

Australian Government Australian Research Council



# Annual Report 2023–24



The Australian Research Council acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to lands, seas, skies and waterways. The ARC acknowledges the important contribution that Aboriginal and Torres Strait Islander research, researchers and the communities they work with, make to our collective knowledge, culture, society, economy and environment. We pay our respects to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

Artist: Mr Greg Joseph of the Yidinji people.

#### Australian Research Council Annual Report

Location:     11 Lancaster Place, CANBERRA AIRPORT ACT 2609       Postal address:     GPO Box 2702, CANBERRA ACT 2601
Postal address CDO Rev 2702 CANPERRA ACT 2601
Postal address: GPO Box 2702, CANBERRA ACT 2601
Telephone:         +612 6287 6600
Email: info@arc.gov.au (general enquiries)
communications@arc.gov.au (media enquiries)
Website: www.arc.gov.au
Annual Report: <u>https://www.arc.gov.au/news-publications/publications/annual-report</u>
X: @arc_gov_au
Annual Report contact officer: Director, Governance and Corporate Reporting
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Australian Government Australian Research Council



11 September 2024

The Hon Jason Clare MP Minister for Education Parliament House CANBERRA ACT 2600

#### Dear Minister

It is with great pleasure that I present the *Australian Research Council Annual Report 2023–24*. This report has been prepared for the purposes of:

- section 46 of the *Public Governance, Performance and Accountability Act 2013*, which requires that an annual report be given to the entity's responsible Minister for presentation to the Parliament
- section 46<sup>1</sup> of the *Australian Research Council Act 2001* (ARC Act), which requires that the report given to you must deal with:
  - any matters required by other provisions of the ARC Act to be dealt with in the report (Ministerial directions)
  - any other matters that the Minister, by notice in writing to the accountable authority requires to be dealt with in the report.
- all other enabling legislation that specifies requirements in relation to the report.

There were no relevant matters to be dealt with in the *Annual Report 2023–24* as required under section 46<sup>1</sup> of the ARC Act.

As the Chair of the accountable authority of the ARC, I certify that:

- fraud risk assessments and fraud and corruption control plans were prepared
- appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the ARC are in place
- all reasonable measures were taken to deal appropriately with fraud relating to the ARC.

Yours sincerely

**Professor Peter Shergold AC** Chair of the ARC Board Australian Research Council

<sup>1</sup> Section 46 of the ARC Act, as in force prior to 1 July 2024, applies to this Annual Report. Schedule 64A of the amended ARC Act will apply to the next reporting period onwards.

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Aboriginal and Torres Strait Islander peoples should be aware that this publication contains the name and image of a deceased person.

## A guide to this report

- A list of the abbreviations and acronyms can be found in Part 6
- The following acronyms are used regularly throughout the report:
  - Australian Research Council (ARC)
  - National Competitive Grants Program (NCGP)
  - Chief Executive Officer (CEO)
- N/A means not applicable.

# **ARC** snapshot

Vision: world-class research and innovation for the advancement of Australian society

#### \$1 generated

\$3.32

in additional economic output (GDP) for funding awarded through the NCGP from 2002-2021

#### Investing over

\$1b (\$)

in research in 2024–25 for Australia's economic, social, environmental and cultural benefit

#### Administer over

5,000 🌾

new and ongoing grants under the NCGP

#### Over

1,000,5

new grants for research projects awarded in 2023-24

#### In 2023-24

# 2,986 🗟

partner organisations (companies, not-for-profits and government agencies) participated in research projects The ARC supported the award of over

\$680m 🖉

in grants through our Research Grants Services (RGS) and software as a service arrangement, in partnership with other agencies during 2023–24 13,175 assessors taking part in peer review processes, providing



assessments

We have added 49 members to our College of Experts and now have

318 🔊

members as part of the peer review process to identify excellent research

#### Over



of funded research projects involve international collaboration

Over

5,200 &

applications received in 2023-24

#### Provide grant opportunities through



schemes, funding excellent research across pure basic research, strategic basic research and applied research, and researchers across all career stages



ARC staff



# PART 01

# Overview of the ARC

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# **1.1** Chair's foreword

On behalf of the Australian Research Council Board (Board), it is my pleasure to present the ARC's Annual Report for the 2023-24 reporting period.

This is the first annual report since the commencement of the Board as the agency's accountable authority on 1 July 2024, following amendments to the <u>Australian</u> <u>Research Council Act 2001</u> (ARC Act).

The ARC supports excellence in Australian research through funding, evaluation and policy to drive researchled positive economic, social and community outcomes for Australia.

Since early 2022, the ARC has invested in significant reform to realise measurable improvements to the delivery of our policies and programs. This work has resulted in the renewed trust and confidence of the research sector. Much has already been achieved, and we know that there remains much more to do.



Professor Peter Shergold AC Chair of the ARC Board

The <u>ARC Strategy 2022-2025</u> (ARC Strategy) offers a vision for the agency that is also a valuable yardstick for progress. The overriding vision is for world-class research and innovation for the advancement of Australian society, with particular emphasis on:

- world-class advice and engagement
- supporting Australia's research system excellence
- empowering our people.

This 2023-24 Annual Report outlines substantial achievements against priorities outlined in the ARC Strategy and the ARC Corporate Plan 2023-24.

Recognising the importance of streamlined grants programs and processes, the ARC has released improved guidelines for 7 grant schemes and introduced the use of the new two-stage expression of interest (EOI) process for the Discovery Projects scheme, reducing timeframes for outcomes and enabling unsuccessful applicants to follow alternative opportunities.

The ARC's Grants Calendar was refined in consultation with the research sector, representing a positive outcome for both research applicants and industry partners. Our stakeholders asked for greater certainty in grant announcement timings, and the ARC has delivered.

A key transparency initiative in 2023–24 was to release the scores, rankings, and assessments from peer review to all applicants for the National Competitive Grants Program (NCGP) schemes. This initiative built on the success of the earlier decision to release assessor scores and rankings to unsuccessful applicants for the Industry Fellowships Program scheme.

These examples show that the ARC has enthusiastically engaged with and listened to the research sector and other stakeholders. Furthermore, they have been well received by the sector and provided researchers with greater certainty which in turn helps them deliver excellent research.

The Board is committed to continuing this momentum. In 2024–25, we aim to set the strategic direction for the ARC and consolidate the agency's role as a valued and respected source of advice on Australia's research environment.

A key priority will be the continued work to implement the government response to the <u>Trusting</u> <u>Australia's Ability: Review of the Australian Research Council Act 2001</u> (ARC Review) report.

Another important priority for the coming year will be the conclusion of the Policy Review of the NCGP, jointly undertaken with the Department of Education, to ensure the NCGP is fit for purpose and maximises the impact of public investment in university research.

We are also focused on working with Indigenous Australian researchers and communities to improve the capacity of the NCGP to promote, embed and support Aboriginal and Torres Strait Islander research and knowledge systems in Australia's research sector. I look forward to reporting against our goals in the 2024–25 annual report.

Finally, the Board would like to thank all staff at the ARC for their commitment over the past year, and for welcoming us with enthusiasm and professionalism. We look forward to building these relationships across the organisation as we continue to facilitate world-class research and innovation for the advancement of Australian society.

# **1.2** Acting CEO's report

I would like to acknowledge and pay tribute to the work of Ms Judi Zielke PSM, who lead the ARC from February 2022 through to December 2023.

As the Acting CEO since December 2023, I have been delighted to work as part of a cohesive leadership team that has continued to strengthen core relationships and improve administrative activities, and undertake significant work to successfully prepare the agency for a major reform of its governance and operations. Through this work, the agency was able to successfully plan and put in place the arrangements needed for a smooth transition well in advance of 1 July 2024.

Importantly, the agency continued to finalise multiple funding schemes and deliver against the commitments in the ARC Strategy to shape the Australian research system for the benefit of the nation, and I am very proud of the achievements and commitment of our staff.



Dr Richard Johnson Acting Chief Executive Officer

#### World-class advice and engagement

#### Enhanced outreach and engagement

Supporting our commitment to engage and collaborate with stakeholders, our Chief Research Officer (CRO), Professor Christina Twomey, and Executive Directors have led deep and targeted consultation processes with the academic and research community, university research administrators, and government departments to revise grant guidelines, streamline application processes and explore opportunities for further innovation. The Executive Directors have refreshed and refined the outreach program, and have conducted campus visits throughout Australia to engage, inform and respond to the research community.

The CRO also led consultation processes with university research administrators to review and refine potential training material used by universities to train their peer reviewers. A series of 4 workshops were run through February and March 2024, and the information gathered from these workshops will be developed into valuable resources for the sector.

#### **ARC Indigenous Forum**

The ARC seeks to support Aboriginal and Torres Strait Islander research and researchers by addressing issues that impact these communities through fostering positive research outcomes. Success in this initiative cannot be achieved without meaningful and consistent engagement with Aboriginal and Torres Strait Islander researchers and communities.

Consistent with this approach, and following the ARC Review, the ARC consulted on the potential establishment of an ARC Indigenous forum to better engage with Aboriginal and/or Torres Strait Islander researchers on ARC policies and programs affecting Indigenous Australian researchers and research. We consulted with eminent Indigenous Australian researchers and senior university representatives, who represent a range of perspectives, university sizes and locations, along with the Australian Institute of Aboriginal and Torres Strait Islander Studies.

Additionally, consultations with the sector over the last few years have reinforced strong support for a forum that facilitates genuine two-way engagement with Aboriginal and Torres Strait Islander stakeholders.

We are looking forward to the establishment of the ARC Indigenous Forum in the second half of 2024. Their work will support the Board in bringing greater strategic focus to initiatives aiming to strengthen Indigenous Australian leadership in the research sector, build opportunities for Indigenous-led and focused research, and support career pathways for emerging Aboriginal and/or Torres Strait Islander researchers.

#### Mapping Indigenous Studies Research in Australia

During 2023–24, the ARC undertook preparatory work and engagement with Aboriginal and Torres Strait Islander researchers, universities, and government organisations to develop a plan for a Mapping Indigenous Studies Research in Australia exercise. Building on previous work to develop a new Field of Research division for Indigenous research under the Australian and New Zealand Standard Research Classification 2020, this exercise would draw together national data against the new Field of Research code regarding key areas of interest and establish a benchmark to provide a systemic understanding of the current state of play.

With the commencement of the ARC Indigenous Forum in the second half of 2024, there will be a terrific opportunity for this unique and important body to shape and guide the progress and delivery of the Mapping Indigenous Studies Research in Australia exercise, working closely with the ARC and the sector to co-design a process that has strong support and delivers data which supports further policy analysis and design.

#### International partnerships

The ARC benefits from and is able to contribute significantly to regional and international developments in research policies, funding approaches, and best-practice approaches to administration. Delivering on our vision of world-class research and innovation is only possible through meaningful international partnerships. This includes the ARC's renewed participation in international policy dialogue on research matters at the Global Research Council and ongoing relationships with a range of research agencies and organisations internationally. Australia's international reputation in research remains strong and is reinforced by a higher education and research system ranked among the best in the world. Between 2018 and 2024, international participating organisations have contributed over \$1.1 billion, cash and in-kind, to ARC-funded projects.

During 2023–24, we continued to strengthen our collaboration with international partners by meeting with delegations from Singapore, Switzerland, China, Japan and Germany. We also joined the Adopting Sustainable Partnerships for an Innovative Research Ecosystem program, which enables

Japanese-based researchers to obtain funding through the Japanese Government for collaborative research when they have an ARC-funded partner.

For example, in May 2024, Professor Anika Gauja, ARC Executive Director for Social, Behavioural and Economic Sciences, attended the Regional Summit for Social Science Research and Funding Collaboration in Bangkok, a key opportunity to meet regional partners in the social sciences organised by the Association of Asian Social Science Research Councils and the Academy of the Social Sciences in Australia.

#### Research system excellence

Excellence in research is at the core of what the ARC strives for, through advice and engagement, through policy settings, and through the delivery of research grants. During 2023–24, the ARC funded high-quality research through 5,094 new and ongoing grants under the NCGP.

The excellence of ARC-funded research was further emphasised this year when 5 researchers who received support through the NCGP were recipients of the <u>2023 Prime Minister's Prizes for Science</u> <u>awards</u>.

#### Streamlining NCGP application processes

The ARC has continued to focus on strengthening program delivery and administration, delivering initiatives that reduce red-tape for the research sector and improve transparency for researchers. In 2023–24, the agency demonstrated its commitment to delivering real and meaningful improvements in these areas.

In response to feedback from the research community, including through the ARC Review, and consistent with our ongoing commitment to reduce administrative burden for researchers, universities, and assessors, the ARC is streamlining all scheme guidelines, accompanying processes, and supporting documentation.

To date, we have released streamlined guidelines for:

- Discovery Fellowships (Australian Laureate Fellowships, Future Fellowships, and Discovery Early Career Researcher Awards)
- Discovery Indigenous
- Discovery Projects
- Industry Fellowships Program (Early Career Industry Fellowships, Mid-Career Industry Fellowships, and Industry Laureate Fellowships)
- Industrial Transformation Research Program
- Linkage Infrastructure, Equipment and Facilities
- Linkage Projects.

Each streamlining process is informed by our engagement and consultation with key stakeholders, including Deputy Vice-Chancellors of Research (DVCRs), research office Directors and staff, early and mid-career researchers, and the ARC College of Experts.

#### **Two-stage applications**

Our consultation with the sector on opportunities for improvements is not limited to the streamlining of existing processes. In October 2023, we announced <u>the introduction of a two-stage application</u> <u>process for Discovery Projects</u>. This process aims to provide clarity of outcomes earlier and reduce workload for applicants.

To ensure the research community understood these significant changes, in November 2023, the ARC hosted a <u>webinar</u> to support the introduction of the EOI process. The first stage of the application process opened in January 2024 and closed in February. Within 6 weeks of the closing date, applicants were notified of the outcomes of their EOI submissions, which allowed unsuccessful applicants to move to other opportunities.

It is particularly pleasing that both the initiative itself, and the way the ARC engaged with stakeholders throughout its implementation, have been very well received by researchers and the research sector.

#### **Grants Calendar**

The ARC continues to strive to meet the schedule forecast for each scheme round, as we recognise that the <u>ARC Grants Calendar</u> is greatly valued by key stakeholders.

The amended ARC Act has introduced a number of changes that impact the NCGP grant guidelines processes and as a consequence, the development of the ARC Grants Calendar. To address this, and to take into account feedback from the research sector, we published a redesigned 2024–25 grants calendar in line with transitional rules within the amended ARC Act. Considerable consideration was given to the needs of applicants, peer review assessors, research office staff and research administrators, informed through consultation with DVCRs and research office staff members to seek feedback on the underlying principles that informed the design of the calendar.

#### Improving transparency

We have been working to improve transparency, particularly in the peer review process, which has been widely welcomed by the research sector. Previously, the ARC had released detailed assessment text but withheld the scores, rankings and ratings of both detailed and general assessors.

In April 2023, we released assessor scores and rankings to unsuccessful applicants with the Industry Fellowship Program schemes, aiming to provide applicants with useful feedback to identify areas for improvement in future applications.

Following positive feedback from the sector, we began to release the scores, rankings and assessments from peer review to all applicants for all NCGP schemes announced from March 2024. University research offices also now have the capability to download all of their applicants' scores and ratings in one place, rather than manually compiling them from individual applications.

The positive response to these initiatives has encouraged the ARC to continue investigating further ways we can improve transparency.

#### Strengthening research evaluation in Australia

The Australian Universities Accord (Universities Accord) Final Report has made a recommendation regarding the development of a National Research Evaluation and Impact Framework, and the amended ARC Act has for the first time legislated the ARC's role in evaluating the excellence, impact and depth of Australian university research. While the government is considering this recommendation, the ARC continues to explore data-driven approaches to research evaluation. This includes investigating new technologies and automated solutions to harvest research output data; exploring the ICT requirements for data acquisition, storage, processing and analysis; and building our data science and analytics capability so we have the right people with the right skills to do this work.

Further, the ARC has partnered with the Research on Research Institute, an international consortium of 21 partners that aims to improve how research is funded, practiced, communicated, and evaluated. This partnership provides the ARC with the opportunity to learn and share information with other countries that have research evaluation exercises.

#### Empowering our people

The ARC's successes could not be achieved without the commitment of our experienced and knowledgeable people.

In December 2023, we launched the ARC's <u>People Strategy 2023–2026</u> (ARC People Strategy) to ensure that our people have the right skills and the right culture to succeed. Ongoing implementation of the ARC People Strategy provides a united and strong focus to steer the agency towards a high-performing culture.

In line with the ARC People Strategy, during 2023–24 we improved mechanisms to support and empower the current, new, and future members of our workforce. We are delivering on the ongoing development of our existing staff through a refreshed performance management cycle supported by associated guidelines, capability development resources, and expert support.

We improved new staff members' understanding of the research sector through updates to our corporate induction program, and we prepared the ARC for engaging with future workforce skills and knowledge needs through the development of a forward-looking capability framework.

To ensure the ARC has a strong balance between academic and public sector expertise, additional Executive Directors have been appointed. Under the guidance of the agency's CRO, the full cohort of 5 Executive Directors provides the agency with academic expertise and improves the ARC's engagement with the research sector.

#### Significant developments in the research environment

#### Australian Universities Accord

In November 2022, the Minister for Education (Minister), the Hon Jason Clare MP, appointed the Universities Accord Panel (Panel) to undertake a review of the higher education system. During the review, the ARC worked closely with the Department of Education and the Panel to inform the Panel's consideration of various aspects of the research system.

The Minister released the <u>Universities Accord Final Report</u> in February 2024. Of the 47 recommendations, there are 4 that directly relate to the ARC, including the establishment of a National Research Evaluation and Impact Framework. The government is considering its full response to the Universities Accord, including those recommendations that relate to the ARC.

#### Response to the ARC Independent Review

This year holds great significance in the history of the ARC as it is the first time our enabling legislation, the ARC Act, has been significantly amended since the ARC was established as an independent body over 22 years ago.

In August 2023, Minister Clare released the government's response to the ARC Review, agreeing or agreeing in principle to all 10 recommendations from the ARC Review's final report. Further details about the ARC Review and amendments to the ARC Act are outlined in **Section 1.5**.

Significant work has been undertaken by the ARC to address the recommendations not requiring legislative amendment, particularly in relation to supporting fellowships and academic careers; preparing for the establishment of an ARC Indigenous Forum; the recruitment of additional senior academics within the agency; and streamlining NCGP processes.

The majority of the recommendations required amendments to the ARC Act, including providing greater clarity of the ARC's purpose and functions; increasing flexibility to fund research programs; and strengthening governance and accountability arrangements. Since the amendments to the ARC Act received Royal Assent on 28 March 2024, the ARC worked to ensure it was well placed for the commencement of these amendments on 1 July 2024.

Key to this work were preparations for the commencement of the new ARC Board as the agency's accountable authority. These preparations included comprehensive briefing material, realignment of reporting and decision making delegations, and the practical infrastructure to support the Board in their new role.

It has been a pleasure to welcome to the ARC's Board Chair, Professor Peter Shergold AC; Deputy Chair, Professor Susan Dodds FAHA; and the Board's 6 other inaugural members: Professor Cindy Shannon AM, Distinguished Professor Maggie Water, Emeritus Professor Margaret Harding, Mr Mark Stickells AM FAICD FAIM, Professor Paul Wellings CBE, and Ms Sally-Ann Williams FTSE. The agency's comprehensive preparations have positioned us well to support the Board in delivering on the direction and guidance they are set to provide.

#### **Final words**

In conclusion, I am proud of the ARC's achievements during 2023–24. The highlights and successes listed above are just a few examples of the valuable work we undertake, and the ARC's ongoing commitment to help shape world-class research and innovation for the advancement of Australian society.

It is a tribute to our staff and a testament to the importance of working closely and collaboratively with our stakeholders, under the shared vision of supporting research excellence that benefits Australia and Australians.

# **1.3** About the ARC

#### Our purpose and strategy

The ARC is a non-corporate Commonwealth entity established under the ARC Act, located within the Australian Government's Education portfolio, and reporting to the Minister for Education.

The ARC is a vital component of Australia's innovation and research system. It plays an integral role in supporting the research sector to produce excellent and impactful research for Australia's economic, social, environmental and cultural benefit through the delivery of the NCGP.

The NCGP funds excellent pure basic, strategic basic and applied research in all disciplines except medical research. The ARC's broader remit includes the provision of high-quality research policy advice to the Australian Government; supporting research integrity and promoting ethical research; evaluating the excellence, impact and depth of Australian research; and expanding Indigenous Australian knowledge systems. It also facilitates partnerships between researchers and industry, government, community organisations and the international community (see **Table 1**).

Our purpose	To help shape the Australian research system for the benefit of the nation by enabling world-leading research, fostering research quality, impact and translation, and safeguarding research integrity.	
Our key activities	<b>Fund high-quality, impactful research</b> We fund research through the NCGP based on rigorous peer review assessment of grant applications.	
	Assess research excellence, impact and depth We assess the excellence, impact and depth of Australia's university research through our evaluation assessments.	
	<b>Safeguard research integrity</b> We safeguard the ethics, integrity, and credibility of Australian research through a framework of policies, processes and reviews.	
	<b>Provide grant services to government entities</b> We provide advice and support for research program design and grants administration to other government entities through our Research Grants Services (RGS).	
	<b>Provide research policy advice</b> We use our datasets, stakeholder relationships, and rigorous processes to position us to advise government and other stakeholders on the Australian research system.	

#### Table 1: Our purpose and strategy (as at 30 June 2024)

Our outcome	<b>Outcome 1:</b> Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.	
Our programs	<b>Program 1.1: Discovery – Research and Research Training</b> Building Australia's research capacity by supporting excellent, internationally competitive research projects, fellowships and awards.	
	<b>Program 1.2: Linkage - Cross-sector research partnerships</b> Building Australia's research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, fellowships, and centres of excellence that involve collaboration among researchers within and beyond the research sector.	
	<b>Program 1.3: Excellence in Research for Australia (ERA)</b> <sup>2</sup> Improving Australia's research capacity by evaluating research at eligible Australian higher education institutions against international benchmarks and identifying excellence across the full spectrum of research activities.	
Our strategic priorities	<b>World-class advice and engagement</b> Our expertise and knowledge of the research system is shared, recognised, and sought out nationally and internationally, enabled by trusted, mutually beneficial relationships with a wide and influential network.	
	<b>Research system excellence</b> Our streamlined grants programs and processes, world-class data assets, and national assessments enable the research system to continuously improve and ensure Australia remains a leader in research excellence, impact and depth.	
	<b>Empowered people</b> Our expert workforce has the skills and capabilities essential for the future and operates within a culture of collaboration and continuous improvement with a strong focus on excellent service delivery.	

#### Fund high-quality, impactful research

Through the NCGP, the ARC supports excellent pure basic, strategic basic, and applied research and research training, and encourages national competition across all disciplines outside of clinical and other medical research. The Discovery Program recognises the importance of fundamental research, dedicated to the creation of knowledge, within a wider framework that encourages links with users of the research. It delivers benefit to Australia by building research capacity through promoting competitive research projects by individuals and teams, research training and career opportunities, international collaboration, and supports the national innovation system to build new knowledge and a knowledge-based economy.

The Linkage Program aims to build Australia's research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, and centres of excellence that involve collaboration among researchers within and beyond the research sector. It supports excellent collaborative research; provides training and career opportunities for current and emerging

<sup>2</sup> ERA has been discontinued, and the government is considering the future of research evaluation in the context of the Universities Accord Final Report.

researchers; fosters industry and other end-user engagement; supports international collaboration; and encourages research that will strengthen Australia's capacity in areas of national priority. Through these partnerships, the Linkage Program encourages the transfer of skills, knowledge, and ideas as a basis for securing commercial and other benefits of research.

To support this key activity during 2023-24, the ARC prioritised:

- Further streamlining NCGP arrangements by leveraging best-practice principles and an outcomesfocused culture and continuing to work with the research sector to design and implement enhanced processes and procedures, including with increased transparency and specified scheme timelines.
- Working with the Department of Education to undertake a policy review of the NCGP to take a fresh look at the significant policy drivers for supporting university research and the associated impact on Australia culturally, environmentally and economically.
- Ensuring ARC activities support a diverse and inclusive research sector and the participation by all eligible researchers, including Aboriginal and/or Torres Strait Islander peoples, women, and early and mid-career researchers in NCGP schemes.

#### Assess research excellence, impact and depth

The ARC has commenced ensuring alignment with the refreshed objects in the ARC Act, which detail that the ARC is responsible for evaluating the excellence, impact and depth of Australian university research. Following the discontinuation of ERA and the Engagement and Impact exercise, the ARC developed a transition plan, in consultation with the sector and the Department of Education, to move the former research evaluation activities to a more modern, data-driven approach informed by expert peer review. The ARC also worked closely with the Universities Accord Panel to help inform their recommendation on the National Research Evaluation and Impact Framework in the Universities Accord Final Report.

To support this key activity during 2023-24, the ARC prioritised:

- Planning a Mapping Indigenous Studies Research in Australia exercise to understand for the first time the research activities, workforce and community impacts, in order to increase the visibility of Aboriginal and Torres Strait Islander research and its important contribution to Australia.
- Utilising data analytics and reporting unit to identify, analyse and share the value from ARC and other data sets across government and with the research community.
- Building our data science capabilities to take advantage of new technologies and automated solutions to better harvest research output data.
- Tracking international best practice, including through a membership with the Research on Research Institute. The Institute is an international consortium of 21 partners who work on research evaluation and metrics.

#### Safeguard research integrity

The Australian community expects research to be conducted responsibly, ethically, and with integrity. The ARC plays a vital leadership role in maintaining and promoting the responsible conduct of research.

The ARC, in collaboration with the National Health and Medical Research Council (NHMRC) and Universities Australia, is a co-author of the *Australian Code for the Responsible Conduct of Research* (Code), which articulates the broad principles and responsibilities that underpin the conduct of Australian research.

The ARC and NHMRC also provide secretariat support to the Australian Research Integrity Committee (ARIC), which undertakes reviews of institutional processes used to manage and investigate potential breaches of the Code.

As the main funding agency for non-clinical research in Australia, the ARC works proactively with universities to help identify and manage potential foreign interference risks, in line with broader government frameworks.

To support this key activity during 2023-24, the ARC prioritised the:

- Continued work with universities and other stakeholders to safeguard the integrity and credibility of Australian research.
- Delivery of an evaluation of the ARIC.
- Publication of the Countering Foreign Interference Framework on the ARC website.

#### Provide grant services to government entities

The ARC provides grants administration services to other Australian Government entities that are managing grant programs focused on the research sector. We provide standardised research grants processes through our Research Management System (RMS).

The ARC's Research Grants Services (RGS) are consistent with whole-of-Australian Government grants administration initiatives and positions the ARC as a leader in the delivery of research grant programs in Australia. The ARC has been recognised in multiple audits as having the expertise, capability and systems to effectively administer research grants that are awarded competitively on the basis of academic peer review. By engaging subject matter experts throughout the assessment process, the ARC has been able to harness expert advice on complex and highly specialised research topics.

The ARC's grants administration processes and practices are consistent with both the mandatory and better practice guidance in the <u>Commonwealth Grants Policy Framework</u> and align with the government's science and research priorities. This best practice administration provides accountable authorities and officials of Commonwealth entities the assurance and flexibility to administer grants that contribute to excellent funding outcomes for Australian Government-funded research.

To support this key activity during 2023–24, the ARC prioritised the development of a forward strategy to promote and broaden the ARC's research grants administration expertise and services through the RGS.

#### Provide research policy advice

The ARC advises the responsible Minister on a broad range of research matters that impact the research sector and environment. We provide high-quality advice on research funding matters, research trends and career pathways. We engage and collaborate with government, universities, industry, and internationally to monitor research trends, identify areas for collaboration, and ensure that the ARC retains its reputation for being a world-class funding agency. Our data and analyses are utilised across government to inform decisions on research and innovation, industry sector investment, workforce issues, gender and equity.

To support this key activity during 2023-24, the ARC prioritised:

- Undertaking a policy review of the NCGP to ensure it remains fit for purpose and maximises the delivery of economic, social, environmental and cultural benefits for all Australians.
- Continuing to broaden and deepen the role of the ARC in strengthening relationships with the university research sector, industry, and government, including support of the Australian Universities Accord review.
- Strengthening international partnerships through a range of bilateral meetings and attendance at the Global Research Council meeting in Switzerland and the Social Science Research and Funding Collaboration in the Indo-Pacific regional summit in Thailand.

#### Resources

In 2023-24, the ARC:

- supported research with an initial budget of \$934.6 million, of which \$896.2 million was allocated to research funded under the NCGP. During 2023–24, the special appropriation was reduced to \$851.4 million (see **Section 4.2**)
- had a budgeted average staffing level of 140 employees.

#### Cooperation

In addition to serving the Minister for Education, we work with a broad range of stakeholders across government, the research and higher education sector, industry, not-for-profit, and Australian and international communities to help shape Australian research. Organisations and stakeholders that play a significant role towards helping us achieve our purpose include:

#### Australian universities

Australian universities are our key stakeholders as recipients of NCGP funding, and for whom we evaluate the quality and impact of research. We work closely with university leaders, such as DVCRs, and with university research offices, to ensure we are informed by sector knowledge, and that there is awareness and understanding of our policies, grants processes and compliance with the funding requirements and participation in our national research assessments.

#### Researchers

Researchers play an important role across the NCGP and our national research assessments by delivering excellent research and research outcomes, peer reviewing applications for the NCGP, and participating in our national research assessments. Australian researchers of international repute form the ARC College of Experts and play a central role in identifying and recommending research excellence for funding.

