



To: Minister Colbeck

cc: Minister Hunt

Subject: COMMITMENT APPROVAL FOR GRANTS OVER \$2 MILLION FOR THE FEMALE FACILITIES AND WATER SAFETY STREAM PROGRAM

Critical date: N/A

**Recommendation/s:**

- |   |   |
|---|---|
| 1. Approve the commitment of \$118.000 million for 12 grants under the Female Facilities and Water Safety Stream (FFWSS) Program commencing in 2020-21 at <u>Attachment A</u> .   | 1. Approved/Not approved/Please discuss |
| 2. Agree the Department can offer grant agreements to deliver on projects approved at <u>Attachment A</u> .   | 2. Agreed/Not agreed/Please discuss     |
| 3. Note this submission is seeking approval for 12 FFWSS grants that are over \$2 million each, but not for total funding through the FFWSS.  | 3. Noted                                |
| 4. Note the Department is implementing decisions taken in the 2019-20 Budget for a closed, non-competitive grant opportunity process to specified organisations.  | 4. Noted                                |
| 5. Note the process the Department is undertaking to develop funding arrangements, in accordance with the Commonwealth Grant Rules and Guidelines (CGRGs) and the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act). | 5. Noted                                |

Signature .....

Date:     /     /

Media Release required? YES/ NO

Comments:

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**Issues:**

1. The Australian Government established the Female Facilities and Water Safety Stream (FFWSS) Program to improve opportunities for women and girls to play sport and be physically active through access to female change rooms; and to increase access to swimming facilities and safety programs in regional communities. The FFWSS Program is not a competitive grants program.
2. Your approval is sought for the commitment of \$118.000 million for 12 grants over three years (2020-21 to 2022-23) under the FFWSS, as outlined in the assessment summary at **Attachment A**. GST is not applicable to these grants.
3. If approved, the Department will have the ability to effect variations to the grants which are not significant in nature (such as minor changes to the grant value or project scope or parameters), subject to the funded activities continuing to promote the program outcomes.
4. If approved, the Department will offer grant agreements for a range of activities benefiting local communities including, the construction or redevelopment of:
  - a. swimming pools;
  - b. universally accessible toilet and change room facilities;
  - c. multipurpose sport and recreation facilities; and
  - d. accompanying general amenities.
5. There are three projects in **Attachment A** where risks have been identified:
  - a. The local councils (or equivalents) are undertaking reviews or feasibility studies (reviews) of these projects to ensure the proposed expenditure will meet the intended outcomes for the program, including determining the level of need in the community for these facilities.
  - b. Following the completion of these reviews, the Department will work with the relevant local funding recipients to agree milestones and funding for these projects.
  - c. The Department recommends scheduling the first payments for these projects (totalling \$9 million of 2020-21 funding) to later in 2020-21 to allow time for the reviews to be completed and any issues to be resolved.
  - d. The Department will continue to work with the funding recipients to progress these projects and will come back to you with further recommendations later in 2020-21 should any issues not be resolved.
6. There is one grant which the department has assessed there is a significant risk. The City of Wanneroo, Northern Suburbs Aquatic Facility project will not commence until 2026-27 which is four years after the program funding is finished.
  - a. The Department has been informed that construction of the new aquatic facility in the City of Wanneroo will commence in 2026-27.
  - b. The new Northern Suburbs Aquatic Facility is planned for a future suburb within the City of Wanneroo, which is still in the planning stage.
  - c. Precise details of the construction are still to be determined, pending finalisation of a feasibility study and completion of planning for the new suburb.
  - d. The Department recommends that funding not commence until late 2022-23 to allow time for the review to be completed and the council to provide the Department with an appropriate proposal for the funding.
  - e. Additionally, if the Department proceeds with a grant it is proposed to stipulate in the grant agreement, that the City of Wanneroo will be required to hold the funding in a special account with all interest earned retained for the specified project.

**Background:**

The Australian Government established the Female Facilities and Water Safety Stream (FFWSS) Program to improve opportunities for women and girls to play sport and be physically active through access to female change rooms; and to increase access to swimming facilities and safety programs in regional communities. The FFWSS Program is not a competitive grants program.

Through election commitments, 12 organisations were announced as recipients of funding under the FFWSS for grants over \$2 million to:

- construct and/or upgrade facilities that are functional and include female change rooms and amenities;
- reduce drownings through repair and/or construction of safety fences at swimming facilities; and
- increase access to learn to swim programs through the construction of new swimming facilities.

The Prime Minister wrote to you on 22 August 2019, regarding the transfer of responsibility and associated administered funding for the FFWSS program from the Infrastructure portfolio to the Health portfolio.

