



Australian Government

Department of Infrastructure, Regional Development and Cities

Ref: MS19-000703

To: The Hon Michael McCormack MP (for decision)

cc: Dr Steven Kennedy PSM, Secretary

cc: Dr Rachel Bacon, Deputy Secretary

COMMUNITY DEVELOPMENT GRANTS – INSTALLATION OF LIGHTING AT SOUTHERN CITY BMX CLUB, BERRIEDALE, TASMANIA, (GOVERNMENT COMMITMENT)

Action required by: 18 April 2019

Reason: Routine

Recommendations:

1. That, for the purposes of s71 of the PGPA Act, you **agree** with the Department of Infrastructure, Regional Development and Cities' assessment at **Attachment A** that expenditure of relevant money as a grant for funding of up to \$60,000 (GST exclusive) from the Community Development Grants Programme to the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club would be a proper use of relevant money.

Agreed / Not Agreed

2. That you **approve** the expenditure of relevant money as a grant for funding of up to \$60,000 (GST exclusive) from the Community Development Grants Programme to the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club project, subject to any conditions requested by you.

Approved / Not Approved

3. That you **sign** the attached letters to the proponent and Senator the Hon Eric Abetz, Senator for Tasmania, advising of your decision at **Attachment B**.

Signed / Not Signed

Signatory: The Hon Michael McCormack MP

Date:

Comments:

Key Points:

Date the project was committed and by whom	The Department has been unable to locate any announcement of the Australian Government commitment for this project. Official correspondence on 23 January 2019 from you to the Southern City BMX Club, confirms the \$60,000 commitment towards the Installation of Lighting at Southern City BMX Club project.
Brief project description	The project will install lighting at Southern City BMX Club.
Project timeline	The proponent has advised the project is expected to commence on approval of the Australian Government funding and be completed within one month.
Does the project meet the value for money guidelines?	Yes
Are there any identified risks?	No
Sensitivities	Nil

Stakeholder Implications:

Following your approval, the Department will commence negotiation of an Agreement with the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club project.

Name: Donna Wieland
Position: General Manager
Branch: Regional Programs
Division: Regional Development & Local Government
Ph: 6274 7446 Mob: s 47F
03/04/2019

Contact Officer: s47F
Section: Community Development Grants
Ph: s47F

Attachments

s 47C

- B: Letters advising of your decision
- C: Public Governance, Performance and Accountability Act 2013, Rules and the Commonwealth Grants Rules and Guidelines, 1 July 2014 requirements



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Department of Infrastructure, Regional Development and Cities

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cc: Dr Rachel Bacon, Deputy Secretary

COMMUNITY DEVELOPMENT GRANTS – INSTALLATION OF LIGHTING AT SOUTHERN CITY BMX CLUB, BERRIEDALE, TASMANIA, (GOVERNMENT COMMITMENT)

Action required by: 18 April 2019

Reason: Routine.

Recommendations:

1. That, for the purposes of section 71 of the *Public Governance, Performance and Accountability Act 2013*, you **agree** with the Department of Infrastructure, Regional Development and Cities' assessment, at **Attachment A**, that expenditure of relevant money as a grant for funding of up to \$60,000 (GST exclusive) from the Community Development Grants Programme to the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club would be a proper use of relevant money.

Agreed / Not Agreed

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Approved / Not Approved

3. That you **sign** the attached letters to the proponent and Senator the Hon Eric Abetz, Senator for Tasmania, advising of your decision at **Attachment B**.

Signed / Not Signed

M McCormack MLC

4/9/19

The Hon Michael McCormack MP

Date:

Comments:

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Are there any identified risks?	No
Sensitivities	Nil

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Following your approval, the Department will commence negotiation of an Agreement with the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club project.

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Position: General Manager
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Attachments

