Thanks. Can you confirm that it was the minister or her office that would only approve the guidelines on the basis the minister was the decision-maker, so it didn't come from the minister?

Mr McCann: I can't confirm that. I'd have to take that on notice, exactly—

Answer:

An email from the Department of Health to Sport Australia on 25 May 2018 and a subsequent email from the Department on 7 June 2018 indicated the Minister intended to be the approver. This was confirmed by the former Minister's office in a conversation with Sport Australia in July 2018.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-0000562

Question Number: 18

Question: Number of staff who work on the program?

Type of Questions: Hansard Page 25, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: How many staff within Sport Australia had a role in the administration of this program across its duration from development to delivery of funds?

Mr McCann: I'd have to take the specifics on notice, but there wouldn't be any more than a dozen.

Answer:

The average staffing level (ASL) involved in the administration of the program from development to delivery of funds is estimated to be nine staff.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000541

Type of Question: Written

Questioner: Julian Hill MP

Question:

Former Sport Australia CEO Kate Palmer gave evidence to Senate Estimates on April 5 and 10 but on May 15 wrote to the Community Affairs Committee to correct that evidence, revealing that:

“some projects from the pool of eligible applications that were preferred by the Minister were approved by her”

- a. Who within Sport Australia was aware of the extent to which the Minister had approved her own preferred projects before the former CEO wrote to the committee on 15 May?
- b. At what point did anyone outside of the assessment team and the division dealing with this grants program become aware of the extent to which Sport Australia's merit assessments and recommendations were being ignored by the Minister?
- c. When did you (Acting CEO Rob Dalton, Chairman John Wylie or other current officials) become aware that the majority of grants were not being awarded to projects the assessment team had rated highly and recommended for funding?

Answer:

- a. Staff from the Community Sport Infrastructure (CSI) team, grant management team, the team responsible for processing Ministerial documents, the former CEO, members of the Finance, Audit and Risk (FAR) Sub-Committee and the ASC Board.
- b. Staff outside the CSI team became aware of the former Minister making changes to Sport Australia's recommendations when concerns were raised with the Minister's Office in December 2018.
- c. In his role as an independent member of the FAR Sub-Committee, Mr Dalton was informed at the Committee's meeting in December 2018. Mr Wylie became aware in December 2018 through conversations with the former CEO and FAR Sub-

Committee. Other current officials became aware as they were required to be involved in the ANAO audit from March 2019.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000540

Type of Question: Written

Questioner: Julian Hill MP

Question:

The ANAO report and media reports since have made it clear that Sport Australia staff, including senior officials, had concerns about the way this program was being handled by the Minister's office.

- a. Did Sport Australia seek any advice, including but not limited to legal advice, when concerns were first raised while the program guidelines were being developed?
- b. What advice did Sport Australia seek and what was that advice?

Answer:

As referenced in Sport Australia's response to IQ20-000009 (Question Number 11) from the Senate Select Committee on Administration of Sports Grants, there was an internal discussion regarding the *Australian Sports Commission Act 1989* and the view that it enabled Sport Australia to deliver all elements of the CSI Program.

As such, Sport Australia did not raise any concerns about the program while the program guidelines were being developed, but did seek input from the Department at this point. The Department indicated that the former Minister wanted to have a role in approving the grants.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000542

Type of Questions: Written

Questioner: Lucy Wicks MP

Question:

Questions regarding grant program design

Sports Commission: The Auditor-General found there was insufficient analysis conducted by the Sports Commission into the likely demand for grant funding, which could have been mitigated by various strategies.

- a. Can you please provide an update on how the Sports Commission is seeking to implement the ANAO's recommendation on identifying strategies to manage high expected levels of demand for grant funding?
- b. Have you had the opportunity to put any of these strategies in place in recent grant programs?

Answer:

Strategies that Sport Australia is committed to considering for future applications-based grant programs include:

- limiting applicants to one application;
- where relevant, undertaking additional research to better understand the experience of other national organisations running similar programs;
- where relevant, ensuring alignment with similar State-based grant programs and sharing the learnings and analytics from the CSIG program;
- ensuring eligibility criteria is clearly defined;
- defining the selection criteria to ensure a more targeted approach

Sport Australia has commenced instigating the strategies mentioned above in the planning and design stage in all recent grant programs.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000559

Question Number: 15

Question: Did SA receive comms from MO insisting Minister be final approver?

Type of Questions: Hansard Page 22, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: We've asked for a fairly broad range of information about the process of the program design and assessment-making and decision-making processes, so presumably something would come to light as part of that. Did Sport Australia, at any time, receive any communication from the minister's office, either directly or via the Department of Health, that indicated the minister's office was insistent the minister would be the final approver? You've taken that on notice.

Mr McCann: Our understanding is that we were aware, so I would have to take specifically how that was communicated on notice.

Answer:

An email from the Department of Health to Sport Australia on 25 May 2018 and a subsequent email from the Department on 7 June 2018 indicated the Minister intended to be the approver. This was confirmed by the former Minister's office in a conversation with Sport Australia in July 2018.

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QUESTION ON NOTICE

Sport Australia

PDR Number: IQ20-000558

Question Number: 14

Question: Who drafted 8.1 of grant guidelines?

Type of Questions: Hansard Page 22, 3 July 2020

Questioner: Julian Hill MP

Question:

Mr HILL: Who drafted part 8.1 of the program guidelines? Was it Sport Australia or the minister's office?

Mr McCann: I would have to take that on notice. I'm not sure if we could even answer that question, to be honest, who specifically drafted it, but we will endeavour to find out.

Answer:

The first version of the program guidelines was provided to Sport Australia by the Department of Health. The Department's correspondence to Sport Australia notes this version was based on a template from the Department of Finance. It includes a section about who would give final approval for the grants, which provided a basis for section 8.1 in the final version of the guidelines.

Building on this template, Sport Australia progressed development of the program guidelines in consultation with the Department and the former Minister's office until the guidelines were finalised. During this process, the section about final approval of the grants was edited numerous times.