#### **Research peak bodies**

We collaborate and consult closely with research peak bodies to ensure our policies and programs are fit for purpose and meet the needs of the Australian research sector, given the broad range of research we fund and evaluate.

#### **Department of Education**

We sit within the Education portfolio and regularly engage with the Department of Education to ensure our policy and priority outcomes are aligned with government activities.

#### Other government departments and agencies

We work across government to ensure our activities align with strategic government priorities and that we comply with cross-government legislative requirements. We collaborate closely with the NHMRC to align grant administration practices where possible, and for oversight of the ARIC. Similarly, we collaborate with the Department of Industry, Science and Resources and the Commonwealth Scientific and Industrial Research Organisation to enable research commercialisation and translation opportunities. We also provide grants administration services to other Australian Government entities that fund research grant programs.

#### Industry, not-for-profit organisations, and other research end-users

Industry, not-for-profit organisations, and other research end-users help to maximise the research benefit of ARC-funded research by collaborating and participating in ARC-funded research. These partnerships can include cash and/or in-kind contributions and can lead to better outcomes for research and research translation across sectors.

#### International collaborators

We are committed to creating and boosting international research collaboration opportunities. Encouraging global research linkages through our schemes is key to ensuring Australian researchers are able to connect and partner with outstanding international researchers to produce world-leading research outcomes.

### **1.4** Governance

#### Accountable authority

As at 30 June 2024, the accountable authority of the ARC was the CEO (**Table 2**). From 1 July 2024, the role of accountable authority of the ARC transfered from the CEO to the ARC Board, as a result of amendments to the ARC Act following the ARC Review (see **Section 1.5**).

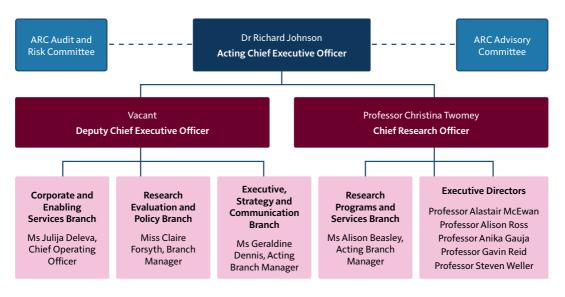
#### Table 2: Details of the accountable authority (during the 2023-24 reporting period)

Name	Position held	Start date	End date
Ms Judi Zielke PSM	Chief Executive Officer	9 April 2022	10 December 2023
Dr Richard Johnson	Acting Chief Executive Officer	11 December 2023	30 June 2024

#### Organisational structure as at 30 June 2024

The ARC's organisational structure, as at 30 June 2024, is shown in Figure 1.

#### Figure 1: Structure of the ARC (as at 30 June 2024)



#### Senior executives and their responsibilities

As at 30 June 2024, the ARC's senior executives consisted of:

- Chief Executive Officer (CEO)
- Deputy Chief Executive Officer (Deputy CEO)
- Chief Research Officer (CRO)
- Chief Operating Officer
- Branch Manager, Research Programs and Services
- Branch Manager, Research Evaluation and Policy
- Branch Manager, Executive, Strategy and Communication
- Senior Advisor to the Chief Research Officer.

Additionally, the ARC has 5 Executive Directors who play an important role in engaging and liaising with the research community and utilising their research and academic expertise to contribute to our programs, policies, and peer review processes.

#### Senior executives



#### Dr Richard Johnson - Acting Chief Executive Officer

Dr Richard Johnson was appointed to the position of Acting CEO in December 2023, following the announcement that Ms Judi Zielke PSM was stepping down from her position as CEO. Prior to this appointment, Dr Johnson was the Deputy CEO of the ARC.

The CEO was the accountable authority of the ARC for the 2023-24 reporting period and had statutory responsibilities for managing and leading the agency in accordance with legislated requirements. Under the ARC Act, the CEO was responsible for all ARC activities including

providing advice to the Minister on research matters and making recommendations to the Minister on which applications should be approved for funding.



#### Professor Christina Twomey - Chief Research Officer

The CRO, Professor Christina Twomey, provides strategic advice to the CEO in relation to the higher education and research sector to drive strategy, engagement and partnership. The CRO works collaboratively with the research sector, Executive Directors, and the Research Programs and Services Branch to design and deliver ARC scheme rounds that achieve policy objectives and meet the needs of the research sector. She also oversees the ARC's assessment and peer review processes.

A prize-winning historian, Professor Twomey's research focuses on the social and cultural history of war, imprisonment, humanitarianism, and Australia-Asia relations. She is an elected Fellow of the Australian Academy of the Humanities and the Academy of the Social Sciences in Australia and held a Distinguished Visiting Chair at the University of Copenhagen. An experienced academic leader, she is a former Vice-President of Monash University's Academic Board; Head of School in the Faculty of Arts; a member of the ARC College of Experts (2019–2021); a journal editor and executive board member of disciplinary associations.



#### Ms Julija Deleva - Chief Operating Officer

As Corporate and Enabling Services Chief Operating Officer, Ms Julija Deleva leads the finance, legal, people and capability, property, ICT, security, business continuity, corporate governance, audit and risk functions. Ms Deleva is also the ARC's Diversity and Indigenous Champion, Business Continuity Delegate and Chief Security Officer.



# Ms Alison Beasley - Acting Branch Manager, Research Programs and Services

Ms Alison Beasley oversees the delivery and administration of the NCGP, including grant applications and processes, funding variations, program design and engagement, reporting and compliance. The Programs and Services Branch manages the ARC's RMS and provides a service delivery model to other government funding programs, including pre- and post-award administrative activities, through RGS.



#### Miss Claire Forsyth - Branch Manager, Research Evaluation and Policy

Miss Claire Forsyth leads the Research Evaluation and Policy Branch, which provides high-quality advice on the research system and research evaluation and impact; works with domestic and international stakeholders across sectors; manages and maintains world-class data assets and national assessments; facilitates access to research publications and research data; and supports the ARC's responsibilities in relation to the research integrity and national security of the research it funds.



# Ms Geraldine Dennis – Acting Branch Manager, Executive, Strategy and Communication

Ms Geraldine Dennis leads the Executive, Strategy and Communication Branch, which provides high-level executive support to the CEO and broader senior leadership group. The Branch is responsible for agency-wide communications; parliamentary; strategic planning and coordination; and information and change management functions.



#### Ms Jessica Winnall - Senior Advisor to the Chief Research Officer

Ms Jessica Winnall is the Senior Adviser to the CRO. She provides advice and support to the CRO, including a strategic planning approach for the delivery of the NCGP and opportunities for improvements in performance of delivery in line with Commonwealth objectives.

#### **Executive Directors**



# Professor Alastair McEwan – Executive Director for Biological Sciences and Biotechnology

Professor Alastair McEwan joined the ARC as Executive Director for Biological Sciences and Biotechnology in November 2023.

He is passionate about researcher development and in his role as Convenor of the Australian Council of Graduate Research, he was actively engaged in promoting research training across Australia.

Professor McEwan has a distinguished research record with more than

200 research works across the biochemical and microbial sciences, and the interdisciplinary research area of Metals in Biology. His research focuses on the role of transition metal ion acquisition and tolerance in bacterial-host cell interactions and the development of metal-based antimicrobials. His research was funded continuously by the ARC for more than 2 decades and he continues to be funded by the NHMRC.



#### Professor Alison Ross - Executive Director for Humanities and Creative Arts

Professor Alison Ross joined the ARC as Executive Director for the Humanities and Creative Arts in February 2023.

A Professor of Philosophy at Monash University, Professor Ross has been an ARC Future Fellow, Deputy Dean of Research in the Faculty of Arts, and most recently held the position of Academic Director Research in the Office of the DVCR at the university.

Professor Ross's research focuses on the semantic impact of aesthetic

experience on understanding the world and acting in it. She has published on topics in aesthetics, the history of modern philosophy as well as on literature and film.



# Professor Anika Gauja - Executive Director for Social, Behavioural and Economic Sciences

Professor Anika Gauja joined the ARC as Executive Director for the Social, Behavioural and Economic Sciences in January 2023.

An internationally renowned political scientist, Professor Gauja's research has made significant contributions to our understanding of democracy, political participation, and representation in Australia and across the globe. She has expertise in elections, democratic decline and resilience, campaign finance and party politics, and a strong track record of interdisciplinary

research and cross-sector collaboration.

Throughout her career, Professor Gauja has developed research partnerships with government agencies and non-government organisations, working extensively with multiple international research teams, and has held visiting fellowships at various universities. With a strong emphasis on public communication and social impact, her research has been utilised in parliamentary inquiries, policy reports, judicial decisions and the media.



#### Professor Gavin Reid - Executive Director for Mathematics, Physics, Chemistry and Earth Sciences

Professor Gavin Reid joined the ARC as Executive Director for Mathematics, Physics, Chemistry and Earth Sciences in August 2023.

Throughout his career, Professor Reid has made significant fundamental and applied contributions to the development and application of analytical mass spectrometry instrumentation, methodologies, and associated chemical strategies for chemical and biomolecular analysis, with a particular focus on proteomics, the large-scale study of proteins,

and lipidomics, the large-scale study of lipids found in any biological system.

In addition to receiving multiple national and international awards in recognition of his research, Professor Reid was elected in 2022 as a Fellow of the Australian and New Zealand Society for Mass Spectrometry.



#### Professor Steven Weller - Executive Director for Engineering and Information Sciences

Professor Steven Weller joined the ARC as Executive Director for Engineering and Information Sciences in March 2023.

He currently is Professor of Electrical Engineering at the University of Newcastle. Highly awarded, Professor Weller is also an elected Fellow of the Royal Society of New South Wales.

Professor Weller's research interests are in control theory and its

applications. He is especially interested in applications of control theory to energy systems, climate economics, and cyber-security of modern power systems.

#### Committees and their roles

The ARC's key internal management committees support the ARC's accountable authority to deliver its responsibilities under the ARC Act, the *Public Governance, Performance and Accountability Act* 2013 (PGPA Act) and the *Public Service Act* 1999. These committees include:

- Senior Management Coordination Committee, previously known as the ARC Leadership Group
- People Committee
- Business Operations Committee.

To further assist the accountable authority, the ARC has an Audit and Risk Committee, as required under the PGPA Act, and had an Advisory Committee, which was a designated committee under the ARC Act.

Additionally, there are a number of committees that support the ARC in the administration of the NCGP, including matters relating to research integrity. Further information regarding these committees is in **Part 2**.

#### **ARC Advisory Committee**

The ARC Advisory Committee was established on 31 March 2022 as a designated committee under the ARC Act, replacing the previous ARC Advisory Council. The Advisory Committee and independent Chair were appointed by the Minister for Education for up to 3 years. Members had broad expertise across research, industry, and governance (**Table 3**).

The Advisory Committee supported the accountable authority in setting the ARC's strategic agenda to deliver on the 3 broad objectives:

- to grow knowledge and innovation for the benefit of the Australian community by funding the highest quality research
- assessing the quality, engagement, and impact of research
- providing advice on research matters.

The Advisory Committee held 4 official meetings in 2023-24.

Following the amendments to the ARC Act commencing 1 July 2024, the Advisory Committee ceased to exist in its current form as at 30 June 2024. Reflective of the amended ARC Act, the Minister is required to appoint a new Advisory Committee which will report to the Board.

#### Table 3: Membership of the ARC Advisory Committee (during the 2023-24 reporting period)

Member name	Organisation	Term of appointment <sup>3</sup>
Professor Chris Moran (Chair)	University of New England	March 2022 - June 2024
Professor Calum Drummond AO	RMIT University	March 2022 - June 2024
Professor Deborah Terry AC	University of Queensland	March 2022 - June 2024
Distinguished Professor Maggie Walter	University of Tasmania and Yoorrook Justice Commission	March 2022 - June 2024
Professor Mark Hutchinson	University of Adelaide	March 2022 - June 2024
Mr Mark McKenzie	Council of Small Business Organisations Australia	March 2022 - June 2024
Professor Michelle Simmons AO	University of New South Wales	March 2022 – June 2024
Dr Mirjana Prica	Food Innovation Australia Limited	March 2022 - June 2024
Professor Susan Dodds FAHA	La Trobe University	June 2022 - June 2024
Mr Ben Rimmer (Ex-officio)	Department of Education	Term not specified as ex-officio
Ms Helen Wilson (Ex-officio)	Department of Industry, Science and Resources	Term not specified as ex-officio

<sup>3</sup> Under the amended ARC Act, commencing 1 July 2024, the Advisory Committee ceased to exist as at 30 June 2024.

#### ARC Audit and Risk Committee

The ARC Audit and Risk Committee provides independent advice to the accountable authority on the appropriateness of the ARC's financial and performance reporting and systems of risk oversight, management and internal control.

The ARC Audit and Risk Committee is established by the accountable authority in compliance with the PGPA Act and section 17 of the <u>Public Governance</u>, <u>Performance and Accountability Rule 2014</u> (PGPA Rule). Its functions and responsibilities are detailed in the <u>ARC Audit and Risk Committee Charter</u>, which is reviewed annually and is available on the ARC website.

During 2023–24, the ARC Audit and Risk Committee comprised 4 members external to the ARC. The members collectively possessed a broad range of skills and experience relevant to the operations of the ARC (**Table 4**). The ARC Audit and Risk Committee held 5 meetings in 2023–24, including 4 quarterly meetings and one preliminary financial and performance statements meeting.

	Number of meetings attended/ total number of meetings	Total annual remuneration (GST inclusive)⁴	
Name Qualifications, knowledge, skills or experience		xperience	
Mr Allan	5/5	\$14,000	
Gaukroger (Chair)	Mr Gaukroger has over 40 years of experience in the public and private sector, and has held senior positions in finance, audit and general management, including previous roles as Chief Financial Officer and Chief Audit Executive. He is a Certified Practicing Accountant and has a Bachelor of Arts, majoring in accounting. Mr Gaukroger has been a participant, auditee, independent audit committee member, and Chair in various departmental and agency audit committees.		
Ms Karen	5/5	\$9,900	
Michelle	Ms Michelle has 27 years of experience risk, programs, stakeholders, strategic Accountant Fellow and has bachelor's and Science. Ms Michelle has worked in including a previous role as Departmer volunteer board positions for non-prof	planning and ICT. She is a Chartered degrees in the fields of Commerce n both the public and private sectors, nt Chief Financial Officer, and has held	

#### Table 4: Membership of the ARC Audit and Risk Committee (during the 2023-24 reporting period)

<sup>4</sup> Where GST is applicable.

	Number of meetings attended/ total number of meetings	Total annual remuneration (GST inclusive)⁴	
Name	Qualifications, knowledge, skills or experience		
Mr Peter	5/5	\$9,000	
McKeon	Mr McKeon has over 40 years of experience in the public and private sector and within international organisations. He has held senior roles in public service governance and management, information and communications technology, and cyber security, including previous roles as Chief Information Officer and First Assistant Secretary. He has a bachelor's degree in computing studies. Mr McKeon has served on audit and risk committees for more than 14 years.		
Ms Fiona Smart	5/5	\$9,000	
	Ms Smart has 30 years of public service and management, including leading de government grants management syste and has held senior management roles implementation and management, and administration.	evelopment of a key Commonwealth em. She has a Bachelor of Economics in social policy, program development,	

<sup>4</sup> Where GST is applicable.

# **1.5** Legislation

The ARC was established under the <u>Australian Research Council Act 2001</u> (ARC Act). The ARC Act to 30 June 2024 provided detail in relation to:

- the functions of the ARC
- the establishment of designated committees by the responsible Minister
- the CEO and ARC staff
- reporting requirements
- the funding of research, including the funding cap, funding assistance, funding rules and the ARC research endowment fund.

The funding caps in the ARC Act were regularly updated through an amendment bill to allow continued funding under the NCGP.

#### Amendments to the ARC Act

#### Background

On 30 August 2022, the Minister for Education, the Hon Jason Clare MP, announced an independent review of the ARC Act (ARC Review). Professor Margaret Sheil AO (Panel Chair), Professor Susan Dodds FAHA and Professor Mark Hutchinson were appointed to manage the review process.

The ARC Review considered how the ARC Act can be developed to provide clarity on objectives and processes to drive renewed focus within the organisation. The ARC Review also considered whether the scope of the current legislation is sufficient to support an effective and efficient university research system.

#### ARC Review recommendations and government response

The ARC Review's final report, *Trusting Australia's Ability: Review of the Australian Research Council* Act 2001, was released in April 2023 and made 10 recommendations, including to amend the ARC Act to provide greater clarity of the ARC's purpose and functions; strengthen governance and accountability arrangements by establishing an ARC Board; and reduce legislative burden and increase accounting flexibility to fund research programs.

On 22 August 2023, the government agreed, or agreed in principle, to all 10 recommendations of the ARC Review.

In response to the ARC Review, the <u>Australian Research Council Amendment Act 2024</u> (Review Response Act) was introduced into the Parliament on 29 November 2023. The Review Response Act aimed to implement 6 of the 10 recommendations from the ARC Review. The remaining 4 recommendations did not require legislative changes.

#### Amended ARC Act

The Review Response Act passed through Parliament and amendments to the ARC Act received Royal Assent on 28 March 2024, with a commencement date of 1 July 2024.

The new ARC Board was announced by the Minister on 26 June 2024 and commenced as the ARC's accountable authority from 1 July 2024. The Board, chaired by Professor Peter Shergold AC, is responsible for determining the priorities, strategies, and policies for the ARC and advising the Minister regarding these.

Additionally, the Board is responsible for approving all grants under the NCGP, with the exception of designated research programs where the Minister maintains the responsibility to award funding.

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## **1.6** Outcomes of ARC-supported research



Aboriginal and Torres Strait Islander peoples should be aware that the following section contains the name and image of a deceased person.

Research highlights demonstrate how research funded through the NCGP is making a real difference to Australia and the world. The following case studies reflect a selection of the research projects which demonstrate the economic, commercial, environmental, social and/or cultural benefits arising from ARC-funded research.

# Dating West Antarctic Ice Sheet collapse using molecular sequence data

**Primary Researcher:** Professor Jan Strugnell **Institution:** James Cook University

Professor Jan Strugnell, of James Cook University, found an exciting new way to test if the West Antarctic Ice Sheet (WAIS) collapsed during previous high temperatures and if they are comparable to the current rises in temperature – a question that has lingered for almost 50 years. Her approach was not to carry out geological sampling, but through the DNA of the octopus.

Professor Strugnell led the multidisciplinary, ARC-funded Discovery project, *Dating West Antarctic Ice Sheet collapse using molecular sequence data*. Her research showed that populations of Turquet's octopuses, which live all around Antarctica, were once able to interbreed by migrating through gaps in rock currently filled by the WAIS.

'The DNA of the Turquet's octopus is an important time capsule which we can use to look into the past,' Professor Strugnell says. 'We were able to investigate the DNA of these octopuses to show that at the interglacial period about 125,000 years ago, we see a connection between these octopuses on either side of the West Antarctic Ice Sheet. That could only occur if there was a collapse of the ice sheet at that time.'

Professor Strugnell's study of DNA patterns in the octopus genome found direct and unique connections between populations in the seas around Antarctica that are currently separated by the WAIS. They then statistically tested if this could be explained by their present-day connections. The most recent DNA signatures of direct connections between the octopuses in the seas around Antarctica were during the last interglacial period around 125,000 years ago.

'A terrifying part of what we found is evidence that when the West Antarctic Ice Sheet collapsed, temperatures were very similar to those today. The implication of that is that the ice sheet could collapse under even under minimal temperature rises above, for example, the Paris Agreement targets,' Professor Strugnell says. 'And that could mean sea levels rising several metres – a real concern for the world.'

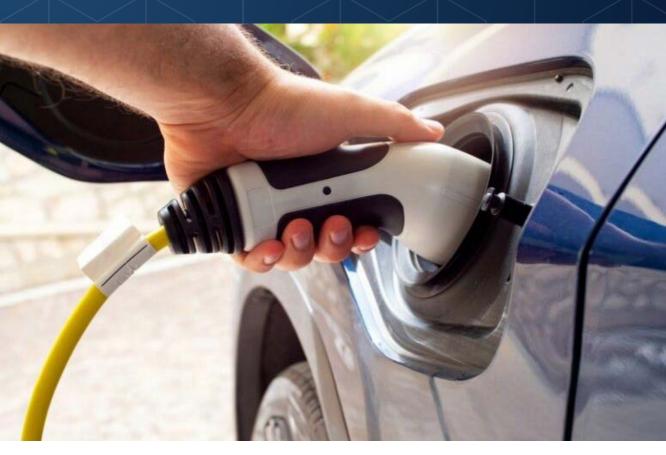
Professor Strugnell says the research required a multidisciplinary approach, uniting physical scientists and biologists, to help answer an important question about the WAIS. 'I think what's most interesting about this project is the power of multidisciplinary research to bring together different scientists, across different fields, to address very challenging problems in new ways.'

Image credit: Nerida Wilson, University of Western Australia, Western Australian Museum.

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## Building infrastructure and resilience for electric vehicles

Primary Researcher: Dr Elizabeth Ratnam Institution: Australian National University



The electric grid that we have known for more than a century is being transformed to meet the global challenge of climate change. As electric vehicles become more common and new challenges emerge, the Australian National University's Dr Elizabeth Ratnam is working to build Australia's fast charging infrastructure in a way that improves the resilience of our electricity grid.

In Dr Ratnam's ARC Linkage project, *Building Australia's Electric Vehicle Fast Charging Infrastructure*, she examines how best to integrate electric vehicle technology with the electricity grid. 'The idea is that we can deploy electric vehicles and actually help the grid,' Dr Ratnam says.

'We think about the average customer, consuming 20 kilowatt hours a day. If that customer looked to buy an electric vehicle and wanted to charge that as quickly as possible when they got home for work, for example, then that would require about 14 kilowatt hours a day – so not quite double, but quite a considerable load.

'If we think about congestion in the grid, on the very hot days in the year when everybody uses their air conditioning – if an electric vehicle is coming home and charging at full throttle, that can drive further investment in the grid just to support the electrification of vehicles.'

Dr Ratnam seeks to help customers save money and support them in the electrification of transportation. 'A way to do that is with vehicle to grid technology, where you discharge the battery, particularly at these peak congestion times,' she says. 'In doing that, we've looked at cases where the costs for a customer if they didn't consider the grid could be something like \$9 a day, but if they did support the grid with this vehicle to grid charging, they could reduce that bill to 70c a day'. The result is an opportunity for customers to improve their savings and a way to reduce the need to invest more in the grid – and to reduce the cost of electricity generally.

'We're partnering with a grid integration company and we're looking to deploy, or translate, that information as a benchmark for new electric vehicle grid-integration methods,' Dr Ratnam says. The research project will develop new control and optimisation algorithms that enable the operation of smart electrical grids with integrated electric vehicle fast-charging capabilities, along with renewable and distributed energy resources.

Dr Ratnam also leads a team in an ARC Linkage Infrastructure, Equipment and Facilities project, *National Facility for Electricity Grid Security and Resilience Research*. The project aims to establish a national electricity grid security and resilience facility that will strengthen large-scale industrial control systems against cybersecurity threats.

'The National Facility will allow us to test and benchmark new electric vehicle control algorithms against cyber-threats, enabling electric vehicle infrastructure to be better engineered for improved robustness and resilience against cybersecurity threats,' she says.

Image credit: MotionArray.

# A smartphone rip-detection tool to improve rip current awareness

**Primary Researcher:** Dr Mitchell Harley **Institution:** University of New South Wales



Led by Dr Mitchell Harley from the University of New South Wales, ARC Linkage project *A smartphone rip-detection tool to improve rip current awareness* aims to develop a smartphone rip-detection tool – which has been named RipEye – and an online education game to help reduce the number of Australians drowning in rips each year.

Working in partnership with Surf Life Saving Australia (SLSA) and with an interdisciplinary research team, this project is expected to enhance ability to identify rip currents, especially among high-risk demographics such as young men, culturally and linguistic diverse communities and rural visitors.

Dr Harley says that by harnessing the power of Artificial Intelligence (AI) and everyday smartphones, this project will help to develop an algorithm that can detect rips from smartphone video footage taken at Australian beaches.

'Almost everyone these days has a smartphone in their pocket. With this new project we aim to supercharge your everyday smartphone into a new rip-current detection tool that is powered by AI and specifically adapted for Australian beach conditions. The goal is enhancing the ability of beachgoers to spot rips – and hopefully reduce the number of swimmers unknowingly entering extremely hazardous conditions,' Dr Harley says.

With a particular focus on unpatrolled beaches, this new smartphone tool will be used by SLSA to provide training and education to help the community become more confident in identifying dangerous rip currents. The research outcomes of this project will support SLSA's goal to achieve the Australian Water Safety Council's commitment to reduce drowning deaths by 50% by 2030.

Shane Daw, General Manager of Coastal Safety at SLSA, says that it is important to empower beachgoers so that they can learn more and avoid potentially life-threatening rip currents.

'Rip currents are the number one beach hazard globally, responsible for one in 5 drowning deaths recorded along the Australian coast,' Daw says.

'Fortunately, here in Australia we have an incredible integrated network of professional lifeguards and surf lifesavers who patrol popular beaches to keep beachgoers safe. However, beach patrols cannot be everywhere at all times, so we need to empower the community to learn more about rip currents and how to avoid them or escape from them safely.'

It is anticipated that RipEye will reduce the drowning burden on lifeguards, the Australian community and the economy – and ultimately make the beach a safer place for all Australians.

Image credit: Dr Mitchell Harley.

# ARC Centre of Excellence for Automated Decision-Making and Society

**Primary Researcher:** Distinguished Professor Julian Thomas **Institution:** RMIT University



Automated decision making, or the process of machines making decisions without human involvement, is already widely used in transport, in digital media, in health care, and in government services.

Distinguished Professor Julian Thomas is Director of the ARC Centre of Excellence for Automated Decision-Making and Society (ADM+S Centre), which aims to create the knowledge and strategies necessary for responsible, ethical, and inclusive automated decision-making across these diverse areas.

'It's a challenging and exciting project that requires humanities and social sciences researchers to work with our colleagues in the key technological disciplines. The ARC enables us to do that.' The ADM+S Centre is hosted at RMIT University, with connections at 8 other Australian universities and partners around the world. It brings together universities, industry, government, and the community.

Professor Thomas said the Centre's research recognises that the widespread uptake of automated decision-making carries risk as well as potential. 'Rapidly evolving technologies such as generative AI are likely to produce both spectacular successes and failures,' he said.

One notable ADM+S Centre project is *Mapping the Digital Gap*, the first of its kind to document the uses of digital services in Aboriginal and Torres Strait Islander communities in remote Australia. The work involves a partnership with Telstra and 10 Indigenous Australian community partner organisations.

'That project provides key indicators on progress towards the Closing the Gap targets and informs important initiatives such as the new First Nations Digital Inclusion Plan,' he said. The scope of the work is likely to be expanded further, with additional funding from the Australian Government for data collection on Indigenous Australian digital inclusion.

Professor Thomas has been a Chief Investigator on many ARC-funded research projects, including the development of the Analysis & Policy Observatory. The Analysis & Policy Observatory is an online archive of policy-related research, providing an intensively-used repository for researchers, librarians, public servants, journalists, and students.

'We've been fortunate to have ARC grants to support the growth of research infrastructure in the humanities and social sciences,' Professor Thomas said. 'Building on our work in ADM+S, there are now many exciting possibilities for new research tools which draw on the capabilities of Al.' With funding from the Australian Research Data Commons and university partners, the ADM+S Centre is now developing a new facility, the Australian Internet Observatory. The Observatory aims to give all Australian researchers greater visibility of digital platforms and our interactions with them.

Image credit: provided by ADM+S Centre.

# ARC Centre of Excellence for Australian Biodiversity and Heritage

Primary Researchers: Dr Christopher Wilson, Distinguished Professor Sean Ulm, Distinguished Professor Larissa Behrendt Institution: University of Wollongong



Investigators at the ARC Centre of Excellence for Australian Biodiversity and Heritage (CABAH) have used their research into the history of Australia to tell stories from around the country dating back tens of thousands of years. Several of the Centre's projects have recently been featured in *The First Inventors* documentary television series on Channel 10 and SBS, exploring the convergence of Western science with Indigenous Australian knowledge and sciences.

ARC Centres of Excellence like CABAH are pioneering new ways of working in partnership with Indigenous Australian communities. Distinguished Professor Sean Ulm, a Chief Investigator at the Centre, says the goal is a process of co-design where researchers develop questions in collaboration with Traditional Owners.

'CABAH's objective has been to partner with Aboriginal and Torres Strait Islander communities to conduct research on Country and in laboratories, to tell the globally significant and culturally inclusive history of Australia,' says Professor Ulm. 'One of the defining features of CABAH is working with Traditional Owners using methods that are respectful of different ways of viewing and knowing the world.'

The Centre's collaborative approach is one of the reasons Distinguished Professor Larissa Behrendt, who was the Director of *The First Inventors*, wanted to partner with CABAH as the primary research partner for the series. 'They have a really good understanding of the importance of outputs from research that go beyond just academic articles, and inevitably the outcomes of their research are going to have meaning and impact on the aspirations of those First Nations communities,' says Professor Behrendt.

'To have a research partnership that wasn't so singular, and because of the nature of this Centre of Excellence, being multifaceted and multidisciplined, people could see how their own slice of research fitted into a broader narrative.'