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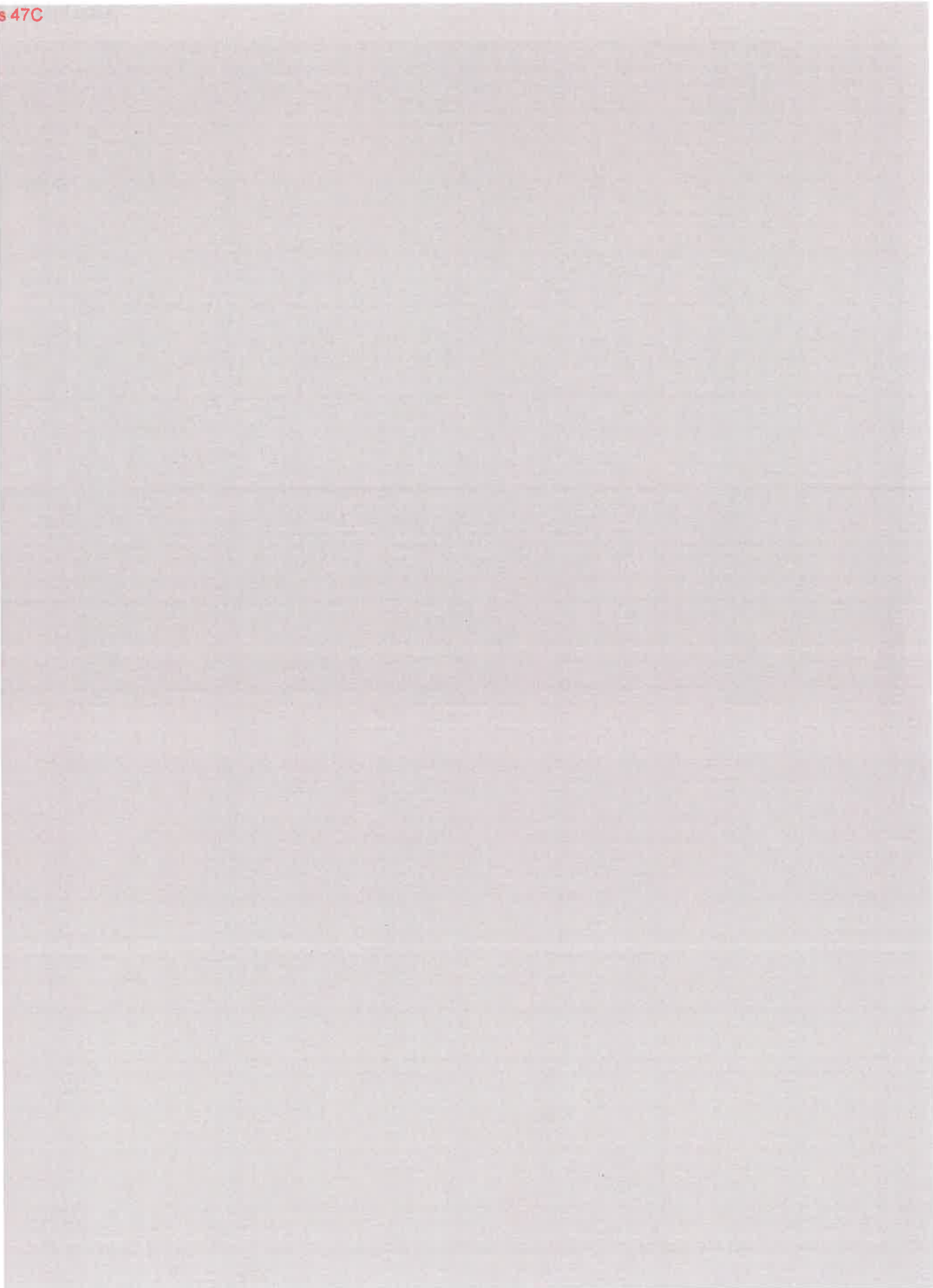
- B: Letters advising of your decision
- C: Public Governance, Performance and Accountability Act 2013, Rules and the Commonwealth Grants Rules and Guidelines, 1 July 2014 requirements