In September 2019 you approved expenditure of up to \$150 million (GST exclusive) over four years from 2019-20 for the FFWSS program. MS19-900215 refers.

Separate to this submission, 29 FFWSS grants less than \$2 million each are being offered and executed in partnership between the Health Grants and Network Division and the Office for Sports.

*Spending and Grant Rules*

The Department advised you in September 2019 (MS19-900215 refers) that it will not be seeking advice on the constitutional risk rating from the Australian Government Solicitor (AGS) for the FFWSS program. As the Government made the decision on the allocation of grants and the Department is implementing the decision, it was decided to not seek formal AGS advice on the constitutional risk rating and legislative authority.

In accordance with section 71 of the PGPA Act, in order to approve the grants you must be satisfied (after making reasonable inquiries) the expenditure is a proper use of relevant money.

Each proposal was assessed against the Grant Opportunity Guidelines (GOGs) as part of a value for money assessment. Outcomes are identified in **Attachment A** that seeks your approval to the assessment.

Further information, including your Ministerial obligations under the PGPA Act, is provided at **Attachment B**.

**Attachments:**

**A:** Summary assessment for 12 FFWSS grants

**B:** Mandatory Grant Rules and Guidelines and Other Requirements

**Budget/Financial Implications:**

FFWSS - Allocation Table (GST exclusive)	2019-20 (\$m)	2020-21 (\$m)	2021-22 (\$m)	2022-23 (\$m)	Total (\$m)
Allocation (as at Budget 2019-20)	20.000	40.000	40.000	50.000	150.000
Previous approved grants already committed ( <i>less than \$2m each</i> )	8.055	5.645	-	-	13.700
Submissions pending Minister approval ( <i>this request</i> )	-	29.000	39.000	50.000	118.000
<i>Subtotal</i>	<i>8.055</i>	<i>34.645</i>	<i>39.000</i>	<i>50.000</i>	<i>131.700</i>
<b>Unallocated funding*</b>	<b>11.945</b>	<b>5.355</b>	<b>1.000</b>	<b>-</b>	<b>18.300</b>

\*The issue of unallocated FFWSS funding was raised separately to you in MS20-000445.

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

The FFWSS was announced in the 2019-20 Budget with funding of \$150 million over four years from 2019-20.

**Sensitivities:**

There has been significant media attention regarding the administration of the FFWSS and in particular the selection of these projects. The need for additional information from project proponents, or to negotiate details of more complex projects, may delay offering formal grant agreements. This will be managed as needed on a case-by-case basis.

**Consultations:**

Consultation with the Health Grants and Network Division, Financial Management Division and the Office for Sports have been undertaken and will continue as required.

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THE FREEDOM OF INFORMATION ACT (FOIA) /  
BY THE DEPARTMENT OF HEALTH (CTH)

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<b>PDR No:</b>	MS20-000488
<b>Subject:</b>	COMMITMENT APPROVAL FOR GRANTS OVER \$2 MILLION FOR THE FEMALE FACILITIES AND WATER SAFETY STREAM PROGRAM
<b>Division</b>	Portfolio Strategies
<b>MO Action Date</b>	N/A

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BY THE DEPARTMENT OF HEALTH

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## ASSESSMENT OUTCOMES FOR THE FEMALE FACILITIES AND WATER SAFETY STREAM PROGRAM