One of CABAH's legacies will be its Research Training and Ethics program, which offers professional development opportunities to all Centre members, from PhD candidates to Chief Investigators. Ngarrindjeri early career researcher Dr Christopher Wilson, who features in *The First Inventors*, says being part of the Centre has given him access to researchers and disciplines he may not have encountered otherwise.

'Building those networks has been a really fundamental step for me – getting to know who's who in these disciplines and the work that they do and how that can contribute to telling a story of the past,' says Dr Wilson. 'I think this series has given a glimpse into the kind of work that researchers and Indigenous communities from CABAH do, and hopefully, people will be excited and hungry for more.'

**Image credit:** Supplied by James Cook University. CABAH Associate Investigator Ariana Lambrides (James Cook University Node) working with Traditional Owners on Jiigurru.

# Practical and sustainable pathways to community coexistence with bushfires

Primary Researcher: Professor David Bowman Institution: University of Tasmania



ARC Laureate Fellow and Director of the Fire Centre at the University of Tasmania, Professor David Bowman, is undertaking the research project *Practical and sustainable pathways to community coexistence with bushfires*.

The project comes after the Bushfire Royal Commission into the Black Summer Bushfires of 2019–20, which revealed a series of complex social, administrative, and environmental factors contributing to their impact.

Professor Bowman's project aims to develop pathways for Australian communities to coexist with fire-prone landscapes in a safe and sustainable manner. It will address the immediate national and international challenges to policy and practice represented by the escalating risk of bushfire disasters in Australia.

Professor Bowman said that approaching this challenge holistically and collaboratively is the key to achieving sustainable, practical solutions for the benefit of Australian households.

'Pyrogeography and fire science provides a way of thinking about this problem in a complete way. I'm just as comfortable thinking about mathematical modelling to understand fire behaviour as I am working with a legal researcher to think through ways to make interventions such as bushfire bunkers and private fire shelters accessible,' Professor Bowman said.

'You need research and development, which is something that the ARC strongly supports. And then you have industry partners who are fundamental to educating the community, which leads to motivating people out of self-interest to do practical things at scale where we can really create fire safe communities.'

'This must be done in a coordinated way with industry partners and government, it's a shared responsibility to produce the scaling outcomes that we need to stop a fire crisis,' Professor Bowman said.

A significant aspect of Professor Bowman's project is the knowledge shared around traditional burning practices by Indigenous Australian community groups, which is critical to understanding how to live in flammable landscapes sustainably.

'Here in Australia, we have a fantastic opportunity to engage with First Nations community groups, which can mean helping them recover their knowledge and their agency in using fire. We're disclosing the past, but we're also mindful of the future.'

'Some of the research I'm doing is targeted to restore traditional First Nations burning practices. For example, we are trying to understand whether patch burning by a tin miner in Tasmanian wilderness in the 1920s that enabled the endangered orange bellied parrot species to persist was a continuation of traditional cultural burning. We are using palaeoecological techniques to find out if this was something learned or adapted from First Nations people,' Professor Bowman said.

**Image credit:** Image captured by ARC Communications team. Professor David Bowman at the University of Tasmania bush reserve.

# The Economics of Birds: Colonial Australia's Relationship to Native Species

**Primary Researcher:** Dr Rachael Weaver **Institution:** University of Tasmania

Dr Rachael Weaver's ARC Future Fellowship at the University of Tasmania, *The Economics of Birds: Colonial Australia's Relationship to Native Species*, is developing the first comprehensive analysis of native bird species in the cultural, scientific, and economic life of colonial Australia.

Dr Weaver draws on a wealth of primary material to help us understand how colonial Australia viewed birds. 'I might find a painting of a black swan from a particular era and then I will examine the entire context: who's talking about black swans? – in novels, poetry, explorer journals, legislation, journalism, recipe books – everything,' she says.

'I layer everything together so that I can get a really multidimensional perspective on that species or that set of attitudes, or whatever it is that I'm trying to illuminate.'

The black swan, Dr Weaver says, embodies some of the contradictions in colonial Australia. She says the colonists brought the same European cultural reverence for the white swan to the 'miraculous' black version, but at the same time 'the first thing they did when they saw it was shoot it – eating it or stuffing it and sending it back to England, where it caused a sensation'.

LATHANUS DISCOLOR

Recurring themes have started to emerge. 'There's this constant idea that a particular species is either a friend, an ally or an enemy,' Dr Weaver says. She links the sharp decline of particular Australian species to inherited views and beliefs.

'From the first moments that people started bringing sheep to Tasmania, they were shooting wedgetailed eagles because in Scotland, back in the day, they thought the "monarch of the feathered tribes" was killing sheep, which isn't true,' Dr Weaver says. She notes sometimes such views have persisted, pointing to several contemporary incidents in which Victorian farmers poisoned hundreds of wedgetailed eagles in the belief that they were killing lambs.

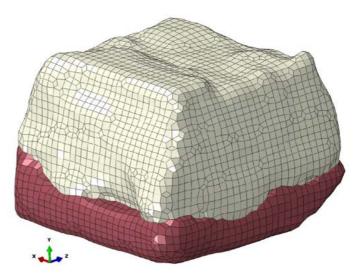
Though not technically a birdwatcher herself ('birds watch me'), Dr Weaver hopes ultimately to help shape Australia's ongoing relationship to native bird species. 'A key argument for promoting bird watching is that it attracts tourists and money, but I would like to get to a stage where we value species for themselves, because everybody feels better when they engage with the natural world and see species living their lives,' she says.

**Image credit:** *The birds of Australia*, Gould E & J, London [1840]-48, via the Biodiversity Heritage Library.

# Brain-skull interface: discovering the missing piece of head biomechanics

**Primary Researchers:** Professor Adam Wittek and Professor Karol Miller **Institution:** University of Western Australia

Every year in Australia more than 22,000 people suffer a traumatic brain injury, and over 12,000 neurosurgical operations are performed. Professor Adam Wittek, with Professor Karol Miller from the Intelligent Systems for Medicine Laboratory, along with collaborators in the United States, has embarked on an ARC Discovery project, *Brain-skull interface: discovering the missing piece of head biomechanics*, aiming to fill a key gap in knowledge to reduce the severity of brain injuries and assist surgeons.



Professor Wittek's research aims to uncover the missing knowledge on the brain/skull interface and develop software for advanced computer simulations to run on off-the-shelf PCs.

'It's about understanding the interactions between the brain and skull,' he says. 'The gap in knowledge is what we call the boundary conditions for the brain. In construction engineering you have to know how the beam is supported, for example whether it is supported at 2 or 3 points, and what movements are constrained. It's pretty much the same for the brain.'

Professor Wittek hopes to achieve a 'phenomenological description' of the brain/skull interface that cannot be reached through histology (the study of tissues frozen and fixed with chemicals). 'There are several layers which have a thickness of less than one millimetre. When we start to dissect it, we may break some very thin layers we don't even know exist,' he says.

Motorists, cyclists, neurosurgeons, and neurosurgical patients are likely to be significant beneficiaries of the research. To include the mechanical properties of brain-skull interface in software, Professor Wittek says, implements the last missing piece of brain biomechanics knowledge, providing more reliable models for simulating injury and surgery. 'Some images can be acquired in surgery, but it takes time, so neurosurgeons must stop surgery to look and think. They try to manage what they've seen on the image obtained before surgery but with this deforming organ image they have it in front of them. Predicting what will happen to the organ during surgery will help alleviate the risk and speed up neurosurgery.'

One of the potential benefits of applying new computational techniques will be for countermeasures against brain injury, through safety devices such as bicycle helmets. Professor Wittek has previously worked with Chinese collaborators using computer models to evaluate the effectiveness of helmet designs. 'A more accurate description of the brain-skull interactions will improve that injury risk prediction and can be used in the design of the helmet,' he says.

**Image credit:** Brain/skull figure created by Sajjad Arzemanzadeh, PhD student at the Intelligent Systems for Medicine Laboratory, and edited by Professor Adam Wittek. Supplied by Professor Wittek.

# Rangingur: a Yolŋu digital art of renewal

**Primary Researcher:** Professor Jennifer Deger and Paul Gurrumuruwuy Wunungmurra **Institution:** Charles Darwin University



An ARC-funded collaboration with Yolŋu researchers in the Northern Territory seeks to enrich Australia's understanding of the beach as a critical zone of Indigenous Australian history, identity, and environmental knowledge. *Rangingur: a Yolŋu digital art of renewal*, is an ARC Special Research Initiative that aims to deepen the place of the beach in the national imagination. The project is led by Senior Research Fellow Paul Gurrumuruwuy Wunungmurra and Professor Jennifer Deger, both anthropologists and filmmakers who together direct the Centre for Creative Futures at Charles Darwin University.

Fifteen years ago, Mr Wunungmurra and Professor Deger began developing creative research agendas informed by Yolŋu social values. For this project they worked with family members from Miyarrka Media to compose an audio-visual essay, *Luŋthun: Sand, saltwater and collaborative attunements*, as a crucial step in their experimental approach to intercultural communication. The essay uses poetic text, sounds and images, and a deliberately slow-paced scroll to orient a non-Yolŋu audience to Country as an authoritative source of knowledge and belonging.

One of the project's aims is to create a website that shares Yolŋu ways of caring for, connecting to, and visualising beach country. Wunungmurra insists that an understanding of the rani (beach) starts not with environmental problems, but with life. 'You can't jump straight to those kinds of problems,' he says. 'There are relationships here, connections and communication. If you know how to look, the rani can show you how to work together, to nurture each other, to hold hands as we step forward. Yolŋu and Yolŋu; Yolŋu and balanda (white people),' he says.

Mr Wunungmurra describes the Yolŋu ways of seeing and relating to the beach that this project offers as a gift from Yolŋu, rather than something taken from them by anthropologists. 'We are using cameras and computers, shaping it up and giving it out – so you can use it your way,' he says.

Professor Deger describes the project as an adventure in 'off grid' scholarship which, while meeting the requirements of academic rigor, represents a form of knowledge that is not just about extracting information.

'The research we are undertaking – the methods, the orientations, the inclusions and exclusions – are all aspects of a project concerned with delicately, diligently, and collaboratively finding ways to digitally amplify the expressive voice of Country,' Professor Deger says.

'In this way we seek to produce positive, and what Gurrumuruwuy insists can be enlivening, outcomes for this small stretch of sandy coastline and the families it has nurtured for generations.'

**Image credit:** Paul Gurrumuruwuy Wunungmurra, Co-director Centre for Creative Futures, Charles Darwin University. Miyarrka Media.

# PART 02

Management and accountability

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# 2.1 Research grant administration

## Administration of the NCGP

#### **ARC College of Experts**

Supporting the NCGP is our peer review process, and the ARC College of Experts plays a key role in upholding peer review as a core process to identify research excellence, and to assist the ARC in providing expert advice on research to the Australian Government.

College members are experts of international standing who bring disciplinary and broad academic expertise, experience in research administration and leadership, and a strong understanding of the Australian and international research landscape to support high-quality peer review of applications to the NCGP.

New members are announced annually for terms of up to 3 years, ensuring a consistent source of expertise and providing opportunity across the breadth of the research and innovation sector. At the discretion of the ARC, extensions of up to one year may be offered to ensure that available expertise reflects the range of applications being submitted.

As at 30 June 2024, the ARC College of Experts is comprised of 318 members, including 99 new members appointed for 2024. ARC College of Experts nominations place a strong emphasis on multi-disciplinary and cross-disciplinary expertise, with high regard also placed on applicants with a strong assessor history. In addition, nominations from women, Aboriginal and/or Torres Strait Islander peoples, and end-users across the private, public and not-for-profit sectors were particularly encouraged to nominate. Continuing to support the *ARC Reconciliation Action Plan*, there are currently 11 Aboriginal and/or Torres Strait Islander members of the ARC College of Experts. A <u>list of the ARC College of Experts</u> is available on the ARC website.

When the Industry Fellowships Program was established in 2022–23, 77 industry members were initially appointed for one year to work alongside the ARC College of Experts for this program given the specific focus on mobility between academia and industry. These individuals were identified for their research knowledge and expertise within industry and/or the advanced stages of research translation and commercialisation. Sixty industry members agreed to continue for another 2 years, until 2024–25.

#### **Selection Advisory Committees**

Selection Advisory Committees (SACs) recommended to the ARC CEO which applications should be funded and how much funding successful applications should receive. The nature of the grant opportunity and the volume of applications influences the size and structure of each SAC, which may consist of ARC College of Experts members and/or other distinguished academic researchers, industry researchers, and members from end-user stakeholder groups. The Discovery Projects and Discovery Early Career Researcher Award schemes use a SAC structure with 5 disciplinary panels. The Future Fellowships scheme and the Early Career Industry Fellowships scheme have a SAC structure with 3 disciplinary panels.

A single, combined multi-disciplinary SAC structure is used for the following schemes: Australian Laureate Fellowships, Discovery Indigenous, Linkage Infrastructure, Equipment and Facilities, Linkage Projects, Mid-Career Industry Fellowships, Industry Laureate Fellowships, Industrial Transformation Training Centres, Industrial Transformation Research Hubs, Special Research Initiatives and ARC Centres of Excellence schemes.

#### NCGP Appeals Committee

The NCGP Appeals Committee operates independently to ensure rigour and considers appeals submitted to the ARC in relation to the NCGP. The Committee makes recommendations to the CEO about whether appeals should be allowed or dismissed, and provides general advice to the ARC about modifications and improvements to the ARC's administrative processes. It consists of external members appointed by the Branch Manager, Research Programs and Services.

The NCGP Appeals Committee members for 2023-24 were:

- Mr Peter Lambert
- Ms Sayuri Grady
- Emeritus Professor Amanda Lawson.

The NCGP Appeals Committee met 4 times in 2023-24.

Details about the appeals are provided under *Service delivery and complaints handling* later in **Section 2.2**.

#### Medical Research Advisory Group and NCGP Eligibility Committee

The ARC's Medical Research Advisory Group (MRAG) is responsible for providing additional technical advice regarding eligibility for selected applications under consideration by the NCGP Eligibility Committee. Where the NCGP Eligibility Committee considers that additional expertise is required to determine eligibility under the *ARC Medical Research Policy*, the application is referred to MRAG members for written advice. Each application requiring additional expertise is referred to at least 3 MRAG members.

MRAG members may be individuals from the current or past ARC College of Experts or individuals with sufficient seniority to have a broad overview of research, particularly within research disciplines where there is potential for an overlap with medical research. Advice from MRAG members is considered by the NCGP Eligibility Committee, and then eligibility recommendations were provided to the ARC CEO for final decision.

#### Grant programs

GrantConnect is the Australian whole-of-government, centralised, web-based grant information system. All non-corporate Commonwealth entities, including the ARC, must publish on GrantConnect to meet requirements under the *Commonwealth Grants Rules and Guidelines*. GrantConnect is the authoritative source of information in relation to Australian Government grant opportunities and grant guidelines, including for all schemes under the NCGP. Further information can be found on the GrantConnect website, <u>www.grants.gov.au</u>.

Information on grants awarded by the ARC during the period 2023–24 is available on the ARC website. The ARC also provides access to NCGP data through ARC Grants Search, which forms part of the agency's <u>Grants Dataset</u>.

#### **Research Grants Services**

In 2023–24, the ARC continued to provide services via our Research Grants Services (RGS) to other Australian Government partner entities for grant programs focused on the research sector.

The ARC, through RGS, is working with the Office of National Intelligence (ONI) and the Department of Defence's National Security Science and Technology Centre (NSSTC) to support the National Intelligence and Security Discovery Research Grants (NISDRG) program.

ONI and NSSTC maintain policy, administration and funding responsibilities for the program; the ARC supports the application, assessment of grant applications (including facilitating expert peer review), and management of funded grants. During 2023–24, over \$4.6 million was awarded to research grants under Round 3 of the NISDRG program. The ARC will continue to provide post-award support to Rounds 1 to 3 and management of future funding rounds under this initiative.

Through RGS, the ARC continued to provide software-as-a-service support for post-award grants administration activities for the Department of Education's National Collaborative Research Infrastructure Strategy (NCRIS) and completed the implementation of pre-award functionality in the Education-RMS instance.

In addition, to support the Department of Education's Australia's Economic Accelerator initiative (AEA), the ARC completed the implementation of a dedicated Education-AEA Research Management System (RMS) instance, with end-to-end grants administration functionality. Through this service, ARC provided support for AEA Seed grants, as well as for AEA Ignite and AEA Innovate grants, which are expected to open later in 2024. The Department of Education retains all policy, administration and funding responsibility for the AEA program and NCRIS.

# 2.2 Research evaluation, impact, and integrity

# Design and administration of research evaluation activities

In 2023–24, the ARC worked closely with the Department of Education and the Australian Universities Accord (Universities Accord) Panel to inform consideration of research evaluation in the Universities Accord Final Report. The Final Report recommended the development of a National Research Evaluation and Impact Framework, and the government is considering its response.

Pending the government response to this recommendation, the ARC will continue to work with the Department of Education in 2024-25 on a National Research Evaluation and Impact Framework, ensuring alignment with the refreshed objects in the *Australian Research Council Act 2001* (ARC Act) which detail that the ARC is responsible for evaluating the excellence, impact and depth of Australian university research. The ARC will also continue to build data capability, explore opportunities to leverage research data through new technologies and partnerships and engage with stakeholders on this work.

# Research integrity matters relating to ARC business

#### Australian Research Integrity Committee

The Australian Research Integrity Committee (ARIC) comprises 10 expert members (**Table 5**) and reports to both the ARC and the National Health and Medical Research Council (NHMRC).

In October 2022, the ARC and NHMRC commissioned an independent evaluation of ARIC, focusing on the effectiveness and performance of ARIC in meeting its purpose as outlined in the ARIC Framework. The ARIC Evaluation, conducted by KPMG, also undertook a desk-top review of the research integrity arrangements in other countries. The evaluation was completed in October 2023 and found that ARIC is operating well in accordance with its framework, with some suggested improvements to process. The ARC and NHMRC have noted these recommendations and will continue to refine our processes to deliver these improvements. A copy of the <u>ARIC Evaluation Report</u> is available on the ARC website.

During 2023–24 the ARIC-ARC secretariat received 10 new requests for review. It also provided support to ARIC in relation to 6 cases received in 2022–23.

In relation to the 16 ARIC-ARC matters active in 2023-24, as of 30 June 2024:

- 3 reviews that commenced prior to 1 July 2023 were finalised and the outcome communicated to the relevant parties by the ARC
- 5 requests for review were determined to be outside the scope of ARIC
- 8 reviews are ongoing.

#### Table 5: Membership of the ARIC (during the 2023-24 reporting period)

Member	Term of appointment
Emeritus Professor Michael Brooks (Chair)	April 2024 – July 2026
Emeritus Professor Alan Lawson (Deputy Chair)	April 2024 - July 2026
Professor Margaret Otlowski (Deputy Chair)	April 2024 – July 2026
Mr Michael Chilcott	April 2024 - July 2026
Emeritus Professor John Finlay-Jones	April 2024 - July 2026
Professor Gerald Holtmann	April 2024 - July 2026
Dr Jane Jacobs	October 2023 - July 2026
Emeritus Professor Robyn Owens	October 2023 - July 2026
Emeritus Professor Alan Pettigrew	October 2023 - July 2026
Emeritus Professor Janice Reid	April 2024 - July 2026

## Ethical standards as a research funding agency

#### **ARC** Research Integrity

The ARC is a co-author of the <u>Australian Code for the Responsible Conduct of Research</u> (Code). Recipients of ARC funding are required to comply with the principles and responsibilities outlined in the Code and its accompanying guides.

The ARC is not an investigative body and matters cannot be referred to the ARC Research Integrity Office for review. Under the Code, research institutions are responsible for conducting preliminary assessments and formal investigations.

If a research integrity concern involves an ARC project, an ARC-funded researcher, current ARC applications, detailed assessors and/or members of the ARC College of Experts, the institution is required to report the findings of their preliminary assessment or formal investigation to the ARC Research Integrity Office that then takes action in response to the outcomes.

Between 1 July 2023 and 30 June 2024, the ARC Research Integrity Office finalised 42 research integrity matters. These included:

- 18 matters where institutions reported breaches of the Code and the ARC took action in response
- 2 matters where an institution reported a breach of the Code and the ARC determined that no additional ARC action was required, as the breach was minor, and the corrective action taken by the institution was considered sufficient
- 14 matters in which the allegations were dismissed following institutional preliminary assessments or investigations

- 7 matters resolved by the relevant institution without requiring a preliminary assessment, because the allegations were unsubstantiated, there was insufficient information available to provide grounds for proceeding to preliminary assessments, or other factors
- One historical matter that had been resolved internally by the relevant institution and was reported retroactively to the ARC for noting.

As at 30 June 2024, 29 active matters were being assessed or investigated by institutions and/or considered by the ARC.

#### National codes and statements on research ethics

All ARC-funded institutions and researchers are required to comply with the expectations of the Code. Where applicable, ARC-funded research projects must also comply with the:

- National Statement on Ethical Conduct in Human Research 2023
- Ethical Conduct in Research with Aboriginal and Torres Strait Islander Peoples and Communities: Guidelines for researchers and stakeholders 2018
- Australian Institute of Aboriginal and Torres Strait Islander Studies Code of Ethics for Aboriginal and Torres Strait Islander Research 2020
- Creative Australia, Protocols for using First Nations Cultural and Intellectual Property in the Arts 2019
- Australian Code for the Care and Use of Animals for Scientific Purposes 2013.

As one of the 3 primary authors of the Code, in 2023–24 the ARC continued to promote research integrity in conjunction with the NHMRC and Universities Australia. The ARC also worked closely with the NHMRC and other relevant organisations in reviewing the *National Statement on Ethical Conduct in Human Research 2023*.

#### Service delivery and complaints handling

The ARC Client Service Charter embeds a client-centric approach to all agency functions and underscores the service standards clients should expect from the ARC.

The ARC Complaints Handling and Appeals Policy assists our stakeholders to make a general complaint about the ARC or submit an appeal about the administrative processes of the NCGP. In 2023–24, the ARC received 4 general complaints. A total of 3 appeals were also received relating to applications submitted for funding under the NCGP, none of these were upheld<sup>5</sup>.

<sup>5</sup> These numbers refer to appeals that received a decision in the 2023-24 reporting period.

# 2.3 Risk oversight, controls and compliance

#### Fraud and corruption management

In accordance with section 10 of the *Public Governance, Performance and Accountability Rule* 2014 (PGPA Rule), the ARC's accountable authority must take all reasonable measures to prevent, detect and respond to fraud and corruption relating to the agency, including all ARC officials, service providers or third parties who interact with the ARC.

The Chief Financial Officer is responsible for investigating or otherwise responding to all cases of suspected fraud and corruption. The Chief Financial Officer provides appropriate fraud and corruption information to the ARC Audit and Risk Committee (see **Section 1.4**). No instances of fraud or corruption, or potential fraud or corruption were identified in 2023–24.

The ARC recognises the need for a sound and robust financial framework based on legal and ethical decision-making. Management has a key responsibility to ensure our assets are safeguarded against loss by fraud or negligence. Management ensures that opportunities for fraud or corruption are minimised. ARC staff are required to implement and adhere to fraud and corruption control procedures and report all instances of suspected fraud or corruption.

The ARC Fraud and Corruption Control Plan was updated in June 2024 and complies with the Commonwealth Fraud and Corruption Control Framework 2024. Fraud and corruption control activities undertaken at the ARC during 2023-24 include:

- International Fraud Awareness Week (12 to 18 November 2023) communicated across the agency including the sharing of links to webinars by the Commonwealth Fraud Prevention Centre.
- Risk management training, including managing fraud risks, was provided to all ARC staff in August 2023.
- The ARC's fraud and corruption risks were reviewed in October 2023 and May 2024 as part of the ARC's biannual operational risk reviews.

# Internal audit arrangements and risk management

#### Internal audits

An integral part of the ARC's corporate governance framework is our internal audit function. Internal audits provide an independent and objective review and advisory service, giving the accountable authority assurance that the ARC's financial and operational controls designed to manage the entity's risk and achieve its objectives are operating in an efficient, effective, economical, and ethical manner. Internal audit also assists management in improving our business performance.

The ARC's internal audit function is managed by the Head, Internal Audit, which at the time of reporting is the Chief Operating Officer. The internal auditor role is outsourced to an independent service provider and reports to the ARC Audit and Risk Committee through the Head, Internal Audit.

In 2023–24 our internal auditor was McGrathNicol Advisory. McGrathNicol Advisory assisted in the development of an annual internal audit work plan, attended ARC Audit and Risk Committee meetings, and completed the following internal audits and management-initiated reviews:

- internal audit on the ARC's change management processes
- internal audit on post-award monitoring processes and compliance
- management-initiated review on the ARC's processes and compliance for managing Freedom of Information requests, including public interest disclosure processes
- management-initiated review on the ARC's processes and controls in place for managing administered funding and commitments and external costs
- management-initiated review on the ARC's new performance measures for inclusion in the ARC's 2024-25 Corporate Plan.

#### **Risk Framework**

The ARC has implemented risk management with the guidance of the *Commonwealth Risk Management Policy*, which ensures we manage risk in accordance with section 16 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Under the *Commonwealth Risk Management Policy*, the ARC, as a non-corporate Commonwealth entity, must comply with the 9 elements that contribute to effective risk management.

The ARC Risk Management Framework aligns with the *Commonwealth Risk Management Policy* and supports our staff in carrying out risk management effectively. This framework is designed to minimise the possibility of loss or damage to operations, staff, visitors, property, reputation, and assets, while recognising innovation and opportunities to meet our objectives. It is underpinned by the *ARC Risk Management Policy* and Risk Management Plan and Toolkit, which articulate our risk culture, appetite, tolerance and approach to engaging with risk. The ARC routinely monitors the risk environment and reviews its risks and controls through an online risk management system. Risk information from all business areas is regularly reported to the accountable authority and relevant internal committees.

The ARC implemented an updated ARC Risk Management Framework in July 2023, with updated guidance on risk management practices and revised appetite and tolerance statements. Training was provided to all staff on the updated framework.

#### Contribution of risk management to achieving objectives

The approach to risk management in the ARC forms a comprehensive clear-line-of-sight across the governance and business processes. All staff contribute to and are responsible for risk management as underpinned by the ARC Risk Management Framework.

The ARC's strategic risks and controls were reviewed by the CEO and senior management in September 2023 and again in June 2024. The implementation of risk treatments was tracked and reported on as part of the review process.

The ARC also reviewed its operational risks and controls in October 2023 and May 2024. This twice-yearly activity is designed to ensure that business areas have a risk approach embedded into processes and planning to assist with delivery against the activities outlined in the corporate and operational plans.

#### Business continuity and disaster recovery

The ARC's Business Continuity Plan (BCP) sets out controls and contingencies to minimise the likelihood and/or consequence of any potential risk exposure to the core business processes of the ARC. It includes the Disaster Recovery Plan, which is designed to safeguard and recover critical ICT systems. In 2023–24, the ARC:

- reviewed and refined the BCP
- conducted 2 desktop scenario tests, including a disaster recovery incident exercise activating the Disaster Recovery Plan
- discussed the BCP at a Business Operations Committee meeting.

## Ethical standards as a public service agency

The ARC promotes its commitment to high ethical standards through the following:

- ARC's guiding principles, which include 'accountability through transparent, efficient and effective processes and adherence to ethical standards'
- incorporation of ethical standards into ARC governance policies and guidelines
- provision of ethics, integrity and fraud pages on the ARC intranet site, as well as the Australian Public Service Commission Ethics Advisory Service, <u>www.apsc.gov.au</u>.

The ARC includes an overview and discussion of the Australian Public Service (APS) Values and Code of Conduct as part of its induction training for new appointees. Regular individual performance reviews provide ongoing opportunities for staff and supervisors to address ethical issues.

The ARC is committed to preserving public confidence in the integrity, legitimacy, impartiality, and fairness of its business. ARC committee members and assessors, as well as any individual undertaking ARC business, must comply with the <u>ARC Conflict of Interest and Confidentiality Policy</u>, which is available on the ARC website.

# Non-compliance with finance law

The ARC did not report any significant issues to the Minister under paragraph 19(1)(e) of the PGPA Act that relates to non-compliance with finance law.

# External scrutiny

# Judicial decisions, decisions of administrative tribunals and by the Australian information commissioner

There were no decisions from any court during 2023–24 that had, or may have, a significant impact on the operations of the ARC.

There were also no significant decisions from administrative tribunals.

In 2022–23, the Freedom of Information Commissioner ordered the ARC to provide documents to a Freedom of Information applicant. The ARC applied to the Administrative Appeals Tribunal for review of the Commissioner's decision. The Administrative Appeals Tribunal hearing subsequently occurred on 5 and 6 August 2024 in Melbourne.

#### Reports on ARC operations by the Auditor-General

During 2023–24, the Australian National Audit Office (ANAO) undertook a performance audit on *Compliance with Corporate Credit Card Requirements in the Australian Research Council*. The ANAO audit report, which was tabled in Parliament on 27 June 2024, found that the ARC was effective overall in managing the use of corporate credit cards in accordance with legislative and entity requirements and the issue, return and use of corporate credit cards. The ANAO's review of all credit card transactions for the audit period (2021–22 to 2022–23) also revealed no instances of fraud or deliberate misuse.

The ANAO made 3 recommendations to further strengthen ARC's policies, processes, and controls, which the ARC has agreed to and will address in full.

All ANAO performance audit reports, recommendations, and key learnings are monitored and disseminated to relevant business areas across the ARC for review and consideration of actions, to ensure that the agency is adhering to best practice.