Attachment A

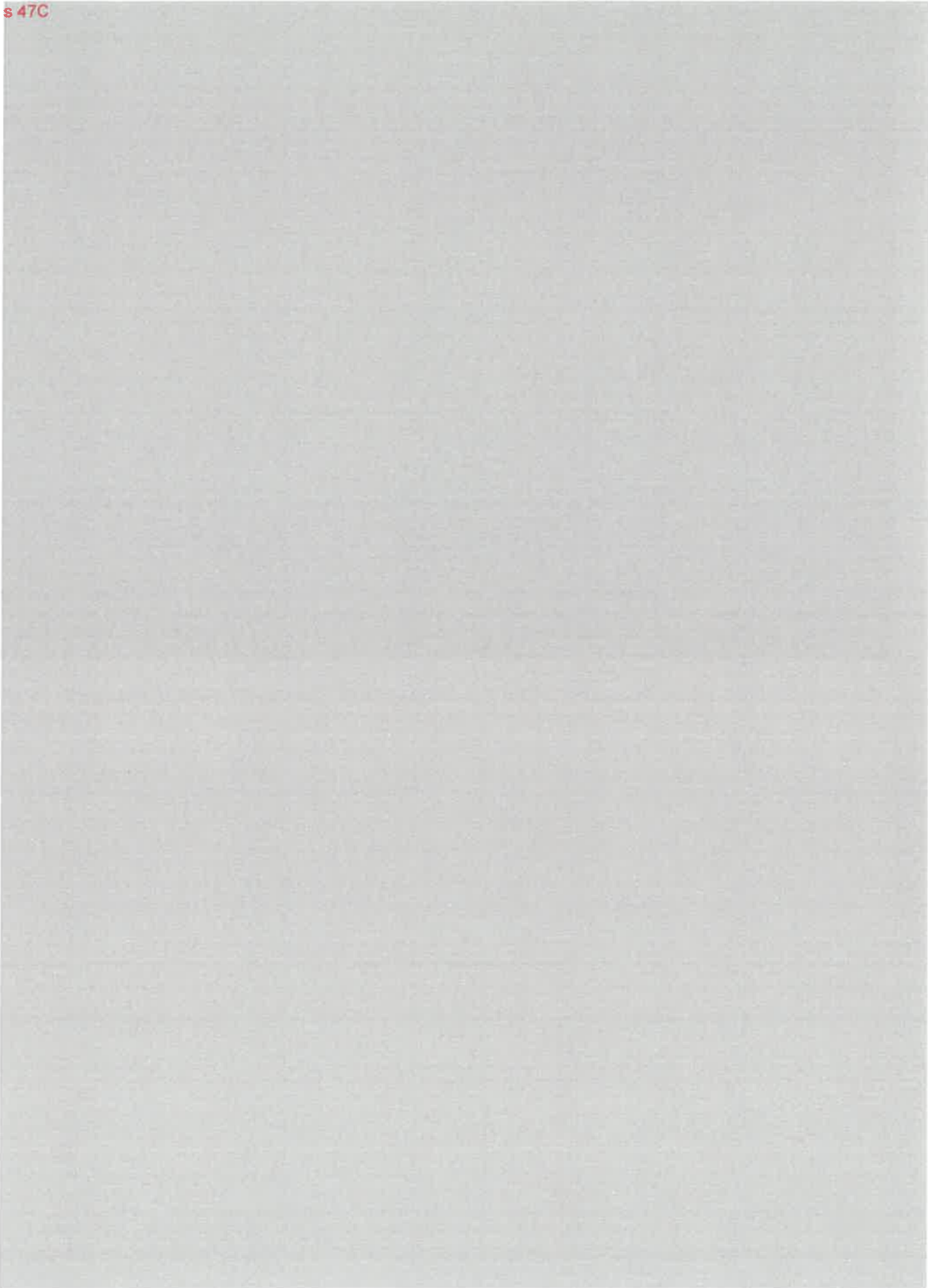
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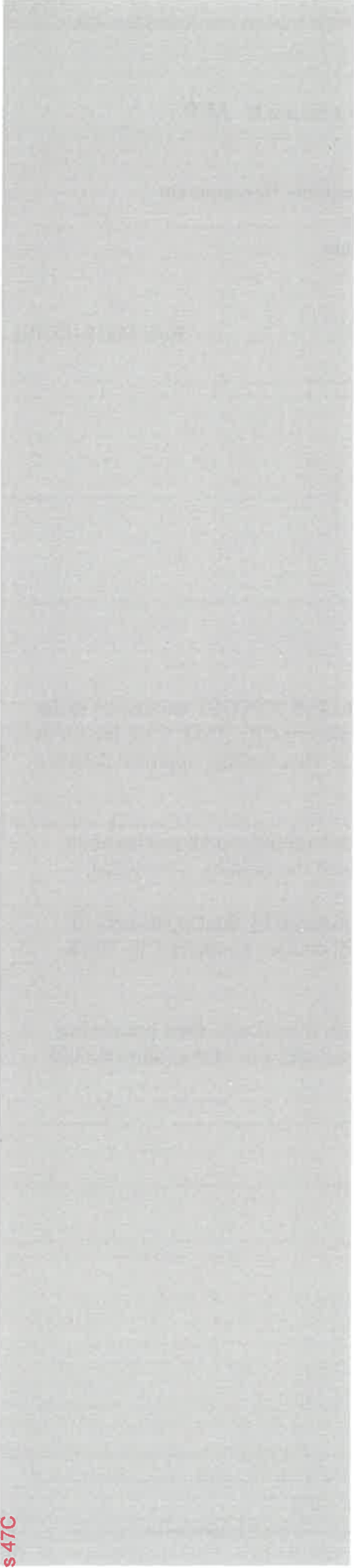
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¹ Full analysis provided in project file.



