Department of **Biodiversity, Conservation and Attractions**

GOVERNMENT OF WESTERN AUSTRALIA

BOTANIC GARDENS & PARKS AUTHORITY

ROTTNEST IS

SWAN RIVER TRUST

Perth Zoo
SAVING WILDLIFE

CORPORATE POLICY STATEMENT NO. 24

GRANT ADMINISTRATION

March 2023

1. OBJECTIVE

To ensure grants are administered using open, consistent and equitable processes and that this is achieved with the effective and efficient use of public resources.

2. SCOPE

This policy applies to all staff of the Department of Biodiversity, Conservation and Attractions (the department), including the statutory authorities of the Botanic Gardens and Parks Authority, Rottnest Island Authority and Zoological Parks Authority. It supports the *Western Australian Grants Administration Guidelines 2022,* which provide a principle-based guide for Western Australian Government agencies administering grants (see section 3. Context). This policy is consistent with the guidelines and provides direction to staff regarding grant administration processes covering all steps in the lifecycle of grants. This will help ensure a consistent and robust approach to awarding and subsequently administering grants. This policy also contains information and direction regarding the use of online grant management systems.

To assist in determining when it is appropriate to grant funds, departmental staff should consider the [DBCA funding arrangements table](#).

Definition of a grant

A grant is a means by which governments offer targeted financial assistance to individuals and organisations to help facilitate policy outcomes. A grant is a payment of public money or the transfer of a good/s to individuals or entities (non-government, community organisation, or a public sector entity) for a particular, stated purpose or project, often linked to a government's policy outcome, either by instalment or lump sum.

For the purposes of this policy the following are not considered to be grants:

a) the procurement of goods, services and works, as per the *Procurement Act 2020*;

b) an Act of grace (ex gratia) payment;

c) a payment of compensation relating to defective administration, employment compensation, or for a purpose established by legislation;

d) a payment to a person of a benefit or entitlement established by legislation;

e) a tax concession or offset;

f) an investment or loan, whether repayable or not;

g) a gift of public property;

h) a reimbursement of expenses for property or services, whether evidence of expenditure is supplied or not;

i)   a service agreement where the department is providing a service to another party for a fee;

j)   sponsorship where funding or goods, or in-kind support for an event, program or project is provided in return for advertising or marketing, or promoting a brand, name, good or service; or

k)   contribution to a research project as a partner.

This policy does not cover the annual transfer (granting) of appropriation funding to the Botanic Gardens and Parks Authority, Rottnest Island Authority or the Zoological Parks Authority.

Types of grants and significance:

The department administers four types of grants:

1.   Open competitive programs

These grants involve funding rounds that have specified opening and closing dates, with eligible applications being assessed competitively against the nominated selection criteria.

2.   Non-competitive programs

Involve grant applications that may be submitted at any time over the life of the grant program and are assessed individually against the selection criteria. Funding decisions in relation to each application are determined without reference to the comparative merits of other applications.

3.   Closed non-competitive programs

These grants are where applicants are invited by the department to submit applications for a particular grant and the applications or proposals are not assessed or ranked but reviewed individually against criteria.

4.   Direct approach or one-off grants

These grants are determined on an ad hoc basis, and usually by Ministerial decision. They generally do not involve a planned selection process but are instead designed to meet a specific need.

Significance

Matters that may be considered in determining whether a grant is significant include financial size, complexity, contentiousness, major or possible ongoing obligations and the grant recipient or grant provider.

Receipt of grants

While this policy is focused on the administration of grants, it is important that the department also has robust processes in place regarding the receipt of grants. In this regard, the department will only apply for grants that support the delivery of its statutory functions and Government policy initiatives (e.g. election commitments). Staff are required to undertake due diligence, and consider possible risks associated with applying for and receiving grant funding. This may include legal liability; actual, perceived or potential conflicts of interest; ethical issues; and adverse Government exposure. Grant applications should be approved by the relevant Executive Director, or delegate, prior to development and submission. For significant grants, staff are to develop a Risk Management Plan for applying and receiving grants (consistent with *Corporate Policy Statement No. 56: Risk*

Management) or for RIA the *Rottnest Island Authority Risk Management Policy*. Risk management plans must be approved by the relevant Executive Director.

