

Media Release

EVALUATION OF GRANTS ADMINISTRATION PHASE TWO: EMERGENCY GRANTS TABLED

30 April 2024

Government grants programs directed toward supporting relief and recovery for businesses and individuals in emergencies have heightened corruption risks because of the time and resource pressures that emergencies necessarily bring. If there are not enough skilled and trained people to undertake the work, and organisations are not well prepared to administer emergency grants programs, the processing of applications may be rushed, resulting in limited due diligence, and fraud going undetected.

For these reasons the Commission has focused the second phase of its evaluation of grants administration on two departments extensively engaged with emergency grants administration, the *Department of Treasury and Finance* during the COVID-19 pandemic, and the *Department of Primary Industries and Regions* following the 2019-2020 Black Summer bushfires and 2022-2023 Murray River floods.

Four emergency grants programs administered by these agencies were evaluated, with a total of more than 45,000 recipients and an allocation of just under \$1.3 billion.

The evaluation found that both agencies have mature internal arrangements to underpin effective administration of emergency grants. While several areas are identified for improvement, the agencies appropriately addressed key corruption risks in their administration of the programs.

The Commission has made nine recommendations aimed at minimising vulnerability to corruption. These focus on managing conflicts of interests between public officers and recipients, supporting surge capacity and promotion of requirements regarding grants eligibility.

The Commission has also recommended that other agencies involved in emergency grants administration review their arrangements regarding suppliers, surge capacity and data sharing, and that the Department of the Premier and Cabinet continue to pursue better information sharing arrangements with the Australian Government.

Evaluation of grants administration phase two: Emergency grants is available on the Commission's website: www.icac.sa.gov.au/evaluations-and-reviews

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