#### Parliamentary services and reporting to Parliamentary Committees

During 2023-24, ARC officials appeared before the Senate Education and Employment Legislation Committee for:

- Supplementary Budget Estimates on 26 October 2023
- Additional Budget Estimates on 15 February 2024
- Budget Estimates on 6 June 2024.

#### Reports on ARC operations by the Commonwealth Ombudsman

During 2023-24, no investigations were conducted by the Commonwealth Ombudsman's Office into ARC business.

#### Agency capability reviews

No capability reviews of the ARC were conducted or released during 2023-24.

# Information publication scheme

Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information for the public as part of the Information Publication Scheme. In compliance with the FOI Act, <u>information relating to the Information Publication Scheme</u> is published on the ARC website.

# 2.4 Our workforce

# Training and development

To ensure our workforce has the right skills and the right culture to succeed and deliver on the *ARC Strategy 2022–2025* (ARC Strategy), we launched the ARC's <u>People Strategy 2023–2026</u> (ARC People Strategy) in December 2023. Ongoing implementation of the ARC People Strategy provides us a clear pathway to steer the agency towards a high-performing culture.

During 2023–24, the ARC continued to review its procedures to streamline administrative processes and systems for ARC staff and NCGP, research evaluation and RGS stakeholders.

A key deliverable of the ARC People Strategy is the ARC Capability Framework, which was launched in early 2024. This framework represents the 9 organisational capabilities that we need to invest in to ensure we deliver on our strategy and are prepared for the future of the public sector. This framework enables more strategic and informed decisions about learning and development, performance, and workforce planning. The 9 organisational capabilities included in the ARC Capability Framework are:

- service-centric design
- organisational change resilience
- data fluency
- research, analysis and evaluation
- stakeholder engagement, communication and collaboration
- strategic policy advice
- diversity and inclusion
- project management
- knowledge management.

In addition to the ARC's People Strategy and Capability Framework, we revised our Learning and Development Strategy (L&D Strategy), which encompasses all the individual enrichment opportunities offered to employees in the workplace – so our people can build their careers and the organisation can meet its objectives.

The ARC provides a range of training opportunities including eLearning, in-house training, and external opportunities such as coaching and studies assistance.

#### **Essential learning**

All new starters to the ARC complete the 'Induction to the ARC' program, which consists of APS induction modules covering topics such as fraud awareness, integrity, child safety, diversity and inclusion, and general working in government information. In early 2024, we introduced a new module to our induction catalogue: an introductory course where new employees can learn more about the work of the ARC, our history, and the impact the NCGP has on Australia's universities and research.

As part of the L&D Strategy our people are required to complete a variety of mandatory eLearning modules throughout the year. In 2023–24, these courses consisted of:

- appropriate workplace behaviour
- work health and safety
- inclusion courses on LGBTIQ+, age, culture and gender
- security awareness
- integrity in the APS
- modern slavery in public procurement
- Voice to Parliament
- bullying and harassment.

#### **Optional learning**

Under the L&D Strategy, the ARC coordinates access to optional in-house courses for all ARC employees. In 2023–24, these courses covered a range of topics such as resilient leadership and managing teams through change, privacy awareness, advice to having meaningful performance conversations including managing challenging conversations and conflict, and human-centered design.

The ARC also hosts a series of virtual seminars aimed at raising awareness of ARC partners and stakeholders, providing staff with an opportunity to learn from and ask questions of stakeholders about projects the ARC is funding or on issues relevant to the ARC. Seven presentations were held during 2023–24 on a range of issues, including the role of Indigenous Australian Elders in research, creating conditions for research impact from an international perspective, and ARC-funded research into domestic and family violence and its influence on state laws and culture, and breakthroughs in lobster aquaculture at the ARC Research Hub for Sustainable Onshore Lobster Aquaculture and the Hub's partnership with Ornatas, a company established to commercialise the research.

# **Diversity and inclusion**

The ARC is committed to creating and maintaining a safe, respectful, and inclusive workplace culture through equity and equality. In support of this, the ARC's Diversity and Inclusion Framework encompasses a number of diversity plans and policies that enables work to remove barriers and embrace the diversity of our people to create a truly inclusive workplace.

The ARC also has an internal Diversity Working Group, which increases diversity awareness in the agency by hosting and promoting diversity events such as our annual Multicultural Food Festival event on Harmony Day, R U Ok? Day morning tea, Wear it Purple Day, International Women's Day, and many more.

In addition to our support for diversity and inclusion in our own workforce, the ARC also values equality, diversity, and inclusion in the research workforce that we partner with in the delivery of

our grants. The ARC's <u>Research Workforce Statement</u> outlines our commitment to a strong and sustainable research workforce. In recognition of our ongoing need to promote a strong and diverse research sector, this statement and related policies are being reviewed as part of the ARC Policy Review of the NCGP.

# Employment arrangements and remuneration

#### **Employment agreements**

The new ARC Enterprise Agreement 2024–2027 (ARC Enterprise Agreement) commenced on 12 February 2024. It outlines the employment arrangements for all non-Senior Executive Service (SES) ARC staff. This new agreement integrates agreed common terms across all APS agencies such as improvements to parental leave, and an improved pay offer.

The ARC Enterprise Agreement also allows eligible staff to make an individual flexibility arrangement to vary the effect of terms of the agreement. Individual flexibility arrangements within the ARC generally deal with retention allowances or remuneration, allowing the CEO to ensure the employment conditions of specialised employees reflect market forces and experience.

Employment agreements for ARC SES staff are set out by common law contracts.

A breakdown of all ARC employment arrangements is provided in Table 6.

The ARC's Work Health and Safety arrangements, provided in accordance with Schedule 2, Part 4 of the *Work Health and Safety Act 2011*, are reported in **Appendix 3**.

Table 6: Employment arrangements, current reporting period (as at 30 June 2024)

	SES	Non-SES	Total
ARC Enterprise Agreement	0	138	138
Individual flexibility arrangements <sup>6</sup>	0	20	20
Australian workplace agreements	0	0	0
Common law contracts	6	0	6

#### **Remuneration and benefits**

The ARC offers a range of non-salary benefits to employees in 2023–24, including flu vaccinations, a healthy lifestyle allowance, superannuation advice, access to salary packaging arrangements, and access to an employee assistance program. The ARC does not provide performance pay or performance-based bonuses.

The salary ranges for all ARC employees are outlined in **Table 7**, and further breakdowns of SES remuneration are provided in **Tables 8 and 9**.

<sup>6</sup> Staff on individual flexibility arrangements are included in the ARC Enterprise Agreement total.

	Minimum salary (\$)	Maximum salary (\$)
SES 3	-	-
SES 2	270,000	332,477
SES 1	220,000	268,060
EL 2	138,023	238,440
EL1	115,030	151,698
APS 6	90,199	101,022
APS 5	81,345	85,964
APS 4	74,477	79,127
APS 3	66,605	70,384
APS 2	59,638	64,788
APS1	55,166	56,578
Other	-	-
Total (minimum/maximum)	55,166	332,477

Table 7: Employment salary ranges by classification level, current reporting period (as at 30 June 2024)

**Note:** the CEO is not included in this table.

#### **SES** remuneration

Remuneration is reviewed annually, taking into account the individual's personal skills, knowledge, experience and capabilities as well as achievements against goals set in the preceding performance cycle.

As at 30 June 2024, the notional salary range for SES Band 1 and Band 2 officers was between \$220,000 and \$332,447.

During 2023–24, the ARC had 2 key management personnel – one CEO and one acting CEO (**Table 8**), 7 senior executives (**Table 9**), and no 'other highly paid staff' identified under the definitions outlined in the Department of Finance's RMG-138: *Commonwealth entities executive remuneration reporting guide for annual reports*.

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Total benefits remuneration (\$)		0 265,609	0 309,111	0 574,721
-	Other long-term benefits (\$)	0	0	0
Other long-term benefits	Long service leave (\$)	6,700	8,606	15,306
Post- employment benefits	Superannuation contribution (\$)	38,769	33,287	72,056
nefits	Other benefits and allowances (\$)	2,027	2,223	4,250
Short-term benefits	Bonuses (\$)	0	0	0
Sh	Base Salary (\$)	218,113	264,995	483,108
	Position Title	CEO	Acting CEO	
	Name	Ms Judith Zielke PSM	Dr Richard Johnson	Total

		Sh	Short-term benefits	nefits	Post- employment benefits	Other lo ben	Other long-term benefits	Termination benefits	Total remuneration
Total remuneration bands	Number of senior executives	Average Base Salary (\$)	Average Bonuses (\$)	Average other benefits and allowances (\$)	Average Superannuation contribution (\$)	Average long service leave (\$)	Average other long- term benefits (\$)	Average termination benefits (\$)	Average total remuneration (\$)
\$0-\$220,000	4	140,376	0	2,972	23,180	7,313	0	0	173,841
\$220,001-\$245,000	-	196,034	0	11,272	22,571	3,676	0	0	233,553
\$245,001-\$270,000	0	0	0	0	0	0	0	0	0
\$270,001-\$295,000	1	235,894	0	4,287	37,134	11,405	0	0	288,720
\$295,001-\$320,000	0	0	0	0	0	0	0	0	0
\$320,001- \$345,000	-	263,821	0	4,287	48,457	10,799	0	0	327,364

Table 9: Information about remuneration for senior executives (during the 2023-24 reporting period)<sup>7</sup>

There were no 'other highly paid' staff identified during the 2023-24 reporting period.

<sup>7</sup> This table does not include staff already recognised as key management personnel in **Table 8**.

# **Staff statistics**

The ARC's staffing statistics (excluding the CEO), as at 30 June 2024, for the current (2023–24) and previous (2022–23) reporting periods are provided in **Tables 10 to 23**.

#### **Overview**

		Man			Woman		Uses a	differen	t term	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
NSW	1	1	2	2	0	2	0	0	0	4
QLD	1	0	1	2	0	2	0	0	0	3
SA	2	0	2	0	0	0	0	0	0	2
TAS	0	0	0	0	0	0	0	0	0	0
VIC	1	0	1	1	0	1	0	0	0	2
WA	1	0	1	0	0	0	0	0	0	1
ACT	41	6	47	64	16	80	0	1	1	128
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	47	7	54	69	16	85	0	1	1	140

Table 10: All ongoing employees, current reporting period (as at 30 June 2024)

#### Table 11: All non-ongoing employees, current reporting period (as at 30 June 2024)

		Man			Woman		Uses a	differen	t term	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
TAS	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	0	0	0	0	0	0
WA	0	0	0	0	0	0	0	0	0	0
ACT	3	0	3	1	0	1	0	0	0	4
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	3	0	3	1	0	1	0	0	0	4

		Man			Woman			Uses a different term			
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total		
NSW	1	2	3	1	0	1	0	0	0	4	
QLD	0	0	0	1	0	1	0	0	0	1	
SA	0	0	0	0	0	0	0	0	0	0	
TAS	0	0	0	0	0	0	0	0	0	0	
VIC	0	0	0	0	0	0	0	0	0	0	
WA	0	0	0	0	0	0	0	0	0	0	
ACT	49	2	51	84	19	103	0	0	0	154	
NT	0	0	0	0	0	0	0	0	0	0	
External territories	0	0	0	0	0	0	0	0	0	0	
Overseas	0	0	0	0	0	0	0	0	0	0	
Total	50	4	54	86	19	105	0	0	0	159	

Table 12: All ongoing employees, previous reporting period (as at 30 June 2023)

#### Table 13: All non-ongoing employees, previous reporting period (as at 30 June 2023)

		Man			Woman		Uses a	differen	t term	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
NSW	0	0	0	0	0	0	0	0	0	0
QLD	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
TAS	0	0	0	0	0	0	0	0	0	0
VIC	0	0	0	0	0	0	0	0	0	0
WA	0	0	0	0	0	0	0	0	0	0
ACT	1	0	1	6	1	7	0	0	0	8
NT	0	0	0	0	0	0	0	0	0	0
External territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	1	0	1	6	1	7	0	0	0	8

#### Gender

Table 14: Number of ongoing employees by gender, current reporting period (as at 30 June 2024)

	Man				Woman		Uses a different term			Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	5	0	5	0	0	0	5
EL 2	11	2	13	8	0	8	0	0	0	21
EL1	14	2	16	25	2	27	0	0	0	43
APS 6	10	2	12	18	9	27	0	1	1	40
APS 5	7	0	7	8	4	12	0	0	0	19
APS 4	2	0	2	4	0	4	0	0	0	6
APS 3	1	0	1	1	1	2	0	0	0	3
APS 2	2	1	3	0	0	0	0	0	0	3
APS 1	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	47	7	54	69	16	85	0	1	1	140

Table 15: Number of non-ongoing employees by gender, current reporting period (as at 30 June 2024)

		Man			Woman			Uses a different term		
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	1	0	1	0	0	0	0	0	0	1
EL1	1	0	1	0	0	0	0	0	0	1
APS 6	0	0	0	1	0	1	0	0	0	1
APS 5	0	0	0	0	0	0	0	0	0	0
APS 4	1	0	1	0	0	0	0	0	0	1
APS 3	0	0	0	0	0	0	0	0	0	0
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	3	0	3	1	0	1	0	0	0	4

		Man			Woman		Uses a	differen	t term	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	1	0	1	0	0	0	0	0	0	1
SES 1	0	0	0	5	0	5	0	0	0	5
EL 2	13	2	15	12	0	12	0	0	0	27
EL1	12	1	13	32	6	38	0	0	0	51
APS 6	9	1	10	22	8	30	0	0	0	40
APS 5	8	0	8	9	4	13	0	0	0	21
APS 4	2	0	2	4	0	4	0	0	0	6
APS 3	0	0	0	1	1	2	0	0	0	2
APS 2	2	0	2	1	0	1	0	0	0	3
APS 1	3	0	3	0	0	0	0	0	0	3
Other	0	0	0	0	0	0	0	0	0	0
Total	50	4	54	86	19	105	0	0	0	159

Table 16: Number of ongoing employees by gender, previous reporting period (as at 30 June 2023)

Table 17: Number of non-ongoing employees by gender, previous reporting period (as at 30 June 2023)

		Man			Woman		Uses a	differen	t term	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0
EL 2	1	0	1	1	0	1	0	0	0	2
EL1	0	0	0	0	0	0	0	0	0	0
APS 6	0	0	0	0	0	0	0	0	0	0
APS 5	0	0	0	2	1	3	0	0	0	3
APS 4	0	0	0	2	0	2	0	0	0	2
APS 3	0	0	0	1	0	1	0	0	0	1
APS 2	0	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1	0	1	6	1	7	0	0	0	8

#### Full-time/part-time employment arrangements

		Ongoing		No	on-ongoing		Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0
SES 1	5	0	5	0	0	0	5
EL 2	19	2	21	1	0	1	22
EL1	39	4	43	1	0	1	44
APS 6	28	12	40	1	0	1	41
APS 5	15	4	19	0	0	0	19
APS 4	6	0	6	1	0	1	7
APS 3	2	1	3	0	0	0	3
APS 2	2	1	3	0	0	0	3
APS 1	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total	116	24	140	4	0	4	144

Table 18: Employees by full-time and part-time status, current reporting period (as at 30 June 2024)

Table 19: Employees by full-time and part-time status, previous reporting period (as at 30 June 2023)

		Ongoing		N	on-ongoing	;	Total
	Full- time	Part- time	Total	Full- time	Part- time	Total	
SES 3	0	0	0	0	0	0	0
SES 2	1	0	1	0	0	0	1
SES 1	5	0	5	0	0	0	5
EL 2	25	1	26	2	0	2	28
EL1	44	7	51	0	0	0	51
APS 6	31	10	41	0	0	0	41
APS 5	17	4	21	2	1	3	24
APS 4	6	0	6	2	0	2	8
APS 3	1	1	2	1	0	1	3
APS 2	3	0	3	0	0	0	3
APS 1	3	0	3	0	0	0	3
Other	0	0	0	0	0	0	0
Total	136	23	159	7	1	8	167

#### Location

Table 20: Employment type by location, current reporting period (as at 30 June 2024)

	Ongoing	Non-ongoing	Total
NSW	4	0	4
QLD	3	0	3
SA	2	0	2
TAS	0	0	0
VIC	2	0	2
WA	1	0	1
ACT	128	4	132
NT	0	0	0
External territories	0	0	0
Overseas	0	0	0
Total	140	4	144

Table 21: Employment type by location, previous reporting period (as at 30 June 2023)

	Ongoing	Non-ongoing	Total
NSW	4	0	4
QLD	1	0	1
SA	0	0	0
TAS	0	0	0
VIC	0	0	0
WA	0	0	0
ACT	154	8	162
NT	0	0	0
External territories	0	0	0
Overseas	0	0	0
Total	159	8	167

### Indigenous Australian employment

#### Table 22: Indigenous Australian employment, current reporting period (as at 30 June 2024)

	Total
Ongoing	1
Non-ongoing	1
Total	2

#### Table 23: Indigenous Australian employment, previous reporting period (as at 30 June 2023)

	Total
Ongoing	2
Non-ongoing	1
Total	3



# PART 03

Planning and performance

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## **3.1** Planning and reporting

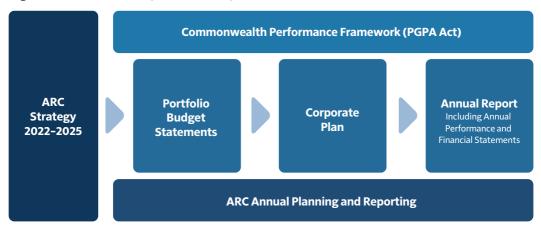
A key objective of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) is the implementation of an enhanced Commonwealth performance framework. All Commonwealth entities are obligated to report on the entity's performance, how it achieves its purposes, and how performance will be measured and assessed.

The ARC's Planning and Reporting Framework is consistent with, and encompasses our requirements under the PGPA Act, the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) and the <u>Commonwealth Performance Framework</u>. The ARC Planning and Reporting Framework:

- outlines how our performance will be measured and assessed against the ARC's purpose and the objectives set out by government for the funds received
- establishes accountabilities for the achievement of the ARC's purpose
- establishes elements for governance reporting to facilitate continual improvement
- ensures all reporting components are fully integrated with other related ARC activities such as risk management
- ensures a clear line-of-sight is established and maintained in governance reporting activities to clearly demonstrate and measure the ARC's performance against its purpose and strategic objectives.

**Figure 2** details the clear flow and line-of-sight from the performance criteria published in the ARC's portfolio budget statements and corporate plan, to the performance outcomes documented in the annual performance statements.

In addition to the legislative requirements from the PGPA Act, the ARC's planning and reporting is supported by the <u>ARC Strategy 2022–2025</u> (ARC Strategy), and the ARC's annual planning and reporting activities. The ARC Strategy sets the vision for the agency to 2030 and provides the key strategic priorities over 3 years to enable that vision.



#### Figure 2: The ARC Planning and Reporting Framework

## Portfolio budget statements

Portfolio budget statements inform members of parliament and the public of the proposed allocation of resources to government outcomes. In addition to budget estimates, portfolio budget statements detail the performance measures and expected performance results for the entity.

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements.

In the May *ARC Portfolio Budget Statements 2023–24* (PBS), the ARC had one outcome and 3 programs with a total of \$934.6 million allocated to administered and departmental expenses as outlined in **Table 24**.

The <u>PBS</u> is available on the ARC website.

Outcome 1					
0	Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.				
Program 1.1	Program 1.2	Program 1.3			
Discovery – Research and Research Training	Linkage – Cross-sector research partnerships	Excellence in Research for Australia			
Administered expenses \$553.7 million	Administered expenses \$348.1 million	Administered expenses \$7.4 million			
Departmental					
	Departmental expenses \$25.3 million				

Note: Budgeted expenses are as per the 2023-24 Education PBS, published in May 2023.

## Corporate plans

Aligning with the ARC Strategy, the ARC corporate plans set out the purpose of the ARC and include the key activities we undertake to achieve our purpose. Corporate plans also include the details of how the ARC's performance will be measured throughout the reporting period.

The <u>ARC Corporate Plan 2023-24</u> was published on 30 August 2023 and is available on the ARC website.

## Annual performance statements

Annual performance statements document the ARC's achievements against its purpose and the performance measures outlined in the relevant corporate plan, as well as the outcome and programs in the associated portfolio budget statements.

The annual performance statements for the 2023-24 reporting period are in Section 3.2.

# 3.2 2023–24 Annual Performance Statements

## Statement by the accountable authority

I, as Chair of the accountable authority (ARC Board) of the Australian Research Council, present the ARC Annual Performance Statements 2023–24, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity in the reporting period (1 July 2023 to 30 June 2024) and comply with subsection 39(2) of the PGPA Act (section 16F of the <u>PGPA Rule</u>).

**Professor Peter Shergold AC Chair of the ARC Board** 11 September 2024

## Purpose

As outlined in the <u>ARC Corporate Plan 2023-24</u> (Corporate Plan), the ARC's purpose is to shape the Australian research system for the benefit of the Australian community by enabling world-leading research and capability, fostering research quality, translation and impact, and safeguarding research integrity.

In support of this purpose, the ARC is responsible for delivering 3 programs, as described in the May <u>ARC Portfolio Budget Statements 2023-24</u> (PBS): Discovery – Research and Research Training (Program 1.1), Linkage – Cross-sector research partnerships (Program 1.2), and Excellence in Research for Australia (ERA) (Program 1.3). The Discovery and Linkage Programs combined are what is known as the National Competitive Grants Program (NCGP).

As per the Corporate Plan, we have 5 key activities that align with the ARC's purpose and assist us in meeting the objectives of our programs and our purpose:

- 1. Fund high-quality, impactful research
- 2. Assess research excellence, impact and depth
- 3. Safeguard research integrity
- 4. Provide grant services to government entities
- 5. Provide research policy advice.

The ARC Annual Performance Statements 2023–24 (Statements) outline the ARC's performance for 2023–24. The Statements align with key activities (1, 2 and 3) that directly link to the programs outlined in the PBS and provide a summary of the agency's effectiveness in achieving its purpose. Performance measures were not developed for activities 4 and 5 in 2023–24 as they did not directly align to Programs 1.1, 1.2 or 1.3.

Outcomes from research are often realised over a longer term and can be difficult to reliably track through performance measures. However, highlights of ARC-funded research are included in **Section 1.6** to demonstrate the excellence of ARC-funded research, and the significant ways in which it can, and continues to, benefit the Australian public.

## Changes to performance measures

Two measures included in the PBS and relating to the use of ERA and Engagement and Impact (EI) data were discontinued as the data collected from the previous ERA and EI rounds in 2018–19 was deemed no longer relevant. In place of these 2 measures, an interim measure (see **performance measure 6**) was introduced into the Corporate Plan to inform the development of a new research evaluation framework. The design of this framework is subject to the government's response to the Australian Universities Accord (Universities Accord) Final Report.

There were 2 measures that were not included in the PBS but were outlined in the Corporate Plan. The first of these is a revised research integrity measure from 2022–23 (see **performance measure 7**). The remaining measure (see **performance measure 8**) is a new measure that was first introduced in the Corporate Plan, after the PBS had been published.

## Approach

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For each of the 3 relevant activities, the Statements include:

- a description of the activity, including alignment to programs where applicable
- priorities related to the activity
- a detailed analysis of performance for each performance measure
- a performance summary or overall analysis of performance against the activity.

## Summary of performance

The ARC has 8 performance measures reportable in 2023-24.

In 2023-24, of the 8 measures, the ARC achieved 6 and did not achieve 2.

A summary of results is provided in **Table 25** and a detailed analysis on the ARC's performance against each performance measure is provided later in this section (**performance measure tables 1 to 8**).

#### Table 25: Summary of results against performance measures

Perf	ormance measures	Result
1	The percentage of ARC schemes completed in time to meet ARC published timeframes	Achieved
2	The percentage of submitted Progress, End of Year and Final reports reviewed on time	Not achieved
3	The percentage of appeals upheld against NCGP application assessment processes for all applications submitted	Achieved
4	The percentage of ARC-funded research projects involving international collaboration for all ARC-funded research projects	Achieved
5	The total contribution from partner organisations for all research projects funded under the Linkage Projects scheme	Not achieved
6	Pilot a new research evaluation framework	Achieved
7	The average number of days to action research integrity investigation outcomes reported to the ARC	Achieved
8	The number of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher	Achieved

## Fund high-quality and impactful research

#### Description

Through the NCGP, the ARC supports excellent pure basic, strategic basic and applied research and research training and encourages national competition across all disciplines outside of clinical and other medical research.

The Discovery Program recognises the importance of fundamental research, dedicated to the creation of knowledge, within a wider framework that encourages links with users of the research. It delivers benefit to Australia by building research capacity through promoting competitive research projects by individuals and teams, research training and career opportunities, international collaboration, and supports the national innovation system to build new knowledge and a knowledge-based economy.

The Linkage Program aims to build Australia's research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, and centres of excellence that involve collaboration among researchers within and beyond the research sector. It supports excellent collaborative research; provides training and career opportunities for current and emerging researchers; fosters industry and other end-user engagement; supports international collaboration; and encourages research that will strengthen Australia's capacity in areas of national priority. Through these partnerships, the Linkage Program encourages the transfer of skills, knowledge and ideas as a basis for securing commercial and other benefits of research.

Descriptions of the ARC's NCGP schemes, under Programs 1.1 and 1.2, are listed in Appendix 1.

#### Deliverables

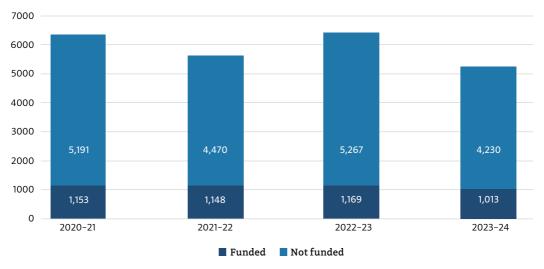
To support our function of funding high-quality and impactful research, under Programs 1.1 and 1.2, the ARC's priorities as stated in the PBS are:

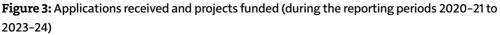
- further streamlining NCGP arrangements by leveraging best-practice principles and an outcomes-focused culture and continuing to work with the research sector to design and implement enhanced processes and procedures, including with increased transparency and specified scheme timelines.
- working with the Department of Education to undertake a policy review of the NCGP to take a fresh look at the significant policy drivers for supporting university research and the associated impact on Australia culturally, environmentally and economically.
- ensuring ARC activities support a diverse and inclusive research sector and the participation by all eligible researchers, including Indigenous Australians, women, and early and mid-career researchers in NCGP schemes.

In 2023–24, the Minister for Education awarded 1,013 grants for research projects from 5,243 applications (**Figure 3**). The funded projects involved 2,794 researchers (Chief Investigators), worth \$773 million (where outcomes were finalised in the reporting period).

Additionally, in 2023-24 the ARC:

- implemented a two-stage application process for the Discovery Projects 2025 round, following extensive consultation with the sector
- started releasing assessment scores and rankings, to both successful and unsuccessful applicants, which has helped improve the transparency of ARC's decision making for funding and has been well received by the sector
- successfully implemented a new functionality, sending an automated email to the first named Chief Investigator to notify them of the announcement of scheme funding outcomes
- revamped the ARC Grants Calendar, making information on grant rounds more accessible
- continued to streamline grant application forms and instructions to applicants to ensure the application process is as simple as possible.





A breakdown of NCGP funding by scheme round is included in **Appendix 2**.

Further information and data relating to the grants we fund can be found on the ARC website including a number of <u>trend visualisations of ARC funding under the NCGP</u>, on topics such as gender, administering organisations, areas of research and more.

## Assess research excellence, impact and depth

#### Description

The ARC previously administered ERA, which evaluated the quality of research by discipline, against international benchmarks. The ARC was also responsible for administering the El assessment, which examined the translation of university research into appreciable outcomes beyond academia, determining what economic, social, environmental, and cultural benefits arise from Australian research.

In August 2022, as part of his Statement of Expectations, the Minister for Education asked the ARC to discontinue preparations for the 2023 ERA round and commence work to develop a transition plan, in consultation with the sector and the Department of Education, to establish a modern data driven approach informed by expert review. In addition, he asked that the ARC continue to work with the Department of Education on developing research engagement and impact indicators to inform the El assessments. A transition plan was delivered to the Minister on 14 December 2022.

The government is considering research evaluation and impact in the context of their response to the Universities Accord Final Report. In the interim, the ARC is investigating options to assess the excellence, impact and depth of university research in Australia, which is line with the purpose of the ARC under the *Australian Research Council Act 2001* (ARC Act).

#### Deliverables

To support our function of assessing research excellence, impact and depth, under Program 1.3, the ARC's priorities as stated in the PBS are:

- highlighting and promoting the value of Aboriginal and Torres Strait Islander research and engagement with Indigenous Australian perspectives and increasing the visibility of Aboriginal and Torres Strait Islander research and its important contribution to Australia
- utilising data analytics and reporting unit to identify, analyse and share the value from ARC and other data sets across government and with the research community.

In 2023-24, the ARC:

- worked across government to understand existing sources of data and analyse initial data acquisition requirements
- commenced investigating new technologies and automated solutions to support a data-driven approach to evaluation
- scoped ICT requirements for data acquisition, storage, processing, analysis and reporting
- partnered with the Research on Research Institute, an international consortium of 21 partners that aims to improve how research is funded, practiced, communicated, and evaluated.

## Safeguard research integrity

#### Description

The ARC expects the highest standards of integrity among those who conduct ARC business, including assessors, applicants and researchers. Institutions undertaking research take responsibility for building a research culture of quality and excellence and managing research integrity arrangements. This includes providing education and training for staff, managing complaints, conducting investigations of allegations of misconduct and applying appropriate sanctions.