The department will not enter a grant agreement that:

- imposes conditions that would limit, or appear to limit, the department's ability to carry out its functions fully and impartially;
- involves the receipt of grant monies from people or organisations which are, or may become subject to, regulation or inspection by the department during the life of the agreement;
- involves explicit endorsement of the grant donor's products; or
- affords departmental staff, a personal benefit from the grant.

3. CONTEXT

Each year the department provides grants to a wide range of stakeholders for the benefit of all Western Australians, and enabling:

- increased awareness and delivery of conservation, social and community services, cultural heritage, tourism and recreation activities, and science and research;
- expanded opportunities for businesses; and
- expanded opportunities in regional and remote Western Australia.

4. LEGISLATION

The legislation listed below is relevant to this policy:

- *Biodiversity Conservation Act 2016*
- *Botanic Gardens and Parks Authority Act 1998*
- *Conservation and Land Management Act 1984*
- *Financial Management Act 1992*
- *Freedom of Information Act 1992*
- *Public Sector Management Act 1994*
- *Rottnest Island Authority Act 1987*
- *Swan and Canning Rivers Management Act 2006*
- *Zoological Parks Authority Act 2001.*

5. POLICY

The *Western Australian Grants Administration Guidelines 2022* provide principles for the administration of grants. The department will apply those principles to:

5.1 Robust planning and design
Ensure high quality planning and design underpins the development of any new grant program.

5.2 Probity and transparency
Maintain probity in grant administration and uphold and comply with the WA Public Sector Code of Ethics and the department's codes of conduct. Ethical decision-making will be practised based on the department's values. Grants programs will be transparent and open to scrutiny and delivered in accordance with legislative and policy requirements.

5.3 Collaboration

Promote collaboration and equitable access to grants. Consider the possible interaction a particular grant program may have on other Government or non-government funded activities, particularly where there are similar policy outcomes, and maintain clear communication between all stakeholders.

5.4 Outcomes orientation

Adopt an outcome focused approach, where outcomes and outputs for beneficiaries and the Government/department are maximised, while seeking the most efficient and effective use of inputs.

5.5 Value for money

Achieve value for money in both the delivery and administration of grants.

5.6 Governance and accountability

Manage grant administration through strong governance structures and clear accountability.

5.7 Evaluation and improvement

Establish robust, active performance management, that includes regular reviews and adjustments to grant programs to determine whether to continue, discontinue or amend programs.

5.8 Proportionality

Ensure there is an appropriate balance between the complexity, risks, outcomes and transparency in grant administration, considering the size and significance of the grant and the recipient's capability to effectively acquit the funds.

6. STANDARDS

The following documents provide direction and standards, including expectations regarding staff behaviour in regard to grant administration:

- Western Australian Grants Administration Guidelines 2022
- Treasurer's Instructions 825 - Risk Management and Security
- Treasurer's Instructions 805 - Operating Accounts for Departments and Sub Departments
- State Supply Commission's Open and Effective Competition Policy
- AS/NZS ISO 31000:2018 Risk management: Principles and Guidelines
- The Department of Biodiversity, Conservation and Attractions' (DBCA) Financial Management Manual (May 2022)
- Rottnest Island Authority Financial Management Manual 2023
- DBCA's Code of Conduct
- DBCA's Strategic Directions 2022-25.

7. POLICY IMPLEMENTATION STRATEGIES

Grant administration typically consists of 10 steps, from authorisation, through to design and development, award, acquittal and program evaluation. The lifecycle steps may differ depending on the type of grant. These steps are outlined below for each grant type at Appendix 1.

In administering grants, the department will:

7.1 Authorisation

7.1.1 Ensure all grants and grant programs have an approved budget allocation. This is a prerequisite for seeking Ministerial or delegated approval to establish the grant or grant program (see below). As a matter of good practice, an approved budget allocation for significant grants and grant programs should be confirmed in writing with the relevant Chief Financial Officer.

7.1.2 Ensure all new grants and grant programs have Ministerial approval unless delegated approval has been provided to the Director General, Deputy Director General or relevant Executive Director consistent with *Corporate Policy Statement No. 23: Delegations and Authorisations*.

7.1.3 Consult the department's General Legal Counsel regarding contentious or significant legal issues.

7.2 Planning and design

7.2.1 Following Ministerial or delegated approval, develop a Grant Program Guide that provides clear direction and sets the parameters of the grant or grant program including:

- the purpose;
- objectives;
- type of grant;
- funding and eligibility requirements;
- application processes;
- assessment guidelines;
- formation of a selection panel;
- decision-making and appeal processes;
- notification;
- contract arrangements;
- payment;
- reporting;
- monitoring;
- acquittal; and
- evaluation for all new grant programs.

