



**To: Minister Colbeck**  
**Subject: Female Facilities and Water Safety Stream (FFWSS) Program – unallocated funding**  
**Critical date: 7 May 2020**

**Recommendations:**

- |  |  |
|--|--|
| <p><b>1. Note</b> there is \$18.3 million unallocated within the FFWSS Program (2019-20 \$11.95 million, 2020-21 \$5.36 million, 2021-22 \$1 million).</p>   | <p><b>1. Noted/Pls Discuss</b></p>             |
| <p><b>2. Agree</b> to seek to reprofile the FFWSS program during the 2020-21 Budget process to facilitate an open competitive funding round in 2020-21. Funding from this round would be granted equally over two years.</p> | <p><b>2. Agreed / Not Agreed / Discuss</b></p> |

**Alternatively**

- |   |   |
|---|---|
| <p><b>3. Agree</b> to transfer the unallocated FFWSS Program funding to the Australian Sports Commission for specific sport activities.</p> | <p><b>3. Agreed / Not Agreed/ Discuss</b></p> |
|---|---|

Signature .....

Date: / /

**Media Release required? NO**

**Comments:**

Contact Officer:	<i>Lara Musgrave</i>	<i>A/g First Assistant Secretary, Population Health and Sport Division</i>	Ph: (02) 6289 9696 s 22
Clearance Officer:	<i>Lisa Studdert</i>	<i>Deputy Secretary, Population Health, Sport, Cancer and Health Workforce Group</i>	Ph: (02) 6289 4003 s 22

THIS DOCUMENT HAS BEEN RELEASED UNDER THE FREEDOM OF INFORMATION ACT 1982 (C'TH) BY THE DEPARTMENT OF HEALTH

**Issues:**

1. The FFWSS Program was announced in the 2019-20 Budget with funding of \$150 million over four years. On 30 March 2019, the Prime Minister announced that this investment would fund female change rooms, facility upgrades and swimming pools across the country. The Government allocated funding for 41 projects with a total value of \$131.70 million as part of the 2019 election commitments. The sum of the individual project funding profiles reflected in the project agreements has resulted in there being \$18.3 million of unallocated funding under the FFWSS Program split as reflected below. Your approval is sought on how these funds should be utilised.
  
2. The current phasing of FFWSS funding and allocation is below, as is the proposed reprofiling:

	2019-20	2020-21	2021-22	2022-23	Total
<b>Funding Allocation</b>	\$20,000,000	\$40,000,000	\$40,000,000	\$50,000,000	<b>\$150,000,000</b>
<b>Project Allocation</b>	\$8,055,000	\$34,645,000	\$39,000,000	\$50,000,000	<b>\$131,700,000 ex GST</b>
<b>Unallocated Funding</b>	\$11,945,000	\$5,355,000	\$1,000,000	\$0	<b>\$18,300,000.00 ex GST</b>
<b>Proposed Profile for Unallocated Funding</b>	-	\$9,150,000	\$9,150,000	-	<b>\$18,300,000.00 ex GST</b>
<b>Proposed Total Funding Allocation</b>	\$8,055,000	\$43,795,000	\$48,150,000	\$50,000,000	<b>\$150,000,000 ex GST</b>

**Utilisation of Funding**

3. The majority of funding available for reallocation is in 2019-20 and 2020-21. Two options for the remaining \$18.3 million in unallocated funding are:
  - a. **Reprofile** the program funding during the 2020-21 Budget process to facilitate a funding round in 2020-21, with funding granted equally over two years. In this instance:

**OFFICIAL**

- i. The Commonwealth Grant Rules and Guidelines state that grants can take a variety of forms, including payments made as a result of competitive or non-competitive processes.
    - ii. The projects announced as 2019 election commitments under the FFWSS program used a *closed non-competitive* grant approach. There is merit in considering a different approach (as outlined below) for future grants.
  - b. **Transfer** the unallocated funds to Sport Australia for projects consistent with the program guidelines or for general sport related activities.
4. The Prime Minister delegated to you, in his letter of 4 December 2019 (MS19-020584), responsibility for the management of the election commitments and determination of new projects using unallocated funds, in consultation with his office.

**Future funding rounds and the selection approach**

5. Projects selected under future FFWSS Program funding rounds cannot be classed as election commitments. This provides the Government with the opportunity to change how it selects projects going forward.
6. There are four options for the selection of any new FFWSS Program projects:
  - A. *Closed non-competitive* - organisations are identified first, invited to submit applications and assessed against criteria.
  - B. *Open competitive grants* - open to eligible organisations and applicants are assessed against program criteria and each other.
  - C. *Targeted competitive* - issued to a select group of organisations within a defined period and applicants are assessed against program criteria and each other.
  - D. *Open non-competitive* – open to eligible organisations and assessed against a defined criteria.
7. Although the election commitments were identified using *closed non-competitive*, it is recommended you adopt an *open competitive* process for any future round to maximise transparency. The risk of the program being oversubscribed and criticism from the community can be mitigated through the design of the program to reduce the number of applicants and projects.
8. Should you agree to the approach of using an open competitive round, there will need to be new Grant Opportunity Guidelines developed and published. The Department would also need to seek Australian Government Solicitor (AGS) advice on the constitutional and legislative risk ratings. This advice would be provided to you, along with advice on the next steps to progress a competitive process.
9. The Minister for Finance may need to consider the program's risk assessment and the guidelines for the grants. The risk rating will encompass issues such as the delivery complexity, value, reputational risk to Government, as well as the AGS agreed constitutional risk rating.

**Relevance to Election Commitments / Budget Measures:**

The Program was announced in the 2019-20 Budget with funding of \$150 million over 4 years.

**Sensitivities:**

There has been significant media attention regarding the administration of the FFWSS Program, and in particular the selection of the projects.

While moving to an open competitive process will provide more transparency, there may be criticism of the Government for having two different selection processes for one program, and reignite criticism for not using an open process for the first group of selected projects.

**Consultations:**

The Department's Office for Sport and Health Grants and Network Division. Your Office was also consulted on the options within this brief.

**Communication/Media Activities:**

There has been much media attention on sports related grants prior to the escalation of COVID-19.

THIS DOCUMENT HAS BEEN RELEASED UNDER  
THE FREEDOM OF INFORMATION ACT 1982 (C7H)  
BY THE DEPARTMENT OF HEALTH

**Cover Page for Ministers' Offices  
-Do Not Delete-**

<b>PDR No:</b>	<b>MS20-000445</b>
<b>Subject:</b>	Female Facilities and Water Safety Stream (FFWSS) Program – unallocated funding
<b>Division</b>	Population Health and Sport
<b>MO Action Date</b>	<b>7 May 2020</b>

THIS DOCUMENT HAS BEEN RELEASED UNDER  
THE FREEDOM OF INFORMATION ACT 1982 (C7H)  
BY THE DEPARTMENT OF HEALTH