Institutions operate within a national framework underpinned by high-level policies such as the *Australian Code for the Responsible Conduct of Research*, the *AIATSIS Code of Ethics for Aboriginal and Torres Strait Islander Research*, codes relating to <u>ethical conduct in human research</u> and <u>research</u> involving animals, along with a suite of best practice implementation <u>guidelines</u>.

Compliance with the national framework of policies and guidelines is a condition of research funding from the ARC, including reporting of breaches of the codes by the research institution. Management of research integrity in Australia is a shared responsibility that involves the ARC, the National Health and Medical Research Council and a range of other institutions and entities. There is no single Commonwealth agency with regulatory powers for the management or oversight of research integrity in Australia. Responsibility for the various aspects of research integrity is shared among institutions that conduct research, funding agencies, agencies such as Ombudsman Offices, Crime and Corruption Commissions and the Tertiary Education Quality and Standards Agency.

The <u>ARC Research Integrity Policy</u> promotes and supports research integrity and safeguards confidence in the value of publicly funded research.

#### Deliverables

To support this key activity, the ARC's priority as stated in the PBS is:

• continuing to work with universities and other stakeholders to safeguard the integrity and credibility of Australian research.

#### In 2023-24 the ARC:

- continued engagement with research integrity offices to support research integrity in institutions
- published an independent evaluation of the Australian Research Integrity Committee (ARIC) and in response to the review's recommendations:
  - acknowledged stakeholder desire for a broader conversation about how ARIC and other elements of Australia's research integrity system might better support best practice across the sector
  - commenced consultation on future improvements to the research integrity system
  - appointed 5 new members to ARIC to provide greater support for applicants.

#### Data notes

The 2023–24 reporting period is based on the financial year (1 July 2023 to 30 June 2024), inclusive of start and end dates.

- All data results have been rounded to one decimal place for consistency, except where required to clearly show a result.
- The specific methodologies for calculating the results for each performance measure are denoted with each measure.
- Figures used in **Section 3.2** to assess performance outcomes reflect data collected on the basis of grants awarded, and do not directly correspond to financial statement information provided elsewhere in this report.
- The following scheme rounds were finalised (i.e. a ministerial decision occurred) in 2023-24:
  - Discovery Program: FT 2023, FL 2023, FL 2024, DE 2024, IN 2024, DP 2024
  - Linkage Program: IH 2024, IC 2023, IH 2024, IC 2024, LIEF 2024, LP 2023 (Rounds 1 and 2), IE 2024, IM 2024, IL 2024.

#### Performance measure 1

The percentage of ARC schemes completed in time to meet ARC published timeframes					
Related programs	1.1 & 1.2	Related key activity	Fund high-quality a research	and impactful	
Outcome	NCGP application timely manner.	NCGP application assessment processes are conducted in an efficient and timely manner.			
Methodology	The number of ARC schemes where outcomes were announced before or within the published timeframes on the ARC website against all ARC schemes where outcomes were announced, for the reporting period. Where a significant event occurs (e.g. a federal election) that is beyond the control of the ARC, timeframes for impacted schemes will be recalculated.				
Measure types	Quantitative & Efficiency				
Data source	Data extracted from	Data extracted from the ARC NCGP administrative database.			
Measure sources	Corporate Plan 202	23-24 page 24, PBS 2	2023-24 pages 136 &	137	
Target	100%				
Results	2020-21	2021-22	2022-23 <sup>8</sup>	2023-24 <sup>9</sup>	
	N/A	N/A	93.3%	100% (achieved)	

#### Analysis of results

The ARC achieved performance measure 1. Our target was to have 100% of NCGP scheme outcomes announced within the published timeframes on the ARC website.

During 2023–24, 16 of 16 (100%) scheme rounds announced on time across both the Discovery Program and Linkage Program. This result is an improvement from 2022–23 where 14 of 15 (93.3%) scheme rounds announced on time.

Furthermore, there were 13 schemes where outcomes were announced earlier than the published announcement window. When broken down by program: 5 of 6 schemes were announced early for the Discovery Program; 8 of 10 schemes were announced early for the Linkage Program.

<sup>8 2022-23</sup> was the first period this measure was reported.

<sup>9</sup> Linkage Projects 2023 Rounds 1 and 2 are counted separately for the purpose of this measure.

The changes to our outcomes announcement processes, implemented following the NCGP Process Review and in consultation with the research sector, were key to the ARC achieving this measure in 2023–24. The ARC has worked on reducing the time taken between a funding decision and the announcement of results through extensive forward planning to meet the announcement dates published on our Grants Calendar. In addition, changes have been implemented to announcement process to help applicants be aware of when outcome information will be available, including providing advance notice on social media. This has helped improve the accountability and transparency of our announcement processes.

The ARC uses timeliness as a proxy indicator of efficiency, driving the agency to implement processes that make the best use of ARC resources and to continually identify better ways to meet these timelines. Through achieving this measure, we have demonstrated the ARC is accountable and efficient within the peer review assessment process and announcements.

Furthermore, adherence to our stated timelines benefits researchers and partner organisations by removing uncertainty of expected announcement of outcomes, allowing them to strategically plan ahead.

The percentage of submitted Progress, End of Year and Final Reports reviewed on time					
Related programs	1.1 & 1.2	Related key activity	Fund high-quality research	and impactful	
Outcome	The ARC reviews completed Final Reports and submitted End of Year Reports, Progress/Annual Reports in a timely manner (within 90 days of submission) to ensure researchers are not impeded in applying for additional grants.				
Methodology	Percentage of reports processed within the reporting period i.e. finalised (approved/waived) or de-submitted back to the research office for action. 90 days calculated from the last date of submission.				
Measure types	Quantitative & Efficiency				
Data source	Data extracted from the ARC NCGP administrative database and GrantConnect.				
Measure sources	Corporate Plan 2023-24 page 24, PBS 2023-24 pages 136 & 138				
Target	>90%				
Results	2020-21	2021-22	2022-23	2023-24	
	N/A	97.0% <sup>10</sup>	97.0%	89.6% (not achieved)	

#### Analysis of results

The ARC did not achieve performance measure 2, narrowly missing our target of over 90% of completed Final Reports and submitted End of Year reports, Progress/Annual Reports reviewed within 90 calendar days of submission.

During 2023–24, we reviewed and processed 6,469 (89.6%) of the 7,217 submitted Progress, End of Year, and Final Reports within 90 days.

When broken down by program: we achieved this measure for the Discovery Program where 5,009 of 5,506 (91.0%) reports were reviewed on time; and we did not achieve this measure for the Linkage Program where 1,460 of 1,711 (85.3%) reports were reviewed on time.

Contributing factors to this result were a higher-than-expected attrition rate in the Post Award team, who are responsible for reviewing these reports, and a 1.3% increase in reports received in comparison to 2022–23.

The ARC is scheduled to undertake a comprehensive review of all aspects of ARC post-award grants management in 2024–25. We will work in collaboration with research offices and other stakeholders to implement efficiencies and process enhancements, including improved system functionality, in line with our objectives. An action plan will be developed as part of this review. Through implementing these improvements to our processes, we anticipate achieving the target for 2024–25 and future years.

<sup>10</sup> This result is a combination of the results from 2 separate reportable measures in 2021–22.

The percentage of appeals upheld against NCGP application assessment processes for all applications submitted					
Related programs	1.1 & 1.2Related key activityFund high-quality and impactful research			and impactful	
Outcome	ARC manages NCGP application and assessment processes fairly and in accordance with grant guidelines.				
Methodology	Number of appeals upheld in the specified reporting period against all applications where the appeals decision was made in the reporting period.				
Measure types	Quantitative & Effectiveness				
Data source	Data extracted from the ARC NCGP administrative database.				
Measure sources	Corporate Plan 202	23–24 page 25, PBS 2	2023-24 pages 136	& 137	
Target	<1%				
Results	2020-21 2021-22 2022-23 2023-24				
	0.02%	1.5%	0.0%	0.0% (achieved)	

#### Analysis of results

The ARC achieved performance measure 3. Our target was for less than one percent of appeals against NCGP application assessment processes being upheld.

Of the 3,112 applications for scheme rounds there was a total of 13 appeals received with 3 of those appeals being submitted to the NCGP Appeals Committee. Two appeals were dismissed by the NCGP Appeals Committee and one upheld. The one appeal upheld was reviewed by the then CEO who determined that there were no administrative errors relating to the selection process and noted that due process had been followed.

When broken down by program: 11 appeals were received for schemes under the Discovery Program; and 2 appeals were received for schemes under the Linkage Program.

The ARC has maintained a 0.0% achievement rate for consecutive years, whereby a total of 7,817 applications were received in 2022–23 with a total of 17 appeals and none upheld.

The ARC acknowledges the importance of maintaining a strong connection with the sector with a focus on improving the feedback to applicants which has resulted in a continued reduction in the number of appeals received compared to the 2021-22 and 2022-23 reporting periods.

Our achievement of this measure, and the improvement shown over the years, is a result of our focus on transparency, consistency, and integrity of the NCGP review process, whereby the ARC's Executive Directors and staff continue to build on the strong engagement across the sector.

The percentage of ARC-funded research projects involving international collaboration for all ARC-funded research projects					
Related programs	1.1 & 1.2	Related key activity	Fund high-quality research	and impactful	
Outcome	The ARC funds a high proportion of projects involving international collaboration.				
Methodology	The number of research projects indicating actual international collaboration divided by the total number of research projects displayed as a percentage. Data based on collaboration with nominated country/countries as per Final Reports approved within the reporting period.				
Measure types	Quantitative & Output				
Data source	Data extracted from the ARC NCGP administrative database.				
Measure sources	Corporate Plan 202	23-24 page 25, PBS 2	2023-24 pages 136 8	k 137	
Target	>70%				
Results	2020-21	2021-22	2022-23	2023-24	
	78.7%	79.3%	79.4%	79.5% (achieved)	

#### Analysis of results

The ARC achieved performance measure 4. Our target was that more than 70% of funded projects involved international collaboration.

Of the 902 Final Reports submitted in 2023–24, 717 (79.5%) involved international collaboration.

In 2023–24, researchers supported by ARC funding reported an increase in the proportion of collaborations with research partners overseas. Our result for this performance measure has improved each year since its introduction in 2020–21.

When broken down by program: 606 of 720 (84.2%) projects reported international collaboration in their Final Reports for Discovery Program schemes; 111 of 182 (61.0%) projects reported international collaboration in their Final Reports for Linkage Program schemes.

One of the key goals of the NCGP is to foster international collaboration, to better support the aims of building new knowledge (under the Discovery Program) and the transfer of skills, knowledge and ideas as a basis for securing commercial and other benefits of research in areas of national priority (under the Linkage Program).

The continued achievement of this measure is a result of our commitment to creating and boosting international research collaboration opportunities. Additionally, international collaboration is required or, at the very least highly encouraged, throughout the selection criteria in our grant guidelines. During peer review, assessors continue to place value on international collaboration when assessing and recommending applications.

Another important factor to this success, is Australia's research sector having strong international connections and reputation, which increases the interest for international collaboration with ARC-funded projects.

Achieving this measure ensures that Australian researchers not only have a strongly supported national research sector but are also able to access international research and research organisations to ensure the best possible outcomes and to achieve research outcomes recognised internationally. Particularly strong results in this measure are our Future and Laureate Fellowship schemes, Centres of Excellence and Industrial Transformation Research Project schemes (all achieving over 90%).

The total contribution from partner organisations for all research projects funded under the Linkage Projects scheme					
Related program	1.2	Related key activity	Fund high-quality research	and impactful	
Outcome	The ARC fosters an environment for collaboration between researchers and partner organisations. Total contribution from partner organisations for every ARC dollar is equal to or higher than the previous year.				
Methodology	Total partner organisation contribution (cash and in-kind funding) divided by total ARC funding for the same scheme round. Includes all funded Linkage Projects where outcomes were finalised within the reporting period.				
Measure types	Quantitative & Effectiveness				
Data source	Data extracted from the ARC NCGP administrative database.				
Measure sources	Corporate Plan 2023-24 page 26, PBS 2023-24 page 138				
Target	≥ average dollar contribution than the previous year				
Results	2020-21 2021-22 2022-23 2023-24				
	\$1.49	\$1.59	\$1.65	\$1.46 (not achieved)	

#### Analysis of results

The ARC did not achieve performance measure 5. Our target was for the average dollar contribution from partner organisations, within the Linkage Projects scheme, to be greater than or equal to the previous year.

In 2023-24, our result was \$1.46, which is less than our 2022-23 result of \$1.65.

Under the Linkage Projects scheme, the combined cash and in-kind contributions pledged by partner organisations are required to match, at least, the funding sought from the ARC. Although the overall result shows less partner contributions than the last 2 years, this result still demonstrates a much greater commitment from the sector than is the minimum required for funding consideration.

Performance data also demonstrates that for these rounds, 12% of the partner organisation contributions are from international partners, which demonstrates an international confidence in Australian research projects.

The aim of the NCGP is to fund the highest quality research, with partner contributions being just one element that is considered when assessing the overall strength of an application. Assessors consider partner contribution in the context of the research project's response to the assessment criteria of the scheme, while ensuring we fund the highest quality research.

Pilot a new research evaluation framework <sup>11</sup>					
Related program	1.3Related key activityAssess research excellence, in and depth		cellence, impact		
Outcome	The ARC commences a trial research evaluation framework which will inform the replacement ERA and El assessment processes.				
Methodology	The measure will be met if a pilot program of a new research evaluation process has commenced.				
Measure types	Quantitative & Output				
Data source	Records maintaine	Records maintained by the delivery team on the process.			
Measure source	Corporate Plan 202	23-24 page 26			
Target	Met				
Results	2020-21 2021-22 2022-23 2023-24				
	N/A	N/A	N/A	Met (achieved)	

#### Analysis of results

The ARC achieved performance measure 6 by commencing work on a pilot program of a new research evaluation process in 2023–24.

The primary work undertaken as part of the pilot program involved planning a mapping exercise of Indigenous studies research in Australia. This exercise was undertaken in close consultation with Indigenous researchers and research leaders and reinforces the ARC's commitment to advancing Indigenous research and knowledge systems. This activity will help contribute to government and sector understanding of how much Indigenous research is being done, by whom, and how research is engaging with and impacting Indigenous Australian communities. This pilot positions the ARC for future research evaluation activities by establishing a baseline data set in this important field of research to analyse trends and understand impact.

In addition to this work, and in line with the refreshed objects of the ARC Act which state the ARC is responsible for evaluating the excellence, impact and depth of Australian university research, throughout 2023–24 the ARC:

- engaged across government to understand research data sources and analyse initial data acquisition requirements
- built organisational data capability, including in new technologies and data science methodologies which positions the ARC to undertake the analyses needed for a research evaluation framework

<sup>11</sup> This measure was introduced in 2023-24 to inform the development of a new research evaluation framework and to replace the previous ERA and El measures which have been discontinued.

- scoped ICT requirements for data acquisition, storage, processing, analysis and reporting
- partnered with the Research on Research Institute, an international consortium of 21 organisations, to enhance our understanding of research evaluation issues and practices globally.

Together, with the work undertaken for the Mapping Indigenous Studies Research in Australia pilot, these initiatives will allow the ARC to develop an evaluation framework that supports Australia's endeavour to be a competitive and innovation-based economy.

The average number of days to action research integrity investigation outcomes reported to the ARC						
Related program	Nil	Related key activity	Safeguard researc	h integrity		
Outcome		ARC-funded research is undertaken with integrity and complies with national codes on research ethics and the <i>ARC Research Integrity Policy</i> .				
Methodology	The total number of working days for the ARC to action research integrity investigation outcomes divided by the total number of research integrity investigation outcomes actioned in the reporting period. Total days and total number include only research integrity investigation outcomes actioned in the reported period.					
Measure types	Quantitative & Efficiency					
Data source	Data extracted from the ARC research integrity administrative register.					
Measure source	Corporate Plan 202	23–24 page 27				
Target	≤ 30 working days					
Results	2020-21	2021-22	2022-23	<b>2023-24</b> <sup>12</sup>		
	N/A	N/A	N/A	22 days (achieved)		

#### Analysis of results

The ARC achieved performance measure 7. Our target was to process and action the outcomes of research integrity investigations, reported to the ARC by institutions, in an average of 30 working days or less.

During the 2023-24 reporting period, the average number of working days it took for the ARC to process and respond to research integrity outcomes was 22 working days.

Of the 34 research integrity outcomes received in this period, the ARC Research Integrity team actioned 29 (85.3%) matters within 30 working days. This is an improvement from 2022–23 for the previous research integrity measure, where only 57.5% of matters were finalised within 6 weeks.

Processing and responding to these matters involve referring the outcome of investigations to the ARC's internal Research Integrity Review Committee (RIRC), submitting RIRC's recommendations for the ARC's response to the Senior Research Integrity Officer for clearance, and communicating the outcome and any relevant consequential actions to the institution.

<sup>12</sup> This is a revised measure and 2023-24 is the first period it has been measured and reported with the revised methodology. The initial measure reviewed the percentage of outcomes finalised within 6 weeks and has been changed to the average number of working days to action research integrity outcomes.

The ARC actively monitors the timeliness and progression of each outcome received, setting internal deadlines, and working to ensure that each matter is finalised within, or as close as possible to, its expected turnaround period.

This result highlights the improvements made to increase efficiencies in internal processes, including RIRC meeting more frequently, handling matters out of session as needed, and streamlining the Senior Research Integrity Officer's clearance processes.

Processing research integrity outcomes efficiently helps universities to finalise and implement corrective actions in a timely manner, and to protect the ARC from risk in NCGP application, assessment and funding processes where problematic researcher conduct is identified.

The number of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher <sup>13</sup>						
Related programs	1.1 & 1.2	Related key activity	Fund high-quality research	and impactful		
Outcome	e e	ARC grant activities support leadership of projects by Aboriginal and/or Torres Strait Islander researchers.				
Methodology¹⁴	A rolling average number of unique Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher on funded applications for 4 years will be used to calculate the target. The target will be met if the number is greater than or equal to the figure calculated for the previous reporting year.					
Measure types	Quantitative & Output					
Data source	Data extracted from the ARC NCGP administrative database.					
Measure source	Corporate Plan 202	23-24 page 27				
Target	≥ the previous reporting period					
Results	2020-21	2021-22	2022-23	2023-24		
	N/A	N/A	46 (benchmark result)¹⁵	46 (achieved)		

#### Analysis of results

The ARC achieved performance measure 8. Our target was for the rolling average of Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher, on funded applications over a 4-year period, to be greater than or equal to the previous year.

In 2023–24, there was an average of 46 Aboriginal and/or Torres Strait Islander Chief Investigators over the 4 years between 1 July 2020 and 30 June 2024. Our benchmark result for the 2022–23 reporting period was an average of 46 Aboriginal and/or Torres Strait Islander Chief Investigators over the 4 years between 1 July 2019 and 30 June 2023.

During 2023–24, there was a total of 26 unique individual Aboriginal and/or Torres Strait Islander Chief Investigators on ARC-funded grants. When broken down by program: There were 19 Chief Investigators funded under the Discovery Program; and 8 Chief Investigators funded under the Linkage Program who identify as an Aboriginal and/or Torres Strait Islander researcher. One researcher was funded under both programs.

<sup>13</sup> This is a new measure for 2023-24.

<sup>14</sup> The LIEF scheme is not included in the calculations for this measure.

<sup>15</sup> This result has been provided as a benchmark for this measure to enable reporting in 2023-24.

Aboriginal and/or Torres Strait Islander peoples and communities make vital knowledge contributions to university research across the sciences, social sciences, humanities and creative arts. Building the pipeline of Aboriginal and/or Torres Strait Islander researchers also builds Australian research system capability that is essential for growing academic knowledge and addressing complex social challenges.

The ARC is committed to supporting and recognising the need to expand Indigenous knowledge systems and recognise traditional knowledge owners and has several measures embedded within NCGP schemes aimed at supporting participation of Aboriginal and/or Torres Strait Islander researchers and research. A key example of this is the Discovery Indigenous scheme, which exclusively funds projects led by an Aboriginal and/or Torres Strait Islander researcher, including support for Aboriginal and/or Torres Strait Islander Higher Degree by Research and honours students.

This measure aligns with one of 6 key themes under consideration in the Policy Review of the NCGP which is advancing support for Indigenous Australian research and researchers. This theme will examine the capacity of the NCGP to promote Indigenous academic leadership, strengthen the pipeline of emerging Indigenous researchers, and support Indigenous research and knowledge systems that will benefit the community.

# PART 04

**Financial performance and reporting** 

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# 4.1 Purchasing, contracts and assets

### Contracts

#### Expenditure for consultancy contracts

During 2023–24, the ARC entered into 216 new consultancy contracts involving total actual expenditure of \$0.489 million (inclusive of GST). In addition, 444 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$1.393 million (inclusive of GST). A summary of the ARC's engagements with consultants for 2023–24 is provided in **Tables 26 and 27**.

#### Table 26: Expenditure on consultancy contracts (during the 2023-24 reporting period)

	Number <sup>16</sup>	Expenditure \$ (GST inc.) <sup>17</sup>
New contracts entered into during the reporting period	216	\$0.489 million
Ongoing contracts entered into during a previous reporting period <sup>18</sup>	444	\$1.393 million
Total	660	\$1.882 million

#### Table 27: Organisations consultancy contract expenditure (during the 2023-24 reporting period)<sup>19</sup>

Name of organisation	Australian Business Number	Expenditure \$ (GST inc.)
McGrathNicol Advisory Partnership	34 824 776 937	\$259,690
Aurion Corporation Pty Ltd	63 050 431 868	\$143,340
Green Cloud Consulting	94 167 599 868	\$58,857
Rowdy Co Pty Ltd	12 158 255 648	\$34,452
35 South Advisors Pty Ltd	31 646 395 397	\$16,720

Annual reports contain information about actual expenditure on consultancy contracts. Information on the value of contracts and consultancies is available on the AusTender website, <u>www.tenders.gov.au</u>.

<sup>16</sup> As per all consultancy contracts that have been entered into not just those that are reportable on AusTender.

<sup>17</sup> Expenditure on consultancy contracts represents the actual cash expenditure during the period for the contracts detailed but does not include any accrued expenses.

<sup>18</sup> The number of ongoing contracts is all active consultancy contracts as at 30 June 2024 that were entered into prior to the 2023-24 period.

<sup>19</sup> The expenditure in this table is the top 5 consultancy expenditures during 2023–24 by organisation. This may cover multiple contracts and contracts that are no longer active as at 30 June 2024.

#### Policy on selection and engagement for consultancy contracts

The ARC's policy on selecting and engaging consultants is set out in the ARC Accountable Authority Instructions and in related procurement instructions and guidance material.

The ARC engages consultants in accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), including the *Commonwealth Procurement Rules* and relevant internal policies. Consultants are primarily for independent research or assessment, or where specialist skill or expertise is required. Consultants are engaged through a merit selection or procurement process. Most of the ARC's consultancy expenditure relates to the engagement of independent members for selection and evaluation committees.

Consultancy services are distinguished from other contracts for services by the nature of the work performed, which typically involves the development of an intellectual output that assists with agency decision-making and reflects the independent views of the service provider.

#### Expenditure for non-consultancy contracts

During 2023–24, the ARC entered into 72 new non-consultancy contracts involving total actual expenditure of \$6.419 million (inclusive of GST). In addition, 155 ongoing non-consultancy contracts were active during the period, involving total actual expenditure of \$7.640 million (inclusive of GST). A summary of the ARC's engagements with non-consultants for 2023–24 is provided in **Tables 28 and 29**.

	Number <sup>20</sup>	Expenditure \$ (GST inc.) <sup>21</sup>
New contracts entered into during the reporting period	72	\$6.419 million
Ongoing contracts entered into during a previous reporting period <sup>22</sup>	155	\$7.640 million
Total	227	\$14.059 million

#### Table 28: Expenditure on non-consultancy contracts (during the 2023-24 reporting period)

<sup>20</sup> As per all non-consultancy contracts that have been entered into not just those that are reportable on AusTender.

<sup>21</sup> Expenditure on non-consultancy contracts represents the actual cash expenditure during the period for the contracts detailed but does not include any accrued expenses.

<sup>22</sup> The number of ongoing contracts is all active non-consultancy contracts as at 30 June 2024 that were entered into prior to the 2023-24 period.

 Table 29: Organisations non-consultancy contract expenditure (during the 2023-24 reporting period)<sup>23</sup>

Name of organisation	Australian Business Number	Expenditure \$ (GST inc.)
Jones Lang LaSalle - ARC	69 008 585 260	\$2,815,918
Hudson Global Resources (Aust) Pty Limited	21 002 888 762	\$757,318
Face 2 Face Recruitment Pty Ltd	47 112 122 504	\$674,200
Calleo Resourcing Pty Ltd	29 606 001 763	\$664,600
Xaana Pty Ltd	45 633 947 369	\$627,167

Annual reports contain information about actual expenditure on non-consultancy contracts. Information on the value of contracts is available on the AusTender website, <u>www.tenders.gov.au</u>.

#### Australian National Audit Office access clauses

The ARC is required to provide details of any contract entered into during the reporting period of \$100,000 or more (inclusive of GST) that does not provide for the Auditor-General to have access to the contractor's premises. The ARC must include the name of the contractor, the purpose and value of the contract, and the reason for not including standard access clauses in the contract.

The ARC did not have any contracts over \$100,000 that did not provide for the Auditor-General to have access to the contractor's premises.

#### **Exempt contracts**

The ARC accountable authority did not exempt any contracts from publication on the AusTender website during the reporting period.

## Procurement initiatives to support small business

The ARC supports small business participation in the Commonwealth government procurement market. Small and Medium Enterprises (SME) and Small Enterprise <u>participation statistics</u> are available on the Department of Finance's website, <u>www.finance.gov.au</u>.

The ARC recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website, <u>www.treasury.gov.au</u>.

<sup>23</sup> The expenditure in this table is the top 5 non-consultancy expenditures during 2023–24 by organisation. This may cover multiple contracts and contracts that are no longer active as at 30 June 2024.

The ARC employs a number of procurement practices to support SMEs including:

- using standard contract templates with clear and simple language
- using electronic payment systems to facilitate on-time payment
- encouraging credit card use to expedite payments
- utilising Supply Nation, a non-profit organisation established to grow the Aboriginal and Torres Strait Islander business sector by promoting supplier diversity in Australia
- reporting against the *Indigenous Procurement Policy* on the number of contracts, contract values and expenditure for all Aboriginal and Torres Strait Islander SMEs.

## Purchasing

The ARC's approach to purchasing is consistent with the *Commonwealth Procurement Rules* and the PGPA Act, which regulate how agencies govern and undertake procurement. Detailed policies and procedures relating to procurement are also outlined in the *ARC Accountable Authority Instructions* and specific policy and procedure guides (such as those for travel and use of Commonwealth credit cards). All policies and procedures are reviewed periodically and updated as required.

The Finance Section is responsible for procurement within the ARC. Finance Section staff provide information and training about procurement policies and procedures as required.

The ARC publishes information on proposed procurements in the <u>Annual Procurement Plan –</u> <u>Australian Research Council</u>, available on the AusTender website, <u>www.tenders.gov.au</u>. This plan gives potential suppliers early notice of significant planned procurements for the coming year. All procurements over \$10,000 are published on the AusTender website.

#### Assets management

The ARC does not have any significant asset holdings.

The ARC's assets include office fit-out, furniture, ICT software and 'portable and attractive' equipment (such as laptops and mobile phones) held at the ARC office. The ARC also owns server and network infrastructure located at an appropriately secured commercial data centre located in the ACT.

The ARC reviews its asset holdings annually to ensure cost effectiveness and whole-of-life utilisation. The ARC conducted its annual stock take and in May 2024, undertook a comprehensive revaluation of its assets value as at the end of the financial year.

## **4.2** Financial performance

#### Summary

This section provides an overview of the ARC's financial performance during 2023–24 for departmental and administered activities. It should be read in conjunction with the information on financial statements provided in **Section 4.3**, which include:

- the Australian National Audit Office (ANAO) unqualified audit opinion for the statements
- a statement from the accountable authority, Acting CEO, and Chief Financial Officer that the financial statements comply with the PGPA Act
- the ARC's annual financial report.

The ARC's initial total budgeted resource for 2023–24, as per the May <u>ARC Portfolio Budget</u> <u>Statements 2023–24</u>, was \$934.6 million. This comprised:

- \$907 million for the administered appropriation (\$896.2 million special appropriation for the NCGP and \$10.8 million for the annual administered appropriation)
- \$25.3 million for the departmental expenses (\$22.4 million from departmental appropriation and \$0.8 million from external revenue).

During 2023-24, the special appropriation for the NCGP was reduced to \$851.4 million. Prior to the passing of the *Australian Research Council Amendment Act 2024* (Review Response Act), the ARC's special appropriations were amended through an indexation bill each financial year. Due to the timing and consideration of the Review Response Act, no indexation bills were introduced into the Parliament in 2023-24. In place of this indexation, an increase of \$48.1 million was made to the ARC's 2024-25 annual administered appropriations through the 2024-25 Portfolio Budget Statements, which in turn made fewer funds available for payments in 2023-24. However, as this is a timing issue managed by the ARC, researchers and universities will still receive the total indexed amounts over the duration of their funding agreements.