The Hon Michael McCormack MP

**Deputy Prime Minister
Minister for Infrastructure, Transport and Regional Development
Leader of The Nationals
Federal Member for Riverina**

Ref: MS19-000703

Senator the Hon Eric Abetz
Senator for Tasmania
GPO Box 1675
HOBART TAS 7001

Dear Senator Abetz

I am writing to advise that I have approved funding of up to \$60,000 (GST exclusive) under the Community Development Grants Programme to the Southern City BMX Club Inc for the Installation of Lighting at Southern City BMX Club project. This funding approval delivers on an Australian Government Commitment.

Provision of funding is dependent on the preparation and execution by both parties of an Agreement that sets out the terms and conditions under which the funding is provided.

The Community Development Grants Programme is administered by the Department of Infrastructure, Regional Development and Cities which will contact Southern City BMX Club Inc shortly to discuss the details of the Agreement.

You may wish to contact the project proponent directly to let them know their project has been approved ahead of my letter arriving. My office will contact you in the future should media or event opportunities arise for this project.

I enclose details of the project for your information.

Yours sincerely

Michael McCormack

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Community Development Grants Programme – Approved Project

Project ID: CDG935
Project Title: Installation of Lighting at Southern City BMX Club
Proponent/Organisation Name: Southern City BMX Club Inc
Proponent/Organisation Type: Other Incorporated Entity
Project Location: 5 Alcorso Drive, Berriedale, Tasmania, 7011
Primary Electorate: Denison
Funding Cash Commitment: \$60,000 (GST exclusive)
Total Cash Project Cost: \$60,000 (GST exclusive)
Project Description: The project will install lighting at Southern City BMX Club.
Project Contact: **Name:** s 47F
Phone:
Email:

REQUIREMENTS OF THE PUBLIC GOVERNANCE, PERFORMANCE AND ACCOUNTABILITY ACT 2013, RULES, AND THE COMMONWEALTH GRANTS RULES AND GUIDELINES 2017.

Any decision by a Minister to approve expenditure of relevant money must be undertaken in a manner that is consistent with the requirements of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), Rules, and the Commonwealth Grants Rules and Guidelines 2017 (CGRGs).

The PGPA Act, Rules and CGRGs requirements relevant to the approval of funding for this proposed expenditure of relevant money under the Community Development Grants Programme are:

Requirements under the PGPA Act

Section 71(1) – Approval of proposed expenditure by you requires that you must not approve the proposed expenditure of relevant money unless you are satisfied, after making reasonable enquiries that the expenditure would be a “proper” use of relevant money. “Proper” when used in relation to the use or management of public resources means efficient, effective, economical and ethical use.

Section 71 (2a) requires where you agree with the Department’s recommendation to approve or not approve the expenditure of relevant money for this project, that you must record the terms of approval in writing as soon as practicable after giving your approval. This brief and any attachments, including annotations or conditions recorded by you on these documents, satisfies the requirements of Section 71 (2a) of the PGPA Act.

Section 71 (2b) requires that if you approve a proposed expenditure of relevant money, that you must comply with any other requirements prescribed by the Rules in relation to the approval.

Requirements under the CGRGs – Section 4 – Grants specific Processes and Requirements

The CGRGs contain a mandatory requirement that Entity Staff must provide written advice to you, where you exercise the role of an approver. These requirements are outlined under item 4.6 of the CGRGs and include:

- (a) That the proposed expenditure of relevant money for this project is for purposes of a “grant” as described in item 2.3 of the CGRGs;
- (b) That you are advised of any applicable requirements of the PGPA Act and Rules and the CGRGs relating to any ministerial reporting obligations, including the legal authority of the grant;
- (c) Outlining the application and selection process, including the selection criteria, that were used to select potential grants recipients; and
- (d) The merits of the proposed grant or grants relative to the grant guidelines and the key consideration of achieving value with relevant money.

In addition, item 4.11 of the CGRGs provides that where a Minister approves a proposed grant in his/her own electorate, the Minister must write to the Finance Minister advising of the details. For this purpose it is sufficient to provide the Finance Minister with a copy of correspondence to the grantee (except where the Minister has approved a grant which the relevant official has recommended be rejected).

These requirements are addressed under “Key Issues” in the covering brief.