The program guide will vary in size and detail, depending on the value and complexity of the grant program. The guide is to be approved by the relevant Minister (Environment or Tourism) or the delegated authority.

A template has been developed to assist with the preparation of a Grant Program Guide.

7.2.2 Use an online, cloud-based grant management system to administer significant grants or grant programs. Over the term of this policy the department will transition all grants programs to an online cloud-based system.

During the transition, where a grant program is being run by a paper-based process, the following matters must be addressed:

- all copies of grant program information (e.g. guidelines, application form) must be available online (on the department's website), and available in hard copy

at the relevant department office to maximise accessibility for all potential applicants;

- a secure storage container or registration mechanism must be set up at the appropriate department office to receive applications. It is usually appropriate for a receipt to be provided to the applicant on lodgement of the application by staff at the appropriate office;
- a register of applicants must be kept; and
- a grant management process must be established upfront (e.g. work processes to systemise reporting, monitoring, approvals, payments etc.).

7.2.3   Use the department's endorsed record keeping systems (online and/or paper based) to capture the grant administration processes.

7.3   Engagement and program launch

7.3.1   Document any proposed advertising and targeted engagement with stakeholders to promote the grants program and ensure an eligible pool of applicants. This helps ensure competition for funding and value for money. Contact should be made with Public Information and Corporate Affairs and the relevant Executive Director to ensure the market is effectively identified and targeted. This step is not required if the grant type is a direct approach or one-off, as proposed recipients will have already been identified.

7.3.2   Determine if the Minister (Environment or Tourism) is to be involved in the program launch, at the earliest convenience, by way of briefing note via the department's Ministerial Liaison Unit.

7.4   Assessment

7.4.1   As part of the Grant Program Guide, prepare comprehensive assessment guidelines to ensure the assessment of grants includes robust processes for assessing eligibility for, and prioritising of funding. Effective assessment criteria are required to ensure a fair and transparent assessment process. The assessment stage identifies recommended applicants and any special conditions that may need to be applied to manage them appropriately through the grant lifecycle.

Importantly, if the grant type is closed non-competitive, then a typical weighted criterion assessment of the applicant/s is not required to be undertaken to award grants, however, an individual review against the grant criteria will be required. For or direct approach or one-off grants, a review of the viability of the proposed recipient project is to be undertaken against the objectives of the grant, and may include consideration of value for money, the department's objectives, and relevant timeframes.

7.4.2   Ensure staff assessing and administering grants are trained in accountable and ethical decision-making, aware of probity requirements, and appropriately address any perceived, potential and actual conflicts of interest.

7.4.3   Maintain records of grant assessments, including documenting the reasons for decisions. Staff assessing and administering grants must undertake appropriate due diligence on applicants and keep evidence of verifying application information. Due diligence may involve the preparation of a risk management plan.

7.5   Approvals

7.5.1   Ensure there is appropriate separation of roles for staff involved in assessing and approving grants and grants programs.

7.5.2   Provide the Minister (Environment or Tourism) or delegated authority (Director General, Deputy Director General or relevant Executive Director) with sufficient information on the assessment process and recommended applicants for a decision to be made on approving or declining a grant.

7.6   Notification

7.6.1   Notify the successful grant applicant/s by a formal letter from the Minister (Environment or Tourism) or delegated authority. Unsuccessful applicants are also to be notified, and the department must clearly document reasons for why unsuccessful applicants did not receive a grant.

7.6.2   Where appropriate, prepare a media statement or other form of public communication to publicise the grant scheme and successful grant applicant/s. Staff should check with the relevant Executive Director and Public Information and Corporate Affairs, or, where applicable the relevant statutory authority's media section, to determine whether a media statement is required. This would likely be for grant programs, which were launched by the Minister. Public Information and Corporate Affairs is responsible for drafting the media statement in collaboration with the relevant work area. All media statements and other communications must be consistent with *Corporate Policy Statement No. 74: Media Relations* and associated corporate guidelines, or equivalent statutory authority board-approved media policies and procedures. Typically, media statements associated with grants are associated with open competitive and non-competitive processes.