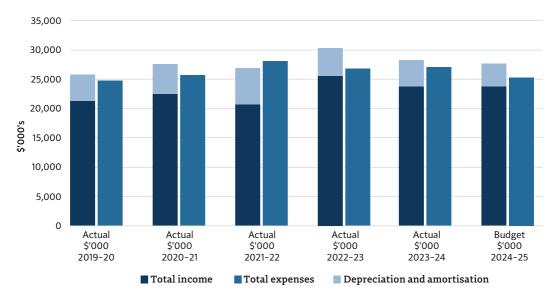
The ARC resource statement is presented in **Table 30**, followed by the ARC expenses for Outcome 1 which is presented in **Table 31**.

## Departmental activities

Departmental activities include assets, liabilities, revenues and expenses that the ARC controls directly and uses to produce outcomes on behalf of the Australian Government.

For 2023–24, the ARC recorded an operating deficit of \$3.7 million compared to the May 2023–24 budget position of an operating deficit of \$1.9 million.

**Figure 4** outlines the ARC's departmental financial performance over the past 5 years and the current budget for 2024–25. Own source revenue decreased from \$1.9 million in 2022–23 to \$1.0 million in 2023–24 due to timing of contracts.



# Figure 4: Departmental financial performance (during the reporting periods 2019-20 to 2024-25)

# Administered activities

Administered activities include assets, liabilities, revenues and expenses that are managed by the ARC on behalf of the Australian Government, including grants and supplier costs.

For 2023-24 there were \$850.6 million in administered expenses.

**Figure 5** outlines the ARC's administered financial expenditure over the past 5 years and the current budget for 2024–25. The expenditure fluctuates from year to year and reflects the government's priorities and the timing of when expenditure has been recognised.

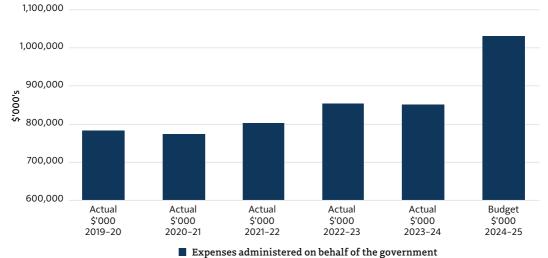


Figure 5: Administered financial performance (during the reporting periods 2019-20 to 2024-25)

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# **Resource statements**

**Table 30** shows the total resourcing from all sources available to the ARC for its operations and to deliver programs and services on behalf of the government. The table also summarises how resources were applied by administered (on behalf of the government or the public) and departmental (for ARC's operations) classification.

**Table 31** shows how much ARC budgeted and spent (on an accrual basis) on achieving Outcome 1, broken down by program, as well as by administered and departmental funding sources.

# Table 30: ARC resource statement for the 2023-24 reporting period (all figures \$'000)

		Current available appropriation	Payments made	Balance remaining
	Notes	(a)	(b)	(a) - (b)
Departmental				
Annual appropriations – ordinary annual services <sup>24</sup>	-	24,374	15,028	9,346
Prior year appropriations available – ordinary annual services <sup>25</sup>	-	13,384	13,384	0
Total departmental annual appropriations	-	37,758	28,412	9,346
Total departmental resourcing	Α	37,758	28,412	9,346
Administered				
Annual appropriations – ordinary annual services <sup>26</sup>	-	10,831	6,757	4,074
Prior year appropriations available – ordinary annual services <sup>27</sup>	-	2,071	2,071	0
Total administered annual appropriations	В	12,902	8,828	4,074
Administered special appropriations				
Australian Research Council Act 2001	-	851,414	851,121	293
Total administered special appropriations	С	851,414	851,121	293
Special accounts				
Opening balance	-	2,120	0	2,120
Payments made	-	0	5	-5
Total special account	D	2,120	5	2,115
Total administered resourcing	B+C+D	866,436	859,954	6,482
Total resourcing and payments for the ARC	A+B+C+D	904,194	888,366	15,828

<sup>24</sup> Departmental Appropriation Act (No.1 and No.3) 2023–24. This also includes cash held in bank and external revenue receipts under section 74 of the PGPA Act. Departmental capital budgets are not separately identified in Appropriation Bill (No.1, 3, 5) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.
25 Departmental Capital Departmental Depa

<sup>25</sup> Departmental Supply Act (No.3) 2022–23.

<sup>26</sup> Administered Appropriation Act (No.1 and No.3) 2023-24.

<sup>27</sup> Administered Appropriation Act (No.1) 2021-22 and Administered Supply Act (No.3) 2022-23.

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice	Budget <sup>28</sup> (2023–24) (a)	Actual expenses (2023–24) (b)	Variation (2023–24) (a) – (b)
Program 1.1: Discovery – Research and Research Training			
Administered expenses			
Ordinary annual services (Appropriation Act No.1 and 3)	1,358	1,091	267
Special appropriations <sup>29</sup>	523,526	518,435	5,091
Total for Program 1.1	524,884	519,526	5,358
Program 1.2: Linkage - Cross-sector research partnerships			
Administered expenses			
Ordinary annual services (Appropriation Act No.1 and 3)	2,027	640	1,387
Special appropriations <sup>29</sup>	326,818	322,734	4,084
Special accounts	0	5	-5
Total for Program 1.2	328,845	323,379	5,466
Program 1.3: Excellence in Research for Australia			
Administered expenses			
Ordinary annual services (Appropriation Act No.1 and No.3)	7,446	7,732	-286
Total for Program 1.3	7,446	7,732	-286
Outcome 1: Totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Act No.1)	10,831	9,463	1,368
Special appropriations <sup>29</sup>	850,344	841,169	9,175
Special accounts	0	5	-5
Departmental expenses			
Departmental appropriation	22,426	23,064	-638
s74 External Revenue <sup>30</sup>	837	1,308	-471
Expenses not requiring appropriation in the budget year <sup>31</sup>	2,012	2,910	-898
Total expenses for Outcome 1	25,275	27,282	-2,007
	Budget (2023-24)	Actual (2023-24)	Variation (2023-24)
Average staffing level (number)	140	138	2

<sup>28</sup> Full-year budget in 2023–24 Portfolio Budget Statements, which included any subsequent adjustment made to the 2023–24 budget at 2023–24 Additional Estimates and 2024–25 Portfolio Budget Statements.

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<sup>29</sup> Special appropriation funded under the *Australian Research Council Act 2001* (ARC Act). New appropriation arrangements come in effect on 1 July 2024 as a result of the Australian Parliament passing the Review Response Act, in March 2024. This resulted in the special appropriation transitioning to an annual administered appropriation from 1 July 2024 onwards.

<sup>30</sup> Estimated expenses incurred in relation to retained revenue receipts under section 74 of the PGPA Act.

<sup>31</sup> Expenses not requiring appropriation in the budget year are made up of depreciation expenses, amortisation expenses, make good expenses, write-down and impairment of assets and audit fees.

# 4.3 2023–24 Financial Statements





#### INDEPENDENT AUDITOR'S REPORT

## To the Minister for Education

#### Opinion

In my opinion, the financial statements of the Australian Research Council (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards Simplified Disclosures and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by the Accountable Authority, Acting Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Reconciliation Schedule;
- Administered Schedule of Assets and Liabilities;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board is responsible under the *Public Governance, Performance* and Accountability Act 2013 (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related

> GPO Box 707, Canberra ACT 2601 38 Sydney Avenue, Forrest ACT 2603 Phone (02) 6203 7300

to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

#### Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or
  error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is
  sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material
  misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,
  forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
  appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of
  the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting
  and, based on the audit evidence obtained, whether a material uncertainty exists related to events or
  conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude
  that a material uncertainty exists, I am required to draw attention in my auditor's report to the related
  disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My
  conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future
  events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office

Saminda Maddumahewa Senior Director

Delegate of the Auditor-General Canberra 12 September 2024

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#### STATEMENT BY THE ACCOUNTABLE AUTHORITY, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Research Council (ARC) will be able to pay its debts as and when they fall due.

Richmad Jot

Professor Peter Shergold Chair of the Board 11 September 2024

Dr Richard Johnson Acting Chief Executive Officer 11 September 2024

C Maconachie

Craig Maconachie Chief Financial Officer 11 September 2024

## Statement of Comprehensive Income

for the period ended 30 June 2024

				Original
		2024	2023	Budget
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	19,711	20,789	18,212
Suppliers	1.1B	2,622	2,433	2,755
Depreciation and amortisation	3.2A	4,758	4,830	4,195
Finance costs	1.1C	177	216	118
Write-down and impairment of other assets	1.1D	14	35	-
Total expenses		27,282	28,303	25,280
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	1,020	1,864	842
Other revenue	1.2B	155	64	64
Total own-source revenue		1,175	1,928	906
Gains				
Gains from sale of assets		-	20	-
Reversal of write-downs and impairment		5	-	-
Total gains		5	20	-
Total own-source income		1,180	1,948	906
Net cost of services		(26,102)	(26,355)	(24,374)
Revenue from Government	1.2C	22,426	23,401	22,426
Deficit on continuing operations		(3,676)	(2,954)	(1,948)

The above statement should be read in conjunction with the accompanying notes.

# **Statement of Financial Position**

as at 30 June 2024

				Original
		2024	2023	Budget
	Notes	\$'000	\$'000	\$'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	250	274	392
Trade and other receivables	3.1B	9,402	13,550	12,926
Total financial assets		9,652	13,824	13,318
Non-financial assets*				
Buildings	3.2A	2,721	4,868	2,737
Plant and equipment	3.2A	877	945	1,015
Computer software	3.2A	7,745	7,215	5,018
Prepayments		705	157	158
Total non-financial assets		12,048	13,185	8,928
Total assets		21,700	27,009	22,246
LIABILITIES				
Payables				
Suppliers	3.3A	359	336	757
Other payables	3.3B	864	936	372
Total payables		1,223	1,272	1,129
Interest bearing liabilities				
Leases	3.4A	3,003	5,271	3,003
Total interest bearing liabilities		3,003	5,271	3,003
Provisions				
Employee provisions	6.1A	5,455	6,086	5,449
Other provisions	3.5A	801	778	710
Total provisions		6,256	6,864	6,159
Total liabilities		10,482	13,407	10,291
Net assets		11,218	13,602	11,955
EQUITY				
Contributed equity		43,728	42,448	43,729
Reserves		29	17	16
Accumulated deficit		(32,539)	(28,863)	(31,790)
Total equity		11,218	13,602	11,955

The above statement should be read in conjunction with the accompanying notes.

For variance explanations, refer to budget variance commentary which follows the primary financial statements. \* Right-of-use assets are included in the following line items: Buildings and, Plant and equipment.

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# Statement of Changes in Equity

for the period ended 30 June 2024

				Original
		2024	2023	Budget
	Notes	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY				
Opening balance as at 1 July				
Balance carried forward from previous period		42,448	41,208	42,449
Transactions with owners				
Contributions by owners				
Departmental capital budget		1,280	1,240	1,280
Total transactions with owners		1,280	1,240	1,280
Closing balance as at 30 June		43,728	42,448	43,729
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		(28,863)	(25,909)	(29,842)
Comprehensive income				
Deficit for the period		(3,676)	(2,954)	(1,948)
Total comprehensive income		(3,676)	(2,954)	(1,948)
Closing balance as at 30 June		(32,539)	(28,863)	(31,790)
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		17	17	16
Asset Revaluation				
Other movements		12	_	
Closing balance as at 30 June		29	17	16
ciosing balance as at 50 june		2)	17	10

#### Statement of Changes in Equity (continued)

for the period ended 30 June 2024

				Original
		2024	2023	Budget
	Notes	\$'000	\$'000	\$'000
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		13,602	15,316	12,623
Comprehensive income				
Deficit for the period		(3,676)	(2,954)	(1,948)
Asset Revaluation Reserve - Other movements		12	-	-
Total comprehensive income		(3,664)	(2,954)	(1,948)
Transactions with owners				
Contributions by owners				
Departmental capital budget		1,280	1,240	1,280
Total transactions with owners		1,280	1,240	1,280
Closing balance as at 30 June		11,218	13,602	11,955

The above statement should be read in conjunction with the accompanying notes. For variance explanations, refer to budget variance commentary which follows the primary financial statements.

Accounting Policy

Departmental Capital Budgets

Amounts appropriated which are designated as Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

# **Cash Flow Statement**

for the period ended 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		27,108	26,837	23,925
Sale of goods and rendering of services		851	2,194	842
GST received		878	892	546
Other		91	67	-
Total cash received		28,928	29,990	25,313
Cash used				
Employees		19,902	19,932	18,141
Suppliers		3,331	2,726	2,691
Interest payments on lease liabilities		139	214	118
GST paid		834	902	546
Section 74 receipts transferred to OPA		668	2,261	-
Total cash used		24,874	26,035	21,496
Net cash from operating activities		4,054	3,955	3,817
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant and equipment		-	7	-
Total cash received		-	7	-
Cash used				
Purchase of property, plant and equipment		290	469	850
Purchase of computer software		2,800	2,671	2,430
Total cash used		3,090	3,140	3,280
Net cash used by investing activities		(3,090)	(3,133)	(3,280)
FINANCING ACTIVITIES				
Cash received		4.000		
Contributed equity		1,280	1,240	1,280
Total cash received		1,280	1,240	1,280
Cash used				
Principal payments of lease liabilities		2,268	2,111	2,247
Total cash used		2,268	2,111	2,247
Net cash used by financing activities		(988)	(871)	(967)
Net decrease in cash held		(24)	(49)	(430)
Cash and cash equivalents at the beginning of the reporting period		274	323	822
Cash and cash equivalents at the end of the reporting period	3.1A	250	274	392

The above statement should be read in conjunction with the accompanying notes.

# Administered Schedule of Comprehensive Income

for the period ended 30 June 2024

				Original
		2024	2023	Budget
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	422	-	-
Suppliers	2.1B	9,043	8,576	10,831
Grants	2.1C	841,167	844,924	898,450
Total expenses		850,632	853,500	909,281
Income				
Revenue				
Non-taxation revenue				
Other revenue	2.2A	17,829	13,205	9,721
Total non-taxation revenue		17,829	13,205	9,721
Total revenue		17,829	13,205	9,721
Total income		17,829	13,205	9,721
Net cost of services		(832,803)	(840,295)	(899,560)
Deficit		(832,803)	(840,295)	(899,560)
Total comprehensive loss		(832,803)	(840,295)	(899,560)

The above schedule should be read in conjunction with the accompanying notes.

# Administered Schedule of Assets and Liabilities

as at 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	\$'000
	Notes	\$ 000	\$ 000	\$ 000
ASSETS				
Financial assets				
Cash and cash equivalents	4.1A	2,115	2,120	2,252
Trade and other receivables	4.1B	223	122	69
Total financial assets		2,338	2,242	2,321
Non-financial assets				
Prepayments		27	255	185
Total non-financial assets		27	255	185
Total assets administered on behalf of Government		2,365	2,497	2,506
LIABILITIES				
Pavables				
Grants	4.2A	247,756	256,439	240,743
Other payables	4.2B	617	500	574
Total payables		248,373	256,939	241,317
Provisions				
Administered - employee provisions	6.1B	115	-	-
Total provisions	0110	115	-	-
Total liabilities administered on behalf of Government		248,488	256,939	241,317
Net liabilities		(246,123)	(254,442)	(238,811)

The above schedule should be read in conjunction with the accompanying notes.

#### **Administered Reconciliation Schedule**

for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Opening assets less liabilities as at 1 July		(254,442)	(240,900)
Net (cost of)/contribution by services			
Income		17,829	13,205
Expenses		(850,632)	(853,500)
Transfers (to)/from the Australian Government			
Appropriation transfers from Official Public Account (OPA)			
Annual appropriations	5.1A	8,828	8,587
Special appropriations (limited)	5.1C	851,121	831,433
Administered GST Appropriations		1,235	872
Appropriation transfers to OPA			
Appropriations		(19,105)	(13,313)
Return of GST Appropriations		(957)	(826)
Closing assets less liabilities as at 30 June		(246,123)	(254,442)

The above schedule should be read in conjunction with the accompanying notes.

For variance explanations, refer to budget variance commentary which follows the primary financial statements.

#### **Accounting Policy**

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the entity for use by the Government rather than the entity is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the entity on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

#### **Administered Cash Flow Statement**

for the period ended 30 June 2024

		2024	2023
	Notes	\$'000	\$'000
OPERATING ACTIVITIES			
Cash received			
GST received		957	826
Other		19,105	13,313
Total cash received		20,062	14,139
Cash used		· · · ·	
		307	
Employees		307 8,521	- 8,587
Suppliers Grants		•	
		851,126	831,566
GST paid Total cash used		<u>1,235</u> 861,189	872 841,025
			,
Net cash used by operating activities		(841,127)	(826,886)
Cash from Official Public Account			
Appropriations		859,949	840,020
Administered GST Appropriation		1,235	872
Total cash from official public account		861,184	840,892
Total cash nom onicial public account			040,072
Cash to Official Public Account			
Appropriations		19,105	13,313
Return of GST Appropriation to OPA		957	826
Total cash to official public account		20,062	14,139
Net decrease in cash held		(5)	(133)
Cash and cash equivalents at the beginning of the reporting period		2,120	2,253
Cash and cash equivalents at the end of the reporting period	4.1A	2,115	2,120
I		, ~~	, =•

This schedule should be read in conjunction with the accompanying notes.

**Budget Variances** 

The following commentary provides a high-level commentary of major variances between the original budget as published in Education Portfolio Budget Statements (PBS) 2023-24 to the 2023-24 actuals. Note the Budget is not audited.

Departmental and Administered variances are considered to be major based on the following criteria:

- the variance between original budget and actual is greater than 5% of the line item and \$0.5 million; or

- an item below this threshold is considered important for the reader's understanding or is relevant to an assessment of the ARC's performance.

	Variance to Variance to	Variance to	
Explanation of major variances	Budget	Budget	Affected line items
	\$,000	%	
Departmental			
1.14. Employee benefits - Overspend compared to Budget primarily due to 2 reasons:			Expenses – Employee benefits
- a higher staffing requirement to provide Research Grant services, which are cost recovered; and			
- retaining capacity and capabilities in relation to the Excellence in Research Program.			Consequential Impacts
			Revenue – Revenue from Customers
	1,499	8%	Liabilities - Employee provisions
			Cashflow - Employees
			Cashflow - Sale of goods and rendering
			of services
<b>3.2A. Depreciation and amortisation</b> - Overspend compared to budget is primarily due to further			Expenses - Depreciation and
investments in the Research Management System to extend it's useful life.			Amortisation
	563	13%	
			consequencial impacts Assets - Computer Software
3.2A. Computer Software	1010	10 L C	A and a mode and attaction to the fee
Prepayments	-3,24 	-21%0	Assets – Irade and other receivables
The decrease in receivables when compared to Budget reflects the decision to partially fund asset	77/7	54%	Assets - Computer Software
replacements from prior year non-DCB appropriations and to prepay some software licences and hardware	140	0%040	Assets - Prepayments
maintenance.			
الالمفع محمطينين منتشله مسرانه والمحفقات مطبيما إنجالمحم فلمحمل التناطيمية			

Note negative numbers indicate that the actual is less than budget.

Explanation of major variances	Variance to Variance to Budget Budget \$'000 %	Variance to Budget %	Affected line items
Administered			
<b>2.14. Employee benefits</b> - Two new administered employee positions have been created. These staff are undertaking work exclusively related to the administration of the NCGP. They replace contractors undertaking similar work – Executive Director and an adviser to the CRO on NCGP policy changes.	422	100%	Expenses – Employee benefits Consequential Impacts Liabilities - Employee provisions Cashflow - Cash Used - Employees Cash from Official Public Account - appropriations
2.1B Supplier expenses - On 22 August 2023, the Government agreed to recommendation number 10 of the <i>Trusting Australia's Ability: Review of the Australian Research Council Act report (the ARC Review)</i> . The recommendation included discontinuation of some Excellence in Research for Australia (ERA) and Engagement and Impact (EI) activities, and the development of a framework for regular evaluation and reporting on the outcomes of the NCGP program. This created some uncertainties throughout the financial year, especially when coupled with consideration of the overall <i>Australian Research Council Act Totol</i> (ARC Amendment Act ), and the Universities Accord process. As a result, certain supplier expenditures were deferred.	-1,788	-1.7%	Expenses - Suppliers Consequential Impacts Total comprehensive loss Cashflow - Cash used - Suppliers Cash from Official Public Account - appropriations
<b>2.1C Grant expenses</b> - Prior to the Australian Parliament passing the <i>ARC Amendment Act</i> , the ARC's Special Appropriations were indexed through an Act of Parliament each financial year. Due to consideration of the Act, no indexation bills were introduced into the Parliament in 2023-24. Instead, an increase of \$48.1 million was made to the ARC's 2024-25 Annual Administered Appropriations through the 2024-25 Budget process. This necessarily made less funds available for payments in 2023-24, hence less grant expenditure was incurred. Researchers and universities will still receive the fully indexed amounts over the duration of their funding agreements, as this is a timing issue being managed by the ARC.	-57,283	-6%	Expenses - Grants Consequential Impacts Total comprehensive loss Cashflow - Cash used - Grants Cash from Official Public Account - appropriations
<b>2.2A. Other Revenue</b> -This balance comprises revenue from the return of unspent grant funding by prior year grant recipients, as required by the ARC Act. Actual returns of grant funding were higher than Budget, due to the inherently variable nature of this revenue stream, which is dependent on the actual grant usage and timing of grant acquittals by grant recipients.	8,108	83%	Revenue - Other Revenue Consequential Impacts Total comprehensive loss Cashflow - Cash received other Cashflow - Cash to OPA
Note negative numbers indicate that the actual is less than budget.			

# **Overview**

#### **Objectives of the Australian Research Council (ARC)**

The Australian Research Council (ARC) is an Australian Government controlled entity. It is a not-for-profit entity. The ARC is responsible for administering the National Competitive Grants Program (NCGP), assessing the quality, engagement and impact of research and providing advice and support on research matters.

The ARC is structured to meet the following outcome:

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.

The continued existence of the ARC in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the ARC's administration and programs.

ARC activities contributing toward this outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the entity in its own right. Administered activities involve the management or oversight by the entity, on behalf of the Government, of items controlled or incurred by the Government.

In March 2024, the Australian Parliament passed the *Australian Research Council Amendment Act 2024*. Under the new legislation, from 1 July 2024 a new ARC Board commenced as the accountable authority for the agency. The Board is responsible for determining the priorities, strategies, and policies for the ARC and advising the Minister regarding these. Two advisory bodies provide the Board with advice to assist it carry out its functions.

The new legislation also establishes an enhanced role for the ARC to shape and foster Australia's research landscape, confirming additional functions for the agency. The financial year 2024-25 will be an opportunity for the new Board to set the strategic direction for the ARC, consolidate the agency's role as a valued source of advice on Australia's research environment, and progress a number of key priorities. These include:

•working with the Department of Education to conclude a policy review of the NCGP to ensure it is fit for purpose and maximises the impact of public investment in university research

• advancing work already well-progressed under the *ARC Strategy 2022-2025* to continuously improve the administration of the NCGP by leveraging best-practice and strong collaboration with the research sector to design and implement enhanced processes and procedures

•continuing to broaden and deepen the role of the ARC in strengthening relationships with the university research sector, industry, and government, and with international partners

•ensuring ARC activities support a diverse and inclusive research sector, including access for eligible underrepresented researchers in NCGP schemes

•working with Indigenous researchers and communities to improve the capacity of the NCGP to promote, embed and support Indigenous research and knowledge systems in Australia's research sector, including through the ARC Indigenous Forum

 promoting and broadening the ARC's research grants administration expertise and services, including through the provision of Research Grant Services

•continuing to work with the National Health and Medical Research Council, universities and other stakeholders to strengthen and safeguard the integrity and credibility of Australian research.

The ARC conducts the following administered activities on behalf of the Government:

NCGP: Through the NCGP, the ARC supports excellent research, research training and research infrastructure for the benefit of Australians, across all disciplines (excluding pre-clinical, clinical medical or health research), awarding funding based on a competitive peer review process. The NCGP comprises 2 programs, Discovery and Linkage, which fund a range of complementary schemes that provide funding for basic and applied research, research training, research collaboration and research infrastructure.

Excellence in Research for Australia (ERA): ERA has been discontinued by the Minister for Education and the ARC is working to transition

the evaluation of university research to a more modern, data driven approach informed by expert review.

#### The Basis of Preparation

The financial statements are required by section 42 of the Public Governance, Performance and Accountability Act 2013.

The financial statements have been prepared in accordance with:

a) Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and

b) Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### **New Accounting Standards**

All new standards issued prior to the sign-off date and applicable to the current reporting period did not have a material effect on the ARC's financial statements.

#### Taxation

The ARC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

#### **Reporting of Administered activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

#### **Events After the Reporting Period**

#### Departmental

No Departmental events have occurred after the reporting period that have the potential to significantly affect the ongoing structure and financial activities of the ARC.

## Administered

No Administered events have occurred after the reporting period that have the potential to significantly affect the ongoing structure and financial activities of the ARC.

# **Financial Performance**

This section analyses the financial performance of the Australian Research Council for the year ended 2024.

#### 1.1 Expenses

	2024 \$'000	2023 \$'000
1.1A: Employee benefits		
Wages and salaries	14,560	15,509
Superannuation		
Defined contribution plans <sup>1</sup>	1,795	1,992
Defined benefit plans <sup>2</sup>	1,050	1,208
Leave and other entitlements	1,935	1,780
Separation and redundancies	2	3
Other employee entitlements	369	297
Total employee benefits	19,711	20,789

1. Includes the Public Sector Superannuation Plan (PSSap) and other choice of fund.

2. Includes the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS).

#### Accounting Policy Accounting policies for employee related expenses is contained in the People and Relationships section. 1.1B: Suppliers Goods and services supplied or rendered Audit fees 64 64 Consultants 430 354 Contractors Employee related<sup>1</sup> 527 449 Travel 99 190 1,010 IT services 683 Property related 33 276 Other<sup>2</sup> 269 226 Total goods and services supplied or rendered 2,432 2,263 192 181 Goods supplied Services rendered 2,240 2,082 Total goods and services supplied or rendered 2,432 2,263 Other suppliers Workers compensation expenses 66 Variable lease payments 124 103 Total other suppliers 190 170 **Total suppliers** 2,622 2,433 1. Employee related expenses include staff training, staff study assistance costs and recruitment charges.

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2. Other includes media monitors, subscriptions, graphic design, printing, photocopier, telephone costs, office consumables and stationery, legal services, storage and hire of equipment.

1.1C: Finance costs		
Interest on lease liabilities	139	214
Unwinding of discount	38	2
Total finance costs	177	216
	-	

The above lease disclosures should be read in conjunction with the accompanying notes 3.2 and 3.4A.

Accounting Policy All borrowing costs are expensed as incurred.

## 1.1D: Write-down and impairment of other assets

Revaluation decrements	-	31
Write-down	14	4
Total write-down and impairment of other assets	14	35

1.2 Own-Source Revenue and Gains		
	2024	2023
	\$'000	\$'000
Own-Source Revenue		
1.2A: Revenue from contracts with customers		
Rendering of services (related parties)	1,020	1,864
Total revenue from contracts with customers	1,020	1,864
Disaggregation of revenue from contracts with customers		

The ARC is providing grants administration services to other Australian Government entities, who are managing grant programs focussed on the research sector.

Timing of transfer of goods and services:

Over time	1,020	1,864
	1,020	1,864

#### Accounting Policy

The ARC has entered into collaborative agreements with 3 Australian Government entities. They have been assessed as enforcable for the purposes of AASB 15.

Each collaborative agreement covers multiple years. They include specific performance obligations allocated via service schedule to each financial year and performance is regularly monitored in partnership with client organisations. All services are agreed and charged in the year provided.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance. Collectability of debts is reviewed at the end of the reporting period and allowances are made when collectability of the debt is no longer probable.

#### 1.2B: Other revenue

Resources received free of charge		
Remuneration of auditors	64	64
Other	91	-
Total other revenue	155	64

#### Accounting Policy

#### Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. The use of those resources are recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

<b>1.2C: Revenue from Government</b>		
Appropriations		
Departmental appropriations	22,426	23,401
Total revenue from Government	22,426	23,401

#### **Accounting Policy**

## Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

# Income and Expenses Administered on Behalf of Government

This section analyses the activities that the Australian Research Council does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered - Expenses		
	2024	2023
	\$'000	\$'00
2.1A: Employee benefits		
Wages and salaries	280	
Superannuation		
Defined contribution plans	42	
Defined benefit plans	25	
Leave and other entitlements	75	
Total employee benefits	422	
Accounting Policy Accounting policies for employee related expenses is contained in the People an	d relationships section.	
2.1B: Suppliers Goods and services supplied or rendered		
Consultants	1,966	3,92
Contractors	6,194	3,88
Employee related	1	5,00.
Travel	250	24
Other	632	741
Total goods and services supplied or rendered	9,043	8,576
Goods supplied	6	2
Services rendered	9,037	8,574
Total goods and services supplied or rendered	9,043	8,570
Total Books and set thes supplied of reliacted		0,070
Total suppliers	9,043	8,576
2.1C: Grants		
Public sector		
Commonwealth educational institutions (related parties)	57,794	58,44
State and Territory Governments	783,157	786,138
Private sector		
Other research organisations	216	338
Total grants	841,167	844,924

#### **Accounting Policy**

The ARC administers the National Competitive Grants Program on behalf of the Australian Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed or criteria satisfied, this is considered a commitment.

2.2 Administered - Income		
	2024	2023
	\$'000	\$'000
Revenue		
Non-Taxation Revenue		
2.2A: Other revenue		
Recovery of prior year unspent grant payments	17,829	13,205
Total other revenue	17,829	13,205
Accounting Policy		
All administered revenues are revenues relating to ordinary activities p	5	
Government. As such, administered appropriations are not revenues of	the ARC. The ARC oversees distribution	or

expenditure of the funds as directed.

