

Rethinking grants management delivery in Australia's public sector

By Gabriella Soares and Gihan Mallawaarachchi

Fresh off the elections and under intense public scrutiny, government departments and public sector agencies must now deliver on hundreds of millions in funding commitments. The directive is clear: get the money out the door fast while delivering the intended outcomes. Under pressure to move quickly, agencies often sacrifice robust planning, coordination and accountability.

Grants are one of the government's most powerful tools for driving community outcomes, including safer schools, resilient industries and reliable public services. However, the speed of delivery alone does not guarantee success.

The risks of political interference and public intolerance for pork-barrelling often undermine broader grant management program effectiveness. Operational challenges compound the issue: from capability gaps among staff in assessing complex applications, to fragmented processes that treat assessment, decision-making and monitoring as siloed functions. Australians are increasingly sceptical of how taxpayer dollars are allocated, as grants worth billions have been awarded outside of merit-based criteria in recent years.

To restore public confidence and deliver more than just fast funding, agencies must address the risks inherent across the grants management life cycle. The most common and interrelated issues include:

- **Fragmented delivery** – Assessment, approval and acquittal are often handled by separate teams with little or no continuity. Those assessing applications rarely see how funds are used, and those acquitting funds have limited insight into original program intent. This disconnect weakens accountability, erodes learning and reduces overall program effectiveness.
- **Capability constraints** – Many agencies are understaffed or rely on personnel without the skills to manage complex grants programs. During COVID-19, for example, some applications were reportedly pushed through by assessors with little financial background, resulting in misallocated funds, limited oversight and grant recipients entering insolvency. These capability risks persist today.
- **Data vulnerability** – Reliance on poorly integrated or insecure digital grants management platforms can lead to data loss, data breaches and limited data quality. Additionally, valuable data collected during assessment is process is often underutilised, reducing opportunities to enhance monitoring, evaluation, and acquittal, and leaving key risks and insights unaddressed.
- **Political-policy misalignment** – Agencies often see evidence-based funding recommendations overridden by ministerial discretion. Balancing transparency and equity with political pressure, particularly around elections, requires active management. Left unaddressed, this tension puts programme integrity at risk.

Taken together, these issues point to a core problem: grants are being delivered as on-off transactions, not as part of a considered and cohesive approach that focuses on the achievement of program outcomes. If these risks are not addressed at the outset of the delivery phase, agencies are likely to repeat the same missteps that have undermined public trust in the past.

A new approach: Design with the full grants management life cycle in mind

Rather than repeating the cycle of reactive grant programs, there is an opportunity to reframe the grants management life cycle as a strategic continuum. That means embedding capability, accountability and outcome measurement into every stage, from initial design to final evaluation. It also means assembling the right expertise: skilled assessors who can interpret financial and organisational information, flag risks and connect policy intent with proposed delivery.

Here's what reimagining the grants management life cycle process could look like:

1. Design for the end game

Start with the finish line. Program guidelines should define success clearly and transparently, with reporting, evaluation and community outcomes measurement baked in from the beginning. Designing with outcomes in mind ensures the grants management process stays aligned to purpose, not just process.

2. Assess for capability and impact

Meeting eligibility requirements doesn't guarantee value. Effective grants assessment goes beyond compliance checks and involves evaluating feasibility, financial health, risk exposure and alignment with policy goals. Can the applicant deliver what it promises? Does it have the experience, systems and governance to manage public funds responsibly?

3. Monitor what matters

Once funds are awarded, many agencies fall into a "set-and-forget" mindset. Smart monitoring, however, can surface issues early, support recipients who need help and capture valuable data for both compliance and evaluation. Monitoring is a strategic tool to ensure taxpayer dollars are being put to good use and lessons are being captured in real time.

4. Acquit with growth in mind

Acquittals are often disconnected from the initial decision-making process. Teams tasked with verifying how funds were spent rarely know what risks were flagged, what the intended outcomes were or why a recipient was selected in the first place. It's important to close that loop. Effective acquittals should connect funding decisions with results, draw insights that inform future programs and strengthen accountability across the board.

Delivering more than dollars

It can be easy to measure success by the amount of funds distributed, especially when facing political deadlines and public pressure. But the true barometer of success is what those funds achieve. Grant programs exist to build stronger communities, create equitable opportunities and deliver lasting public value.

Achieving that requires more than compliance — it requires risk-aware design, delivery and oversight. A lifecycle approach to grants management helps agencies manage the full spectrum of risks across planning, assessment, monitoring and acquittal. It ensures public funds are not only spent efficiently but spent effectively and ethically as well.

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How Protiviti Australia can help

Protiviti understands that each government agency and public sector organisation operates in a different context, with distinct policy objectives, risk profiles, and delivery challenges. That's why we don't offer one-size-fits-all advice.

Our **federal** and **state government** consultants bring deep expertise, objective insights, and a collaborative approach to help leaders design and deliver effective grant programs with confidence. We provide end-to-end support across the grant lifecycle, including:

- Advice on the design of grant programs
- Assurance over compliance with grant policy and legislative frameworks
- Probity advice throughout grant decision-making processes and recommendations
- Support for grant assessment processes, including:
 - Development of assessment criteria and scoring methodologies
 - Financial viability assessments
 - Quality assurance
- Acquittal of grant funds against grant agreements
- Independent evaluation of grant program outcomes

Our team has extensive experience working across Commonwealth and state jurisdictions, supporting high-profile and high-risk funding programs. We help agencies navigate complexity, meet governance obligations, and deliver grant outcomes that are equitable, transparent, and aligned with public value.

About the authors



Gabriella Soares

Director, Protiviti Australia

Gabriella is a consultant with over 18 years' experience working with a range of clients, including multinational private sector organisations and public sector entities at both federal and state levels. She specialises in providing internal audit, risk management, governance, and controls transformation services.

She possesses extensive knowledge of operations across various industries and entities, as well as the risks associated with them, and their regulatory and legislative requirements. Gabriella leads co-sourced and outsourced program delivery for national and global clients across the private and public sectors, including mining and manufacturing, water, utilities, aged care, health, customer services, environment and education.



Gihan Mallawaarachchi

Managing Director, Protiviti Australia

Gihan Mallawaarachchi is a highly experienced public sector consultant with almost 20 years of professional services expertise in the provision of assurance, program and project management, probity and strategy consulting services to Australian Government entities.

Gihan has a proven capability of delivering high quality, pragmatic and influential advice in connection to the design, delivery and evaluation of govern grant programs, including in the areas of governance, performance, risk management, probity, financial viability, and legislative and policy compliance. Gihan has extensive experience with large, high profile and complex government grant programs, from both a delivery and assurance perspective, particularly in the health and social services sectors.

Contacts

Shane Silva

Managing Director, Protiviti Australia
+61.402.496.669
Shane.Silva@protiviti.com.au

Gihan Mallawaarachchi

Managing Director, Protiviti Australia
+61.409.491.289
Gihan.Mallawaarachchi@protiviti.com.au

Gabriella Soares

Director, Protiviti Australia
+61.476.449.766
Gabriella.Soares@protiviti.com.au

Anthony Sanfrancesco

Director, Protiviti Australia
+61.414.378.271
Anthony.Sanfrancesco@protiviti.com.au

Helen Nguyen

Director, Protiviti Australia
+61.431.297.955
Helen.Nguyen@protiviti.com.au

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