7.7   Award

7.7.1   Ensure a grant agreement is executed to award the grant. All successful applicants will be required to enter into an agreement with the department to receive funding to deliver a program or project. The grant agreement, which is to be agreed upon between the department and the successful recipient, should use one of the department's grant agreement templates. The department has two grant agreement templates – a Standard Grant Agreement template and Small Grant Agreement template – which have been developed to assist with preparing grant agreements. Typically, a small grant agreement is to be used for grants valued below $10,000, while a standard agreement is used for larger and significant grants.

    If the grant is collaborative in nature and exercised under the provisions of the *Swan and Canning Rivers Management Act 2006*, then a collaborative arrangement can be entered in lieu of a standard or small grant agreement.

7.7.2   Consult with the department's General Legal Counsel prior to executing standard grant agreement, where there has been a significant departure from the grant templates and discussion has occurred with the relevant Manager and Executive Director.

7.7.3   Ensure all grant agreements are executed by an appropriately delegated officer, in line with the department's delegations and authorisations.

7.8   Performance monitoring

7.8.1   Monitor the progress of activities in conjunction with the recipient, to help ensure the delivery of the agreed grant objectives.

7.8.2   Report on progress to the Minister (Environment or Tourism) or the delegated authority against performance measures and deliverables, as this will enable:

- the building of relationships between the department and the recipient;
- progress to be monitored and interventions introduced (if required);
- reporting on deliverables and other outcomes;
- grant agreements to be varied (if required) recognising external or third-party factors; and
- progress and final payments to be made.

7.8.3   Report to the Department of Treasury on grants consistent with 'Part Three – Financial Reporting' of the department's *Financial Management Manual* (May 2022) or for RIA the *Rottnest Island Authority Financial Management Manual* (2023).

7.8.4   Ensure grant payments are approved by an appropriately delegated officer, in line with the department's delegations and authorisations.

7.9   Grant acquittal

7.9.1   For all grants, follow an appropriate acquittal process with recipients to demonstrate that the grant monies or goods were used for the approved purpose.

7.9.2   All grants require a final report to be completed by the recipient, as per the conditions of the grant agreement. The acceptance of the final report acquits the recipient of their obligations under that grant agreement.

Ｔhe final report is to include the reporting on grant funding expenditure and project outcomes. The parameters of these reports can be adjusted based on the amount of funding, capability and capacity of the recipient. The department will use the final reports to ascertain whether the project reflects value for money. An audited grant acquittal may be required for significant grants.

7.10   Program evaluation

7.10.1   Periodically assess the relevance and effectiveness of grants and grant programs. The evaluation of a grant program is to be performed by persons independent of the immediate line manager of the program.

Program evaluation can mean reviewing the success of the whole grant program, or an individual project where that project is considered significant. Evaluation can occur at any stage of the program delivery, including at a mid-point in order to determine if any changes need to be made. If undertaken at the end of the program it should investigate not only the program outcomes achieved by the sum of all the projects (the 'what'), but also the management and delivery processes (the 'how'). As a result of the evaluation, the department can confirm or modify the program's goals, design or management system.

7.11 Resourcing

7.11.1 Allocate time of a full-time employee to support the implementation of this policy.

8. CUSTODIAN

Executive Director Corporate and Business Services.

9. PUBLICATION

This policy will be made available on the department's intranet.

10. KEY WORDS

Grants, Grant Administration.

11. REVIEW

This policy will be reviewed no later than five years from date of approval. An informal evaluation will also be undertaken as soon as practicable after 12 months.

12. APPROVAL

Approved by

Peter Dans
ACTING DIRECTOR GENERAL
ACTING CHIEF EXECUTIVE OFFICER   Date: 22 March 2023

Lifecycle stages for each grant type

Lifecycle Stages	Grant Type			
	Competitive Program	Non-competitive Program	Closed non-competitive Program	Direct approach or one-off
1. Authorisation	✓	✓	✓	✓
2. Planning and design	✓	✓	✓	✕
3. Engagement and program launch	✓	✓	✓	✕
4. Assessment	✓	✓	✓	✕
5. Approving the successful applicant/s	✓	✓	✓	✓
6. Notification	✓	✓	✓	✓
7. Award	✓	✓	✓	✓
8. Performance monitoring	✓	✓	✓	✓
9. Grant acquittal	✓	✓	✓	✓
10. Program evaluation	✓	✓	✓	✓