Other revenue relates to the prior year unspent grant payments. Under the ARC Act, grant recipients are required to return unspent money to the ARC unless otherwise approved.

Recovery of prior year unspent grant payments is recognised when unspent grant money is identified during grant acquittal processes or grants are relinquished.

# **Financial Position**

This section analyses the Australian Research Council's assets used to conduct its operations and the operating liabilities incurred as a result.

Employee related information is disclosed in the People and Relationships section.

#### 3.1 Financial Assets 2024 2023 \$'000 \$'000 3.1A: Cash and cash equivalents Cash on hand or on deposit 250 274 Total cash and cash equivalents 250 274 Accounting Policy Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on deposits. 3.1B: Trade and other receivables Goods and services receivables Other 222 311 Total goods and services receivables 222 311 Appropriation receivables Appropriation receivable 9,096 13,110 Total appropriation receivables 9,096 13,110 Other receivables GST receivable from the Australian Taxation Office 84 129 Total other receivables 84 129 Total trade and other receivables (gross) 9,402 13,550 Total trade and other receivables (net) 9,402 13,550 Current and non-current allocation disclosed in Note 8.1.

Credit terms for goods and services were within 20 days (2023: 20 days).

#### Accounting Policy

Financial assets

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Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

The Appropriation Receivable balance represents the amount of undrawn appropriation available to the ARC.

#### 3.2 Non-Financial Assets

3.2A: Reconciliation of the Openi	ng and Closing Balances of Prop	erty, Plant and Equipment and Intangibles

	Buildings \$'000	Plant and equipment \$'000	Computer Software <sup>1</sup> \$'000	Total \$'000
As at 1 July 2023				
Gross book value	14,406	1,584	23,240	39,230
Accumulated depreciation, amortisation and impairment	(9,538)	(639)	(16,025)	(26,202)
Total as at 1 July 2023	4,868	945	7,215	13,028
Additions				
Purchased or Internally developed	-	290	2,800	3,090
Revaluations recognised in net cost of services	(3)	-	-	(3)
Reclassifications <sup>2</sup>	(16)	8	-	(8)
Reclassifications (RoU)	(436)	444	-	8
Depreciation and amortisation	(157)	(371)	(2,266)	(2,794)
Depreciation on right-of-use assets	(1,943)	(21)	-	(1,964)
Disposals				
Gross book value	-	(25)	(707)	(732)
Accumulated depreciation	-	16	-	16
Accumulated amortisation	-	-	703	703
Accumulated depreciation - Reclassifications	9	(7)	-	2
Accumulated depreciation - Reclassifications (RoU)	399	(402)	-	(3)
Total as at 30 June 2024	2,721	877	7,745	11,343
Total as at 30 June 2024 represented by				
Gross book value	13,951	2,301	25,333	41,585
Accumulated depreciation, amortisation and impairment	(11,230)	(1,424)	(17,588)	(30,242)
Total as at 30 June 2024	2,721	877	7,745	11,343
Carrying amount of right-of-use assets	2,512	58	-	2,570

1. The carrying amount of computer software included \$50,336 purchased software and \$7,694,994 internally developed software. 2. During a review it was found that assets subjected to reclassification were classified under Buildings class but should have been classified under Plant and Equipment class and hence the reclassification.

No indicators of impairment were found for buildings, plant and equipment and computer software.

#### Contractual commitments for the acquisition of property, plant, equipment and intangible assets

A contractual commitment exists for an Information Management System, which is under development. The GST inclusive amount is \$410,495 (2022-23: \$1,234,231). The GST exclusive amount is \$373,178 (2022-23: \$1,122,028).

#### **Accounting Policy**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

#### Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the entity where there exists an obligation to restore the property to its original condition. These costs are included in the value of the ARC's Buildings with a corresponding provision for the 'make good' recognised.

#### Leased Right of Use (ROU) Assets

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Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, plus initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

An annual impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, General Government Sector (GGS) and Whole of Government financial statements.

#### **Revaluations**

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets fair value as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

#### Depreciation

Depreciable property, plant and equipment assets are writtenoff to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2024	2023
Buildings	Lease term	Lease term
Plant and equipment	2 to 10 years	2 to 10 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

#### Accounting Policy (continued)

#### Impairment

All assets were assessed for impairment at 30 June 2024. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

#### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

#### **Intangibles**

The entity's intangibles comprise of computer software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. The threshold for capitalisation of internally developed intangibles is \$50,000.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the entity's software are one to 11 years (2023: one to 11 years).

All software assets were assessed for indications of impairment as at 30 June 2024.

# 3.3 Payables

	2024 \$'000	2023 \$'000
3.3A: Suppliers		
Trade creditors and accruals	359	336
Total suppliers	359	336
Current and non-current allocation disclosed in Note 8.1.		
Settlement is usually made within 20 days except e-invoicing	, which are 5 days (2023: 20 days).	
3.3B: Other payables		
Salaries and wages	434	482

Salaries and wages	434	482
Superannuation	71	81
Unearned income	-	253
Other	359	120
Total other payables	864	936

Current and non-current allocation disclosed in Note 8.1.

#### 3.4 Interest Bearing Liabilities

	2024 \$'000	2023 \$'000
3.4A: Leases		
Lease liabilities	3,003	5,271
Total leases	3,003	5,271
Maturity analysis - contractual undiscounted cash flows		
Within 1 year	2,484	2,268
Between 1 to 5 years	617	3,003
Total leases	3,101	5,271

Total cash outflow for principal lease payments for the end of June 2024 was \$2,267,917 (2023: \$2,110,620).

During 2023-24, the ARC had 2 leasing arrangements in place. Of these, the office accommodation leases are material, non-cancellable and for a fixed term of 15 years (since September 2010). They account for \$2,982,548 of the current lease liability. The remaining lease liability relates to offsite data storage.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.1C, 1.1D and 3.2.

#### **Accounting Policy**

For all new contracts entered into, the ARC considers whether the contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the ARC's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

# 3.5A: Other provisions

	Provision for makegood	
	2024	2023
	\$'000	\$'000
As at 1 July 2023	778	709
Unwinding of discount	38	2
Change in discount rate and estimated costs to restore	(15)	67
Total as at 30 June 2024	801	778

Current and non-current allocation disclosed in Note 8.1.

The ARC currently has one (2022-23: one) agreement for the leasing of premises which has a provision requiring the entity to restore the premises to their original condition at the conclusion of the lease. The entity has made a provision to reflect the present value of this obligation.

# Assets and Liabilities Administered on Behalf of the Government

This section analyses assets used to conduct operations and the operating liabilities incurred for activities that the Australian Research Council does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered - Financial Assets		
	2024	2023
	\$'000	\$'000
4.1A: Cash and cash equivalents		
Cash in special accounts <sup>1</sup>	2,115	2,120
Total cash and cash equivalents	2,115	2,120
Current and non-current allocation disclosed in Note 8.1.		
1. The ARC Research Endowment Account credit balance held in the OPA.		
The above disclosure should be read in conjunction with the accompanying note 5.2.		
4.1B: Trade and other receivables		
GST Receivable from the Australian Taxation Office	223	122
Total trade and other receivables	223	122
Current and non-current allocation disclosed in Note 8.1.		
Credit terms for trade and other receivables were within 20 days (2023: 20 days).		
All receivables are current assets and not overdue.		

4.2 Administered - Payables		
	2024	2023
	\$'000	\$'000
4.2A: Grants		
State and Territory Governments	232,256	240,551
Commonwealth educational institutions (related parties)	14,946	15,550
Other	554	338
Total grants	247,756	256,439

Current and non-current allocation disclosed in Note 8.1.

Settlement is in accordance with the terms and conditions of each grant which is consistent with the payment schedule determined by the Minister under the *Australian Research Council Act 2001*.

## Accounting Judgements and Estimates

Grants

The ARC recognises a liability for grant funding which is unpaid as at reporting date. Management has made a judgement that there are limited options not to pay out the entire remaining grants or enforce recovery until the recipient acquits the funds.

4.2B: Other payables		
Other <sup>1</sup>	617	500
Total other payables	617	500
-		

Current and non-current allocation disclosed in Note 8.1.

1. Other payables mainly include accruals for the program assessment fees and committee member sitting fees.

# Funding

This section identifies the Australian Research Council's funding structure.

## 5.1 Appropriations

#### 5.1A: Annual appropriations ('recoverable GST exclusive')

#### Annual Appropriations for 2024

	Annual appropriation <sup>1</sup> \$'000	Adjustments to appropriation <sup>2</sup> \$'000	Total	Appropriation applied in 2024 (current and prior years) \$'000	Variance \$'000
			appropriation \$'000		
Departmental					
Ordinary annual services	22,426	668	23,094	27,132	(4,037)
Capital Budget <sup>3</sup>	1,280	-	1,280	1,280	-
Total departmental	23,706	668	24,374	28,412	(4,037)
Administered					
Ordinary annual services					
Administered items	10,831	-	10,831	8,828	2,003
Total administered	10,831	•	10,831	8,828	2,003

1. Departmental and Administered Ordinary annual services budgets are appropriated through Appropriation Acts (No.1,3,5).

2. \$0.668 million are retained revenue receipts under Section 74 of the PGPA Act.

3. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

#### Annual Appropriations for 2023

	Annual	Adjustments to	Total	Appropriation	
	Appropriation <sup>1</sup>	appropriation <sup>2</sup>	appropriation	applied in 2023	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental					
Ordinary annual services	23,401	2,261	25,662	26,837	(1,175)
Capital Budget <sup>3</sup>	1,240	-	1,240	1,240	-
Total departmental	24,641	2,261	26,902	28,077	(1,175)
Administered					
Ordinary annual services					
Administered items	9,185	-	9,185	8,587	598
Total administered	9,185	-	9,185	8,587	598

1. Departmental and Administered Ordinary annual services budgets are appropriated through Appropriation Acts (No.1,3,5).

2. \$2.261 million are retained revenue receipts under Section 74 of the PGPA Act.

3. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

#### 5.1B: Unspent annual appropriations ('recoverable GST exclusive')

	2024	2023
	\$'000	\$'000
Departmental		
Supply Act (No. 3) 2022-23	-	13,384
Appropriation Act (No. 1) 2023-24	9,346	-
Total departmental	9,346	13,384
Administered		
Appropriation Act (No. 1) 2020-21	•	310
Supply Act (No. 1) 2020-21	•	4
Appropriation Act (No. 1) 2021-22	•	913
Supply Act (No. 3) 2022-23	· .	1,158
Appropriation Act (No. 1) 2023-24	4,074	-
Total administered	4,074	2,385

5.1C: Special appropriations ('recoverable GST exclusive')		
	Appropriation applied	
	2024	2023
Authority	\$'000	\$'000
Australian Research Council Act 2001 s.49, Administered, limit \$851,414,000 for the current reporting		
period, remaining appropriation lapsed on 1 July 2024.	851,121	831,433
Total special appropriations applied	851,121	831,433

5.2 Special accounts ('recoverable GST exclusive')		
ARC Research Endowment Account (Administered) <sup>1</sup>	2024	2023
	\$'000	\$'000
Balance brought forward from previous period	2,120	2,253
Increases		
Appropriation credited to special account	-	-
Recovery of unspent grant payments	-	-
Total increases	-	-
Available for payments	2,120	2,253
Decreases		
Payments made to research organisations	5	133
Total decreases	5	133
Total balance carried to the next period	2,115	2,120
Balance represented by:		
Cash held in the Official Public Account	2,115	2,120
Total balance carried to the next period	2,115	2,120

1. Appropriation: *Public Governance, Performance and Accountability Act 2013* section 80. Establishing Instrument: *Australian Research Council Act 2001* section 62.

Purpose: The purpose of the ARC Research Endowment Account is to provide assistance to organisations for eligible research programs. Currently, the Endowment Account is being used for the Special Research Initiative - Per and Poly-Fluoroalkyl Substances (PFAS) Remediation Research Program.

5.3 Net Cash Appropriation Arrangements		
	2024 \$'000	2023 \$'000
<b>Total comprehensive loss - as per the Statement of Comprehensive Income</b> <i>Plus</i> : depreciation/amortisation of assets funded through appropriations (departmental	(3,676)	(2,954)
capital budget funding and/or equity injections) <sup>1</sup>	2,794	2,865
<b>Plus</b> : depreciation of right-of-use assets <sup>2</sup>	1,964	1,965
Less : lease principal repayments	(2,268)	(2,111)
Net Cash Operating Deficit	(1,186)	(235)

1. From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

2. The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

## **People and Relationships**

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

6.1 Employee Provisions		
	2024	2023
	\$'000	\$'000
6.1A: Employee provisions		
Leave	5,455	6,086
Total employee provisions	5,455	6,086
6.1B: Administered - employee provisions		
Leave	115	-
Total employee provisions	115	-

Current and non-current allocation disclosed in Note 8.1.

#### Accounting policy

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2024, using the long service leave shorthand model issued by the Department of Finance. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The ARC recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

As at 30 June 2024 the ARC did not have any provisions for separation and redundancy benefit payments.

#### **Superannuation**

The ARC's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The entity makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

#### Defined Benefit Plan

The actual return on plan assets for the current year was 9.05% (2023: 9.03%)

#### Accounting Judgements and Estimates

Employee provisions are dependent on management assumptions for their measurement. No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

#### 6.2 Key Management Personnel Remuneration

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the ARC, either directly or indirectly. In 2023-24, the Chief Executive Officer was considered the only KMP in the ARC.

	2024 \$'000	2023 \$'000
Short-term employee benefits	487	459
Post-employment benefits	72	84
Other long-term employee benefits	15	14
Total key management personnel remuneration expenses <sup>1</sup>	574	557

The total number of key management personnel that are included in the above table are 2 individuals (2023: one individual). During the 2023-24 financial year an acting CEO was appointed commencing 11 December 2023.

1. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the ARC.

#### 6.3 Related Party Disclosures

#### **Related party relationships:**

The ARC is an Australian Government controlled entity. Related parties to the ARC are Key Management Personnel including the Portfolio Minister and other Australian Government entities.

#### Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note. In 2023-24, no Grants were made to KMP or their related parties under AASB 124 Related Party Disclosures.

#### The following transactions with related parties occurred during the financial year:

The entity transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation, insurance premiums and the payment of superannuation to the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), and the PSS accumulation plan (PSSap). These are not considered individually significant to warrant separate disclosure as related party transactions.

Revenue received and receivable from contracts with other Australian Government controlled entities for the delivery of grant management services are disclosed under Notes 1.2A and 3.1B.

Grants paid and grants owing to other Australian Government controlled entities are disclosed under Notes 2.1C and 4.2A.

## **Managing uncertainties**

This section analyses how the Australian Research Council manages financial risks within its operating environment.

#### 7.1A: Contingent assets and liabilities

There were no Departmental and Administered contingent assets and liabilities in 2023-24 for the ARC (2022-23: nil).

#### **Accounting Policy**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

7.2 Financial Instruments		
	2024	2023
	\$'000	\$'000
7.2A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	250	274
Goods and services receivables	222	311
Total financial assets at amortised cost	472	585
Total financial assets	472	585
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers	359	336
Total financial liabilities measured at amortised cost	359	336
Total financial liabilities	359	336

#### Accounting Policy Financial assets

In accordance with AASB 9 *Financial* Instruments, the ARC classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; or

c) financial assets measured at amortised cost. The classification depends on both the ARC's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the ARC becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

#### Financial Assets at Amortised Cost

Financial assets included in this category need to meet 2 criteria:

1. the financial asset is held in order to collect the contractual cash flows; and

2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

#### Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

#### Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets measured at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Financial Assets at Fair Value Through Profit or Loss (FVTPL) Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

#### Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to *lifetime expected credit losses* where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

#### Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

<u>Financial Liabilities at Fair Value Through Profit or Loss</u> Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

#### Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

7.3 Administered - Financial Instruments		
	2024 \$'000	2023 \$'000
7.3A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	2,115	2,120
Total financial assets at amortised cost	2,115	2,120
Total financial assets	2,115	2,120
Financial Liabilities		
Financial liabilities measured at amortised cost		
Grants payables	247,756	256,439
Other payables	617	500
Total financial liabilities measured at amortised cost	248,373	256,939
Total financial liabilities	248,373	256,939

#### 7.4 Fair Value Measurement

#### Accounting Policy

The ARC tests the procedures of the valuation model as an asset materiality review at least once every 12 months. If a particular asset class is subject to significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation. The ARC engaged a valuer to undertake a valuation of property, plant and equipment assets and confirm that the models developed comply with AASB13.

<u>7.4A: Fair value measurement</u>		Fair value measurements at the end of the reporting period	
	2024 \$'000	2023 \$'000	
Non-financial assets <sup>1</sup>			
Buildings	2,721	4,868	
Plant and Equipment	877	945	
Total non-financial assets	3,598	5,813	

1. The ARC did not measure any non-financial assets (NFAs) at fair value on a non-recurring basis as at 30 June 2024.

ARC recognises all Administered assets and liabilities at amortised cost.

# **Other information**

#### 8.1 Current/non-current distinction for assets and liabilities

#### 8.1A: Current/non-current distinction for assets and liabilities

		2024	2023
	Notes	\$'000	\$'000
Assets expected to be recovered in:			
No more than 12 months			
Cash and cash equivalents	3.1A	250	274
Trade and other receivables	3.1B	9,402	13,550
Prepayments	3.2B	705	157
Total no more than 12 months	-	10,357	13,981
More than 12 months	-		
Buildings	3.2A	2,721	4,868
Plant and equipment	3.2A	877	945
Computer software	3.2A	7,745	7,215
Total more than 12 months	-	11,343	13,028
Total assets	-	21,700	27,009
Liabilities expected to be settled in:			
No more than 12 months			
Suppliers	3.3A	359	336
Other payables	3.3B	864	936
Leases	3.4A	2,434	2,268
Employee provisions	6.1A	1,927	2,110
Total no more than 12 months	-	5,584	5,650
More than 12 months	-		
Leases	3.4A	569	3,003
Employee provisions	6.1A	3,528	3,976
Other provisions	3.5A	801	778
Total more than 12 months	-	4,898	7,757
Total liabilities	=	10,482	13,407

#### 8.1B: Administered - current/non-current distinction for assets and liabilities

		2024	2023
	Notes	\$'000	\$'000
Assets expected to be recovered in:			
No more than 12 months			
Cash and cash equivalents	4.1A	2,115	2,120
Trade and other receivables	4.1B	223	122
Prepayments		27	255
Total no more than 12 months	-	2,365	2,497
Total assets		2,365	2,497
Liabilities expected to be settled in:			
No more than 12 months			
Grants	4.2A	247,756	256,439
Other payables	4.2B	617	500
Employee provisions	6.1B	61	-
Total no more than 12 months		248,434	256,939
More than 12 months	_		
Employee provisions	6.1B	54	-
Total more than 12 months		54	-
Total liabilities		248,488	256,939

# PART 05

# Appendices

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# Appendix 1 NCGP overview

This appendix provides information to support the annual performance statements (**Section 3.2**) for the NCGP – funding of excellent pure basic research, strategic basic research and applied research in all disciplines (excluding medical research). The NCGP is comprised of 2 programs: Discovery Program (**Table A1**) and the Linkage Program (**Table A2**).

#### Table A1: Discovery Program overview

#### **Discovery Program**

Discovery funding recognises the importance of fundamental, 'blue sky' research to Australia. It supports the national innovation system to build 'new' knowledge and a knowledge-based economy though developing new ideas/knowledge, creating jobs, economic growth and enhanced quality of life in Australia.

The Discovery Program delivers benefit to Australia by building Australia's research capacity by supporting:

- excellent, internationally competitive research by individuals and teams
- research training and career opportunities for the best Australian and international researchers
- international collaboration
- research in priority areas.

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Discovery Projects (DP)			
First selection round:	Funding commencing in 2002		
Frequency:	Annual		
Description:	The DP scheme supports excellent pure basic, strategic basic and applied research and research training to expand research capacity in Australia by providing grant funding to support research projects that may be undertaken by individual researchers or research teams.		
Discovery Early Career Researcher Award (DECRA)			
First selection round:	Funding commencing in 2012		
Frequency:	Annual		
Description:	The DECRA scheme supports outstanding early-career researchers with demonstrated capacity for high-quality research and emerging capability for leadership and supervision and advancing promising early career researchers by providing focused research support for early career researchers in both teaching and research, and research-only positions.		

Discovery Program	
Future Fellowships (FT)	
First selection round:	Funding commencing in 2009
Frequency:	Annual
Description:	The FT scheme provides support for outstanding mid-career researchers with demonstrated capacity for high-quality research, leadership, research training and mentoring to undertake high-quality research that fosters national and international collaboration and in areas of national and international benefit.
Australian Laureate Fellows	hips (FL)
First selection round:	Funding commencing in 2009
Frequency:	Annual
Description:	The FL scheme reflects the Australian Government's commitment to excellence in research by attracting and retaining outstanding researchers and research leaders of international reputation, with exceptional ability to lead, collaborate, mentor and supervise, and enhance their capacity to create an enduring legacy.
Discovery Indigenous (IN)	
First selection round:	Funding commencing in 2002 under the Discovery Indigenous Researchers Development scheme. Funding commencing in 2012 as IN.
Frequency:	Annual
Description:	The IN scheme provides grant funding to support the retention of excellent Aboriginal and/or Torres Strait Islander researchers in higher education institutions to expand research capacity in Australia by providing research funding to support excellent pure basic, strategic basic and applied research and research training led by Aboriginal and/or Torres Strait Islander researchers as individuals and as teams. The IN scheme also funds fellowships through the Discovery Indigenous Aboriginal and Torres Strait Islander Award.

#### Table A2: Linkage Program overview

#### Linkage Program

The purpose of the Linkage Program is to promote national and international research partnerships between researchers and business, industry, community organisations and other publicly funded research agencies. By supporting the development of partnerships, the ARC encourages the transfer of skills, knowledge and ideas as a basis for securing commercial and other benefits of research.

CE)
Funding commencing in 2003
Periodic – every 3 years
The CE grant opportunity facilitates significant collaboration at scale which enables the complementary resources of universities, other research organisations, governments and businesses, and not-for-profit organisations to support outstanding pure basic, strategic basic and/or applied research in all fields (except medical research).
The ARC Centres of Excellence are prestigious focal points of expertise through which high-quality researchers collaboratively maintain and develop Australia's international standing in research areas of national priority.
esearch Hubs (ITRH)
Funding commencing in 2012
Annual
The ITRH scheme engages Australia's best researchers to develop collaborative solutions to Industrial Transformation Priority areas and create innovative and transformative solutions for industry. Research Hubs undertake cutting-edge research on new technologies and economic, commercial and social transformation to benefit industry partners.
raining Centres (ITTC)
Funding commencing in 2013
Annual
The ITTC scheme fosters close partnerships between university- based researchers and other sector researchers. Training Centres deliver innovative Higher Degree Research and postdoctoral

Linkage Program	
Linkage Infrastructure, Equi	pment and Facilities (LIEF)
First selection round:	Funding commencing in 2002
Frequency:	Annual
Description:	The LIEF scheme provides funding for research infrastructure, equipment and facilities to eligible organisations, where there is a demonstrated need due to lack of existing infrastructure, lack of access to existing infrastructure, or existing ageing infrastructure which requires replacement or upgrade. It enables researchers to participate in cooperative initiatives so that expensive research infrastructure, equipment and facilities can be shared between higher education organisations and industry. The scheme also fosters collaboration through its support of the cooperative use of international or national research facilities.
Linkage Projects (LP)	
First selection round:	Funding commencing in 2002
Frequency:	Continuous from 1 July 2016
Description:	The LP scheme supports projects which initiate or develop long- term strategic research alliances to apply advanced knowledge to problems, acquire new knowledge and as a basis for securing commercial and other benefits of research.
Early Career Industry Fellow	ships (IE)
First selection round:	Funding commencing in 2023
Frequency:	Annual
Description:	The primary goal of the IE scheme is to develop the industry collaboration skills of early career researchers and support early career researchers to achieve translatable and/or commercialisable outcomes.
Mid-Career Industry Fellows	ships (IM)
First selection round:	Funding commencing in 2023
Frequency:	Annual
Description:	The primary goal of the IM scheme is to strengthen the industry collaboration skills of mid-career researchers, to encourage uptake of a wider range of career options for established researchers, nurture the development of collaboration, commercialisation and translation skills and deliver significant, actionable outcomes for industry partners and end-users.

Linkage Program	
Industry Laureate Fellowships	5 (IL)
First selection round:	Funding commencing in 2023
Frequency:	Annual
Description:	The IL scheme provides support for outstanding researchers and research leaders of international reputation to provide leadership in the development of high-quality and impactful collaborations between university and industry, funding significant programs of research, providing an excellent research training environment for early career researchers and students, and to drive research collaboration, translation and commercialisation outcomes across a range of industry settings.
Special Research Initiatives (S	iRI)
First selection round:	Funding commencing in 2002
Frequency:	As required
Description:	Under the SRI scheme, new or emerging areas of research for funding are identified. Applications for funding may be submitted only through ARC invitation by means of a call for proposal(s).
Learned Academies Special P	rojects (LASP)
First selection round:	Funding commencing in 2002
Frequency:	As required
Description:	The objective of the LASP scheme is to support the development of Australian research. LASP aims to provide the Learned Academies and the Australian Council of Learned Academies with the flexibility to achieve that objective. Research programs must encompass research that advances Australian research itself and/or addresses substantive themes.
Supporting Responses to Con	nmonwealth Science Council Priorities (CS)
First selection round:	Funding commencing in 2018
Frequency:	As required
Description:	The CS scheme aims to support the development of Australian research in priority areas as set by the Commonwealth Science Council. Organisations eligible to administer funding under the scheme are the Australian Council of Learned Academies and the Learned Academies.

# Appendix 2 NCGP statistics

This appendix details statistics for the most recent scheme rounds of NCGP funding schemes.

Table A3: Discovery Program funding by scheme round (and reporting period)<sup>32</sup>

Scheme round (and reporting per			
Discovery Projects (DP)	DP 2022 (2021-22)	DP 2023 (2022-23)	DP 2024 (2023-24)
Number of applications	3,095	2,588	2,590
Number of awards	587	478	421
Success rate (%)	19	18.5	16.3
Total funding (\$)	258,691,272	221,394,142	220,182,441
Discovery Early Career Researcher Award (DE)	DE 2022 (2021-22) <sup>33</sup>	DE 2023 (2022-23)	DE 2024 (2023-24)
Number of applications	996	1,335	1,023
Number of awards	201	200	200
Success rate (%)	20.2	15	19.6
Total funding (\$)	85,162,851	85,790,883	86,296,282
Future Fellowships (FT)	FT 2021 (2021-22)	FT 2022 (2022-23)	FT 2023 (2023-24)
Number of applications	675	627	505
Number of awards	101	100	100
Success rate (%)	15	15.9	19.8
Total funding (\$)	93,747,816	94,249,836	97,623,550
Australian Laureate	FL 2022	FL 2023	FL 2024
Fellowships (FL)	(2022-23)	(2023–24)	(2023-24)
Number of applications	160	119	128
Number of awards	16	17	17
Success rate (%)	10	14.3	13.3
Total funding (\$)	48,636,469	53,912,540	58,342,497
Discovery Indigenous (IN)	IN 2022 (2021-22)	IN 2023 (2022-23)	IN 2024 (2023-24)
Number of applications	35	27	34
Number of awards	9	10	g
Success rate (%)	25.7	37	26.5
Total funding (\$)	8,462,620	7,535,365	8,968,522

32 The reporting period is the period where outcomes were finalised (i.e. ministerial decision occurred).

33 DE 2022 originally funded 196 projects, and due to subsequent successful appeals an additional 5 projects were funded bringing the total to 201.

	Table A4: Linkage Program	funding by scheme	e round (and reporting period) <sup>34</sup>
--	---------------------------	-------------------	--

Scheme round (and reporting period)			
ARC Centres of Excellence (CE) <sup>35</sup>	CE 2017 (2016-17)	CE 2020 (2019-20)	CE 2023 (2022-23)
Number of Expressions of Interest (EOI)	97	93	101
Number of EOI shortlisted	20	20	17
EOI success rate (%)	20.6	21.5	16.8
Number of applications funded	9	9	11
Application success rate (%)	45	45	64.7
Total funding (\$)	283,500,000	308,790,287	384,905,274
Industrial Transformation Research Hubs (ITRH)	ITRH 2022 (2021–22)	ITRH 2023 (2022-23)	ITRH 2024 (2023-24)
Number of applications	12	7	16
Number of awards	4	5	7
Success rate (%)	33.3	71.4	43.8
Total funding (\$)	17,768,172	24,889,184	34,731,325
Industrial Transformation Training Centres (ITTC)	ITTC 2022 (2021-22)	ITTC 2023 (2022-23)	ITTC 2024 (2023-24)
Number of applications	21	23	22
Number of awards	6	8	6
Success rate (%)	28.6	34.8	27.3
Total funding (\$)	29,285,604	39,999,600	29,806,404
Linkage Infrastructure, Equipment and Facilities (LIEF)	LIEF 2022 (2021–22)	LIEF 2023 (2022-23)	LIEF 2024 (2023-24)
Number of applications	138	133	103
Number of awards	46	45	35
Success rate (%)	33.3	33.8	34.0
Total funding (\$)	32,611,772	39,515,942	28,158,347

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<sup>34</sup> The reporting period is the period where outcomes were finalised (i.e. ministerial decision occurred).

