

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012

Question: E12-057

OUTCOME 0: Whole of Portfolio

Topic: CORPORATE

Type of Question: Written Question on Notice

Number of pages: 2

Senator: Senator Siewert

Question:

- a) How many funding agreements were issued by your department in the FY 2011/12?
- b) What was the total value of the grants provided?
- c) How many of those funding agreements were provided to the same entity on more than occasion in that period?
- d) Of the total number of funding agreements with NFP entities - how many required the grants to be acquitted with an audited financial statement?
- e) What factor or factors are used to determine whether a particular grant requires a financial acquittal with an audited financial statement?
- f) In relation to these grants how much money is spent on audited financial statements?
- g) Does a grant that has been acquitted with an audited financial statement improve the quality of the outcomes sought from the grant? If so, how?
- h) Are grant recipients expected to bear the cost of compliance and reporting obligations or are these provided for in the grant?
- i) There are a range of compliance and reporting obligations stipulated in funding agreements used to monitor the delivery of outcomes from a grant. Has your department costed those obligations and if so what inputs are included in the calculation?
- j) Is there an Act or regulation that the Department could cite that states the requirement to acquit a government grant using an audited financial statement?
- k) The EM to the ACNC Bill (p4) states that the Bill establishes a new regulatory framework for the sector. It also states that the sector's new regulatory system will establish a 'report-once, use-often' reporting framework. What work has been done in the Department to enable sharing of corporate/governance information between it and the ACNC?
- l) Given the Department's relationship to the sector via its grants process, what actions has the Department taken to introduce a 'report-once, use-often' framework for information collected from NFP entities in relation to the application for, reporting on and acquittal of grants?

Answer:

- a) 3,955.
- b) \$6.90 billion.
- c) A listing of the Department of Health and Ageing's grants, including ad hoc and one-off grants, for 2011-12, is publicly available on the Department's Internet site <http://health.gov.au/internet/main/publishing.nsf/Content/pfps-grantsreporting>.
- d) The Department is unable to provide this level of information as the considerable work involved would require a significant diversion of resources.
- e) Currently this is decided on a program by program basis. The Department is developing a cross-program risk framework that will more consistently identify when an audited financial statement is required.
- f) The Department is unable to provide this level of information as the considerable work involved would require a significant diversion of resources.
- g) General Purpose Financial Statements support the Department's assessment of the financial viability of a recipient and the recipient's financial capability to deliver future program outcomes.
- h) The cost of compliance and reporting may be captured in the administrative component of grant funding. This is determined on a grant by grant basis.
- i) No.
- j) No.
- k) In future, when it is available, the Department will draw available data from the Australian Charities and Not-For-Profit Taskforce. This has already been discussed with the Not-For Profit (NFC) Reform Council.
- l) The Department is moving to a single Enterprise Standard Funding Agreement now agreed following consultation with the NFP sector, which will use a single header agreement for multiple programs and grants.