Organisation and project/activity details							Assessment		Delegate Decision
Funding Recipient	Project Title	Description	2020-21 (\$m)	2021-22 (\$m)	2022-23 (\$m)	Total (\$m)	Value for money (Yes/No)	Key risks and mitigation	Fund (Yes/No)
City of Mandurah	Mandurah Waterfront Pool	Construction of a new estuary pool on the eastern foreshore. Comprising universally accessible toilet facilities, a playground, picnic tables and seating, and a stage/shelter for events.	2.000	2.500	2.500	7.000	Yes	None identified.	
Coffs Harbour City Council	Sportz Central Upgrades	Upgrade and expansion to provide an additional court and improvements to the existing facility expanding capacity.	1.500	2.000	2.800	6.300	Yes	None identified.	
North Sydney Council	North Sydney Swimming Pool	Redevelopment of the pool and amenities.	1.500	8.000	0.500	10.000	Yes	None identified.	
Richmond Valley Council	Casino Pool	Redevelopment to upgrade pool area, refurbishment of the plant and pump, upgrade of the change rooms, landscaping and wet play area.	1.000	1.000	1.200	3.200	Yes	None identified.	
City of Swan	Ellenbrook Pool and Recreation Centre	Construction of a 25m lap pool, learn to swim pool, informal pools, amenities for persons with reduced mobility. Construction of sports courts, group fitness rooms and a gym. Flexible sports change rooms will cater for groups of all-female teams. Dedicated family change rooms and crèche facilities.	5.000	5.000	15.000	25.000	Yes	None identified.	
City of South Perth	South Perth Aquatic Centre	To provide an integrated multipurpose sport and recreation facility with indoor and outdoor aquatics, indoor sports courts, education spaces, commercial spaces, entertainment spaces and health and wellbeing spaces.	5.500	7.000	7.500	20.000	Yes	None identified.	
The Uniting Church in Australia Property Trust	The Lakes College swimming pool development	The construction of a 25m swimming pool and facilities.	1.000	1.000		2.000	Yes	None identified.	
Greater Geelong City Council	Bellarine Aquatic Centre Pool	Construction of a new 50m swimming pool and associated amenities.	2.500	2.500	5.000	10.000	Yes	None identified.	
Port Macquarie Tidal Pool Committee Incorporated	Port Macquarie Tidal Pool	Construction of a tidal pool and associated amenities.	1.500	3.000		4.500	Yes	A feasibility study is currently being undertaken and is due to be completed in late June 2020. A possible cultural significance of the proposed site for the Aboriginal community is being investigated. Funding is proposed to commence later in 2020-21 to allow time for resolution of current issues.	
Georges River Council	Kogarah War Memorial Swimming Pool	Replacement of current leaking pool or location on new pool to be determined.	1.500	2.000	1.500	5.000	Yes	The current pool is closed. An independent engineer's investigation documented that the structural and geotechnical integrity of the pools and their foundations have deteriorated. The Georges River Council is undertaking a review of the future aquatic needs of the community. Funding is proposed to commence later in 2020-21 to allow time for resolution of current issues.	
Surf Coast Shire Council	Torquay Pool	Construction of an indoor swimming pool and facilities.	6.000	5.000	9.000	20.000	Yes	Results from a feasibility study will be presented and voted on at a Council meeting in late June 2020 to determine if this project will progress. Funding is proposed to commence later in 2020-21 to allow time for resolution of current issues.	
City of Wanneroo	Northern Suburbs Aquatic Facility	Details to be determined, pending outcome of feasibility study and completion of planning for new suburb.			5.000	5.000	Yes	The Department has been informed that construction of the new aquatic facility will commence in 2026-27. The new aquatic facility is planned for a future suburb within the City of Wanneroo which is still in the planning stage. The grant is proposed to have funding provided in 2022-23 to enable time for further planning.	
Total funding			29.000	39.000	50.000	118.000			

### **Mandatory Grant Rules and Guidelines & Other Requirements**

The CGRGs require Ministers to comply with relevant legislative requirements in the PGPA Act and the CGRGs and officials are required to advise their Ministers on these requirements. In making your decision you will need to consider your mandatory obligations associated with approving grants presented by the Department. These include:

- a. If you approve expenditure under section 71 of the PGPA Act, in relation to a grant or group of grants, you *must* not approve the grant without first receiving written advice from Department staff on the merits of the proposed grant or group of grants before you make your decision. That advice *must* meet the requirements of paragraph 4.6 of the Commonwealth Grant Rules and Guidelines (CGRGs).
- b. If the proposed expenditure of relevant money relates to a grant, where you exercise the role of approver you *must* also record, in writing, the basis for the approval relative to the grant guidelines and key considerations of value with relevant money. The recommended basis and record for the approval, relative to the grant guidelines and the key consideration of value for money, are set out in this brief. If there is any alternative basis or considerations on which you are basing your decision you should record these in accordance with clause 4.11 of the CGRGs.
- c. If you approve a grant the Department has not recommended for funding (e.g. because it is ineligible or because it is not competitive or value for money), you must provide written advice of the basis of your approval for reporting to the Department of Finance in line with the CGRG annual reporting requirement in paragraph 4.13 of the CGRGs, i.e. by 31 March each year for grants approved in the preceding calendar year.

Consistent with section 71 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) you must not approve a grant unless, after reasonable enquiry, you are satisfied that these grants would be a proper use of relevant money.

If your approval is not given, or is made conditional on the applicant meeting additional obligations, please advise the reasons for your decision and any conditions placed on the approval, for follow-up by the Department.

For the majority of grants, once the grant is approved, the Secretary or their delegate, will approve the commitment of relevant money under s23(3) of the PGPA Act and enter into the arrangement pursuant to s23(1) of the PGPA Act or s32B of the *Financial Framework (Supplementary Powers) Act 1997* (and 32C if applicable) as the case requires. For grants made under specific statutory legislation the brief will contain details of the relevant statutory framework and approvals.

The Department is responsible for ensuring forward year commitments are recorded in accordance with the PGPA Act. The Department will record any applicable amounts if you approve the grant/s recommended in this brief.