<sup>35</sup> CE rounds are run periodically. The most recent round (CE 2023) was finalised in 2022-23.

Scheme round (and reporting period)			
Linkage Projects (LP)	LP 2021 <sup>36</sup> (2021–22)	LP 2022 <sup>37</sup> (2022–23)	LP 2023 <sup>38</sup> (2023-24)
Number of applications	569	401	445
Number of awards	181	138	122
Success rate (%)	31.8	34.4	27.4
Total funding (\$)	85,906,568	68,129,083	69,182,696
Early Career Industry Fellowships (IE) <sup>39</sup>	-	IE 2023 (2023-24)	IE 2024 (2023-24)
Number of applications	-	359	185
Number of awards	-	50	50
Success rate (%)	-	13.9	27
Total funding (\$)	-	22,227,166	22,516,041
Mid-Career Industry Fellowships (IM) <sup>39</sup>	-	IM 2023 (2023–24)	IM 2024 (2023-24)
Number of applications	-	314	109
Number of awards	-	25	25
Success rate (%)	-	8	22.9
Total funding (\$)	-	23,840,576	25,695,428
Industry Laureate Fellowships (IL) <sup>39</sup>	-	IL 2023 (2023–24)	IL 2024 (2023–24)
Number of applications	-	116	53
Number of awards	-	8	8
Success rate (%)	-	6.9	15.1
Total funding (\$)	-	27,709,549	27,439,189
Special Research Initiatives (SRI)	SRI 2020 Round 1 <sup>40</sup> (2019–20)	SRI 2020 Round 2 <sup>41</sup> (2020–21)	
Number of applications	20	692	-
Number of awards	2	49	-
Success rate (%)	10	7.1	-
Total funding (\$)	56,000,000	11,759,398	-

<sup>36</sup> LP 2021 includes all applications received for funding under the 2021 selection round. Funding for projects in the 2021 selection round may have commenced in 2021 or 2022.

<sup>37</sup> LP 2022 includes all applications received for funding under the 2022 selection round. Funding for projects in the 2022 selection round may commence in 2022 or 2023.

<sup>38</sup> LP 2023 includes all applications received for funding under the 2023 selection round. Funding for projects in the 2023 selection round may commence in 2023 or 2024.

<sup>39</sup> IE 2023, IM 2023, and IL 2023 are the inaugural rounds of the ARC's Industry Fellowships scheme, with funding commencing in 2023.

<sup>40</sup> SRI 2020 round 1 refers to the Excellence in Antarctic Science Program which was reported in the 2019–20 financial year.

<sup>41</sup> SRI 2020 round 2 refers to the Australian Society, History and Culture scheme, which received a ministerial decision in the 2020-21 reporting period.

# Appendix 3 Other mandatory information

This appendix provides information required by other legislation, relating to:

- advertising and market research (section 311A of the Commonwealth Electoral Act 1918)
- the Commonwealth Child Safe Framework and the National Principles for Child Safe Organisations
- work health and safety (Schedule 2, Part 4 of the Work Health and Safety Act 2011)
- ecologically sustainable development and environmental performance (section 516A of the <u>Environment Protection and Biodiversity Conservation Act 1999</u>).

The ARC is not defined as a 'public service care agency' and has no obligations under the *Carer Recognition Act 2010*.

# Advertising and market research

Under section 311A of the *Commonwealth Electoral Act 1918*, agencies are required to report in their annual reports on payments made to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

During 2023–24 there were no advertising campaigns conducted by the ARC and the ARC did not employ the services of any market research, polling or direct mail organisations.

## Annual Statement of Compliance with the Commonwealth Child Safe Framework

The ARC is committed to child safety through the implementation of the Commonwealth Child Safe Framework (CCSF) and the *National Principles for Child Safe Organisations*.

The ARC and its staff do not have interactions with children as part of its standard operations, however third parties funded through the NCGP may undertake research involving children.

An assessment of child safety related risks was undertaken by the ARC in 2023–24 and determined that the ARC's overarching residual risk rating is low. Key risks identified related to non-compliance with the CCSF and the *National Principles for Child Safe Organisations* by organisations receiving funding from the ARC, at a project level.

The ARC has a range of controls in place to address these risks including:

- the inclusion of child safety clauses in ARC grant agreements for funded third parties
- an annual assurance of compliance from all relevant funded third-party grant recipients
- the provision of training for ARC staff on the requirements of the CCSF to ensure an understanding of their role in fostering child safety.

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The ARC is compliant with all the requirements of the CCSF. Child safety activities undertaken by the ARC during 2023–24 included provision of CCSF training to ARC staff (including contractors), as well as evaluation and further strengthening of internal child safety processes and procedures. Additionally, in July–August 2024, an annual assurance was sought and received from all third-party grantees regarding their compliance with the CCSF.

# Disability reporting mechanism

*Australia's Disability Strategy 2021–2031* (Disability Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Disability Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the Disability Strategy. A range of reports on progress of the Disability Strategy's actions and outcome areas will be published and available on the Disability Gateway website, <u>www.disabilitygateway.gov.au</u>.

Disability reporting is included the Australian Public Service Commission's <u>State of the Service reports</u>. These reports are available on the Australian Public Service Commission's website, <u>www.apsc.gov.au</u>.

Web versions of the *ARC Annual Report 2023–24* conform with WCAG 2.2 AA accessibility requirements.

# Work Health and Safety

In accordance with the *Work Health and Safety Act 2011* (WHS Act), agencies must provide information relating to Work Health and Safety (WHS) matters in their annual reports.

## Health and safety initiatives

During 2023-24 the ARC continued to:

- hold WHS meetings
- provide first aid training to nominated first aid officers
- provide employer-subsidised eyesight testing for screen-based work
- provide training for fire wardens and health and safety representatives
- provide influenza vaccinations to employees and contractors
- organise workstation assessments where required
- provide online WHS training.

## Health and safety outcomes

No incidents were reported to the Chief People Officer.

## Notifiable incidents

The ARC had no notifiable incidents during 2023–24. Under the WHS Act, a notifiable incident is one involving the death of a person, the serious injury or illness of a person, or a dangerous incident.

## Investigations including details of all notices

The ARC was not issued with any WHS notices and there were no WHS investigations undertaken during 2023-24.

### **Other matters**

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There are no other matters required by guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit.

# Climate action in ARC operations

## Ecologically sustainable development

Under section 516A of the *Environment Protection and Biodiversity Conservation Act* 1999 (EPBC Act), Commonwealth entities have a statutory requirement to report on environmental matters in their annual reports. The annual report must:

- report how the agency's activities have accorded with the principles of Ecologically Sustainable Development (ESD)
- identify how their departmental outcomes contributed to ESD
- report on their impacts upon the environment and measures taken to minimise those impacts
- identify the review mechanisms they used to improve the effectiveness of their measures to minimise its impact upon the environment.

Under the NCGP, the ARC provides funding support for research in all disciplines, including issues of national significance such as health, social welfare, defence, transport, communications and the environment. The accordance between the ARC's activities and the principles of ESD is outlined in **Table A5**.

#### Table A5: Principles of ESD and ARC activities

ESD principle	Linked ARC activity
<b>Integration:</b> decision making processes should effectively integrate both long-term and short-term economic, environmental, social and equity considerations.	Assessment criteria relating to the provision of economic, environmental, social, health and/or cultural benefits to Australia are employed across a range of NCGP schemes. Applications are assessed through a competitive peer review process.
<b>Intergenerational:</b> if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.	The NCGP provides funding for research in all disciplines including research relevant to ESD and environmental protection. Excellence in Research for Australia identifies and promotes excellence across all research fields in Australia's higher education institutions. One aim is to build research excellence resulting in better outcomes for Australia.
<b>Biodiversity:</b> the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making.	All ARC-funded projects must comply with ethics and research practice requirements including the <i>Australian Code for the Responsible Conduct</i> <i>of Research</i> . This includes the requirement that researchers should conduct research to minimise adverse effects on the wider community and the environment.
<b>Valuation:</b> improved valuation, pricing and incentive mechanisms should be promoted.	The ARC complies with the <i>Commonwealth</i> <i>Procurement Rules</i> ensuring that any procurement takes into consideration, among other factors, the environmental sustainability of the proposed goods and services.

Examples of NCGP outcomes that support the Australian Government Science and Research priority area 'environmental change' can be found in the articles in **Section 1.6.** 

## **Emissions reduction plan**

Under the government's <u>Net Zero in Government Operations Strategy</u> (Net Zero Strategy), all entities are required to develop a long-term emissions reduction plan which defines the priorities and actions that will be taken to support the Australian Government's commitment to achieve net zero in government operations by 2030.

The ARC Emissions Reduction Plan was published on 24 June 2024 and outlines the ARC's operational context, priorities and actions that will be undertaken within ARC to improve its environmental performance and reduce emissions.

The <u>ARC Emissions Reduction Plan</u> is available on the ARC website.

## **Emissions reporting**

As part of the reporting requirements under the EPBC Act (section 516A) and the Net Zero Strategy, all non-corporate Commonwealth entities are required to publicly report on the emissions from their operations.

There are 7 greenhouse gases identified as relevant to the Net Zero Strategy target and public reporting. There are 3 categories identified as common sources of these greenhouse emissions by where they occur in the supply chain of the responsible entity. The 7 greenhouse gases are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and nitrogen trifluoride.

The 3 categories of emission source activities are as follows:

- Scope 1 is direct emissions from entity facilities and company owned vehicles
- Scope 2 is direct emissions from purchased electricity, steam, heating and cooling for own use
- Scope 3 is all other indirect emissions, including from leased assets up and down stream.

The ARC's inventory of greenhouse gas emissions, produced by the 3 emission source categories, presents greenhouse gas emissions over the 2023–24 reporting period. Results are presented on the basis of Carbon Dioxide Equivalent ( $CO_2$ -e) emissions. The location-based approach (**Table A6**) calculates the emissions from the local area in which the energy is consumed, while the market-based approach accounts for electricity purchased through contractual instruments and assigns the associated emissions to the purchasing entity. **Table A7** provides the ARC's greenhouse gas emissions from electricity calculated using both the location-based and market-based approaches.

Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole-of-Australian Government approach as part of the Net Zero Strategy. Not all data sources were available at the time of the report and adjustments to baseline data may be required in future reports. Further information on the Net Zero Strategy can be found on the Department of Finance's website, www.finance.gov.au.

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**Table A6:** ARC greenhouse gas emissions inventory, calculated using a location-based approach(as at 30 June 2024)

Emission source	Scope 1 (kg CO <sub>2</sub> -e)	Scope 2 (kg CO <sub>2</sub> -e)	Scope 3 (kg CO <sub>2</sub> -e)	Total (kg CO <sub>2</sub> -e)
Electricity <sup>42</sup>	N/A	64.568	5.152	69.720
Natural gas	0.000	N/A	0.000	0.000
Solid waste <sup>43</sup>	N/A	N/A	0.000	0.000
Fleet vehicles	0.000	N/A	0.000	0.000
Domestic flights	N/A	N/A	48.829	48.829
Domestic hire cars <sup>44</sup>	N/A	N/A	0.255	0.255
Domestic travel accommodation <sup>44</sup>	N/A	N/A	27.099	27.099
Other energy	0.000	N/A	0.000	0.000
Total kg CO <sub>2</sub> -e	0.000	64.568	81.335	145.903

CO2-e = Carbon Dioxide Equivalent.

#### Table A7: ARC electricity greenhouse gas emissions inventory (as at 30 June 2024)

Emission source	Scope 2 (kg CO <sub>2</sub> -e)	Scope 3 (kg CO <sub>2</sub> -e)	Total (kg CO <sub>2</sub> -e)	Percentage of electricity use
Location-based electricity emissions	64.568	5.152	69.720	100.00%
Market-based electricity emissions	5.525	0.682	6.207	7.15%
Total renewable electricity	-	-	-	92.85%
Mandatory renewables <sup>45</sup>	-	-	-	18.72%
Voluntary renewables <sup>46</sup>	-	-	-	74.13%

CO2-e = Carbon Dioxide Equivalent.

#### Amendments to 2022–23 emissions reporting

The greenhouse gas emissions inventory included for the 2022–23 reporting period, published in the *ARC Annual Report 2022–23*, has since been updated. These amendments were made due to the billing cycles not aligning with the end of the financial year. The ARC's amended total emissions for the 2022–23 reporting period are published in the *ARC Emission Reduction Plan*.

<sup>42</sup> Due to the billing cycles not aligning with the end of the financial year, some electricity data was not available during the initial collection process in July-August 2024. Adjustments to the data may be required in future reports.

<sup>43</sup> Waste data was not available at the time of the report and amendments to data may be required in future reports.

<sup>44</sup> The 2023-24 reporting period was the first time data was collected for this emission source. The quality of this data is expected to improve over time as emissions reporting matures.

<sup>45</sup> Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

<sup>46</sup> Voluntary renewables reflect the eligible carbon credit units surrendered by the ARC. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

# Correction of information published in previous annual reports

In Table A2, Appendix 2: National Competitive Grants Program statistics of the *ARC Annual Report* 2022–23, the success rate for LP 2021 (2021–22) was listed as 33.8%; this number has been identified as a miscalculation, the actual success rate was 31.8%.

# PART 06

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# Abbreviations and acronyms

А	
AC	Companion of the Order of Australia
ACT	Australian Capital Territory
ADM+S Centre	ARC Centre of Excellence for Automated Decision-Making and Society
AEA	Australia's Economic Accelerator initiative
Al	Artificial intelligence
AM	Member of the Order of Australia
ANAO	Australian National Audit Office
AO	Officer of the Order of Australia
APS	Australian Public Service
ARC	Australian Research Council
ARC Enterprise Agreement	ARC Enterprise Agreement 2024–2027
ARC People Strategy	ARC People Strategy 2023–2026
ARC Review	Trusting Australia's Ability: Review of the Australian Research Council Act 2001
ARC Strategy	ARC Strategy 2022–2025
ARC Act	Australian Research Council Act 2001
ARIC	Australian Research Integrity Committee
В	
BCP	Business Continuity Plan
Board	ARC Board
С	
САВАН	ARC Centre of Excellence for Australian Biodiversity and Heritage
CBE	Commander of the Order of the British Empire
CCSF	Commonwealth Child Safe Framework
CE	Centre of Excellence
CEO	Chief Executive Officer
CO <sub>2</sub> -e	Carbon Dioxide equivalent
Code	Australian Code for the Responsible Conduct of Research 2018
Corporate Plan	ARC Corporate Plan 2023–24
CRO	Chief Research Officer
CS	Supporting Responses to Commonwealth Science Council Priorities

D	
DECRA/DE	Discovery Early Career Researcher Award
Deputy CEO	Deputy Chief Executive Officer
Disability	Australia's Disability Strategy 2021–2031
Strategy	
DNA	Deoxyribonucleic acid
DP	Discovery Projects
DVCRs	Deputy Vice Chancellors of Research
E	
EI	Engagement and Impact
EL1	Executive Level 1
EL2	Executive Level 2
EOI	Expressions of Interest
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999
ERA	Excellence in Research for Australia
ESD	Ecologically Sustainable Development
F	
FAHA	Fellow of the Australian Academy of the Humanities
FAICD	Fellow of the Australian Institute of Company Directors
FAIM	Fellow of the Australian Institute of Management
FL	Australian Laureate Fellowships
FOI Act	Freedom of Information Act 1982
FT	Future Fellowships
FTSE	Fellow of the Australian Academy of Technological Sciences and Engineering
G	
GDP	Gross Domestic Product
GST	Goods and Services Tax
н	
Hon	Honourable
1	
ICT	Information and Communications Technology
IE	Early Career Industry Fellowships
IL	Industry Laureate Fellowships
IM	
	Mid-Career Industry Fellowships
IN	Mid-Career Industry Fellowships Discovery Indigenous
IN ITRH	

L	
L&D Strategy	Learning and Development Strategy
LASP	Learned Academies Special Projects
LIEF	Linkage Infrastructure, Equipment and Facilities
LP	Linkage Projects
М	
Minister	the Minister for Education
MP	Member of Parliament
MRAG	Medical Research Advisory Group
Ν	
NCGP	National Competitive Grants Program
NCRIS	National Collaborative Research Infrastructure Strategy
Net Zero Strategy	Net Zero in Government Operations Strategy
NHMRC	National Health and Medical Research Council
NISDRG	National Intelligence and Security Discovery Research Grants
NSSTC	National Security Science and Technology Centre
NSW	New South Wales
NT	Northern Territory
0	
ONI	Office of National Intelligence
Р	
Panel	Australian Universities Accord Panel
PBS	ARC Portfolio Budget Statements 2023-24, published May 2024
PGPA Act	Public Governance, Performance and Accountability Act 2013
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
Program 1.1	Discovery - Research and Research Training
Program 1.2	Linkage – Cross-sector research partnerships
Program 1.3	Excellence in Research for Australia
PSM	Public Service Medal
Q	
QLD	Queensland

R	
Review Response Act	Australian Research Council Amendment (Review Response) Act 2024
RGS	Research Grants Services
RIRC	Research Integrity Review Committee
RMS	Research Management System
S	
SA	South Australia
SACs	Selection Advisory Committees
SES	Senior Executive Service
SLSA	Surf Life Saving Australia
SME	Small and Medium Enterprises
SRI	Special Research Initiatives
Statements	ARC Annual Performance Statements 2023–24
Т	
TAS	Tasmania
U	
Universities Accord	Australian Universities Accord
V	
VIC	Victoria
W	
WA	Western Australia
WAIS	West Antarctic Ice Sheet
WHS	Work Health and Safety
WHS Act	Work Health and Safety Act 2011

# Glossary

#### Administered expenditure

Funding that is managed by agencies on behalf of the government.

#### **Applied research**

Applied research is original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific, practical aim or objective.

#### **Australian Universities Accord**

An Australian Government review of the higher education system, aimed at devising recommendations and performance targets to improve the quality, accessibility, affordability and sustainability of higher education for the long-term benefit of the nation.

#### **Basic research**

Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any particular application or use in view.

#### **Chief Investigator**

A researcher who satisfies the eligibility criteria for a Chief Investigator under the Discovery Program or Linkage Program grant guidelines, and takes responsibility for the conduct of an ARC-funded project.

#### **Discovery Program**

Funding for investigator-initiated research projects and research fellowships and awards. The Discovery Program comprises the FL, DECRA, IN, DP and FT schemes.

#### Early career researcher

A researcher who has held a PhD or equivalent qualification for a period of less than or equal to 5 years at the time of their application.

#### **Eligible Organisation**

An organisation that satisfies the eligibility criteria for an administering organisation under the Discovery Program or Linkage Program grant guidelines.

#### **Engagement and Impact assessment**

An assessment of researchers' engagement with end-users, and how universities are translating their research into economic, social, environmental, cultural and other impacts.

#### **Excellence in Research for Australia**

Provides Australian Government, industry, business and the wider community with assurance of the excellence of research conducted in Australia's higher education institutions. The evaluation framework identifies universities and disciplines that are internationally competitive and highlights areas where there are opportunities for further development and investment.

#### **Ex-officio**

A person who was appointed as a member of the committee as a result of another position they held.

#### **Final report**

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A report to the ARC that researchers must submit within 12 months of completing their research project. The report includes a range of data and information including a description of research outcomes, academic and commercialisation outputs, and details of collaboration.

#### **Grant Agreement**

The agreement entered into by the ARC and an administering organisation when an application from that organisation is approved for funding.

#### **Grant Guidelines**

Documents published on the GrantConnect website for each grant opportunity that provide applicants with information about schemes, eligibility requirements, the application, selection and approval processes, and requirements for the administration of funding.

#### Linkage Program

Provides funding for research projects, infrastructure, hubs and centres that foster collaboration among researchers and research teams in Australia and internationally, and with industry and other research end-users. The Linkage Program comprises the ARC CE, ITRH, ITTC, LIEF, LASP, LP, SRI, CS, IE, IM and IL schemes.

#### **Mid-career researchers**

A researcher with between 5 and 15 years of research experience since the award of a PhD or equivalent qualification at the time of their application.

#### NCGP

The NCGP incorporates the Discovery Program and the Linkage Program, under which the ARC funds a range of complementary schemes to support the highest-quality basic and applied research, research training, research collaboration or partnerships, and infrastructure across all research disciplines.

#### **Partner Investigator**

A researcher who satisfies the eligibility criteria for a Partner Investigator under the Discovery Program or Linkage Program grant guidelines, and takes significant intellectual responsibility for the research.

#### **Partner Organisations**

National or international organisations that satisfy the eligibility criteria for a partner organisation as defined under Linkage Program grant guidelines, and contribute to the research project in accordance with the requirements of the scheme.

#### **Peer review**

Evaluation of research applications or outputs by experts who assess individual research applications within their field of research or across a broader disciplinary area on the basis of established selection criteria.

#### **Science and Research Priority areas**

A set of priority areas identified by the Australian Government that replaced the Strategic Research Priority areas in 2015. The priorities are designed to focus Australian Government support for science and research on the most important challenges facing Australia. As at 30 June 2024, the Science and Research Priority areas were: food, soil and water, transport, cybersecurity, energy, resources, advanced manufacturing, environmental change and health. Each priority is associated with 3 to 4 Practical Research Challenges, which aim to prioritise the development of Australia's research and innovation capabilities in areas the Australian Government regards as pivotal to the nation's future.

#### Success rate

The number of awards made in a year or funding round as a percentage of the total number of applications. Withdrawn applications are excluded from calculations.

# Compliance index: annual reporting requirements

Australian Research Council Act 2001 (ARC A	ct)
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ARC Act reference47	Part of report	Description	Requirement	Page(s)
46	Letter of transmittal	The Annual Report prepared by the CEO and given to the Minister under section 46 of the PGPA Act for a period must also deal with: (a) any matters required by other provisions of this Act to be dealt with in the report; and (b) any other matters that the Minister, by notice in writing to the CEO, requires to be dealt with in the report. Note: A provision of this Act that requires matters to be dealt with in the report is subsection 33C(3).	Mandatory	iii
33(c)	Letter of transmittal	Particulars of any directions given by the Minister under subsection (1) must be (b) included in the Annual Report prepared by the CEO and given to the Minister under section 46 of the PGPA Act, for the period in which the direction is given.	Mandatory	iii

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<sup>47</sup> The ARC Act, as in force prior to 1 July 2024, applies to this Annual Report. Schedule 64A of the amended ARC Act will apply to the next reporting period onwards.

## *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule)

•				
PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AD(g)	Letter of transm	ittal		
17AI	Letter of transmittal	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	iii
17AD(h)	Aids to access			
17AJ(a)	Contents	Table of contents (print only).	Mandatory	iv-v
17AJ(b)	Alphabetical index	Alphabetical index (print only).	Mandatory	188-197
17AJ(c)	Abbreviations and acronyms	Glossary of abbreviations and acronyms.	Mandatory	171–174
17AJ(d)	Compliance index: annual reporting requirements	List of requirements.	Mandatory	177–187
17AJ(e)	Copyright	Details of contact officer.	Mandatory	ii
17AJ(f)	Copyright	Entity's website address.	Mandatory	ii
17AJ(g)	Copyright	Electronic address of report.	Mandatory	ii
17AD(a)	Review by accou	untable authority		
17AD(a)	1.1: Chair's foreword and 1.2: Acting CEO's report	A review by the accountable authority of the entity.	Mandatory	3-10
17AD(b)	Overview of the	entity		
17AE(1)(a)(i)	1.3: About the ARC	A description of the role and functions of the entity.	Mandatory	11-16
17AE(1)(a)(ii)	1.4: Governance	A description of the organisational structure of the entity.	Mandatory	17
17AE(1)(a) (iii)	1.3: About the ARC	A description of the outcomes and programmes administered by the entity.	Mandatory	12
17AE(1)(a) (iv)	1.3: About the ARC	A description of the purposes of the entity as included in corporate plan.	Mandatory	11-15

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AE(1)(aa) (i)	1.4: Governance	Name of the accountable authority or each member of the accountable authority.	Mandatory	17
17AE(1)(aa) (ii)	1.4: Governance	Position title of the accountable authority or each member of the accountable authority.	Mandatory	17
17AE(1)(aa) (iii)	1.4: Governance	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	17
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory	N/A
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	N/A
17AD(c)	Report on the pe	erformance of the entity		
	Annual perform	ance statements		
17AD(c)(i); 16F	3.2: 2023-24 Annual Performance Statements	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	76-95
17AD(c)(ii)	Report on finan	cial performance		
17AF(1)(a)	4.2: Financial performance	A discussion and analysis of the entity's financial performance.	Mandatory	101-105
17AF(1)(b)	4.2: Financial performance	A table summarising the total resources and total payments of the entity.	Mandatory	104-105

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PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory	N/A
17AD(d)		nd accountability		
	Corporate gover			
17AG(2)(a)	2.3: Risk oversight, controls and compliance	Information on compliance with section 10 (fraud systems).	Mandatory	53
17AG(2) (b)(i)	Letter of transmittal	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	iii
17AG(2)(b) (ii)	Letter of transmittal	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	iii
17AG(2)(b) (iii)	Letter of transmittal	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	iii
17AG(2)(c)	1.4: Governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	17-25

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AG(2)(d) - (e)	2.3: Risk oversight, controls and compliance	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory	55
	Audit Committe	e		
17AG(2A)(a)	1.4: Governance	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	24
17AG(2A)(b)	1.4: Governance	The name of each member of the entity's audit committee.	Mandatory	24-25
17AG(2A)(c)	1.4: Governance	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	24-25
17AG(2A)(d)	1.4: Governance	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	24-25
17AG(2A)(e)	1.4: Governance	The remuneration of each member of the entity's audit committee.	Mandatory	24-25
	External scrutin	у		
17AG(3)	2.3: Risk oversight, controls and compliance	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	56
17AG(3)(a)	2.3: Risk oversight, controls and compliance	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	56
17AG(3)(b)	2.3: Risk oversight, controls and compliance	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	56
17AG(3)(c)	2.3: Risk oversight, controls and compliance	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	57

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
	Management of	f human resources		
17AG(4)(a)	2.4: Our workforce	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	58-60
17AG(4)(aa)	2.4: Our workforce	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following:(a) statistics on fulltime employees;(b) statistics on parttime employees;(c) statistics on gender(d) statistics on staff location.	Mandatory	64-70
17AG(4)(b)	2.4: Our workforce	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: Statistics on staffing classification level; Statistics on fulltime employees; Statistics on parttime employees; Statistics on gender; Statistics on staff location; Statistics on employees who identify as Indigenous.	Mandatory	64-70
17AG(4)(c)	2.4: Our workforce	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999.	Mandatory	60
17AG(4)(c)(i)	2.4: Our workforce	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	60
17AG(4)(c) (ii)	2.4: Our workforce	The salary ranges available for APS employees by classification level.	Mandatory	61
17AG(4)(c) (iii)	2.4: Our workforce	A description of nonsalary benefits provided to employees.	Mandatory	60
17AG(4) (d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	N/A

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AG(4)(d) (ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	N/A
17AG(4)(d) (iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	N/A
17AG(4)(d) (iv)	N/A	Information on aggregate amount of performance payments.	lf applicable, Mandatory	N/A
	Assets manage	ment		
17AG(5)	4.1: Purchasing, contracts and assets	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory	100
	Purchasing			
17AG(6)	4.1: Purchasing, contracts and assets	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory	97-100
	Reportable con	sultancy contracts		
17AG(7)(a)	4.1: Purchasing, contracts and assets	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	97

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AG(7)(b)	4.1: Purchasing, contracts and assets	A statement that "During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]".	Mandatory	97
17AG(7)(c)	4.1: Purchasing, contracts and assets	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	98
17AG(7)(d)	4.1: Purchasing, contracts and assets	A statement that "Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."	Mandatory	97
	Reportable non	-consultancy contracts		
17AG(7A)(a)	4.1: Purchasing, contracts and assets	A summary statement detailing the number of new reportable non- consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	98-99

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AG(7A)(b)	4.1: Purchasing, contracts and assets	A statement that "Annual reports contain information about actual expenditure on reportable non- consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."	Mandatory	99
17AD(daa)		rmation about organisations receiving am sultancy contracts or reportable non-cons		
17AGA	4.1: Purchasing, contracts and assets	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	97-99
	Australian Natio	onal Audit Office access clauses		
17AG(8)	4.1: Purchasing, contracts and assets	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	99
	Exempt contrac	ts		
17AG(9)	4.1: Purchasing, contracts and assets	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	99

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
	Small business			
17AG(10)(a)	4.1: Purchasing, contracts and assets	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory	99
17AG(10)(b)	4.1: Purchasing, contracts and assets	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	99-100
17AG(10)(c)	4.1: Purchasing, contracts and assets	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, Mandatory	99
	Financial staten	nents		
17AD(e)	4.3: 2023-24 Financial Statements	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	106-150
	Executive remu	neration		
17AD(da)	2.4: Our workforce	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule.	Mandatory	61-63

PGPA Rule reference	Part of report	Description	Requirement	Page(s)
17AD(f)	Other mandatory information			
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that "During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."	If applicable, Mandatory	N/A
17AH(1)(a) (ii)	Appendix 3: Other mandatory information	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	161
17AH(1)(b)	2.1: Research grant administration	A statement that "Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."	If applicable, Mandatory	49
17AH(1)(c)	Appendix 3: Other mandatory information	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	162
17AH(1)(d)	2.3: Risk oversight, controls and compliance	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	57
17AH(1)(e)	Appendix 3: Other mandatory information	Correction of material errors in previous annual report.	If applicable, mandatory	167
17AH(2)	Appendix 3: Other mandatory information	Information required by other legislation.	Mandatory	161-166

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