

Western Australian Auditor General's Report



Roll-out of State COVID-19 Stimulus Initiatives: July 2020 – March 2021



Report 6: 2021-22
20 October 2021

**Office of the Auditor General
Western Australia**

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The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

Roll-out of State COVID-19 Stimulus Initiatives: July 2020 – March 2021

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**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

ROLL-OUT OF STATE COVID-19 STIMULUS INITIATIVES: JULY 2020 – MARCH 2021

This report has been prepared for submission to Parliament under the provisions of section 25 of the *Auditor General Act 2006*.

This focus area audit assessed the extent to which, and how effectively, COVID-19 stimulus initiatives were implemented by State government entities.

I wish to acknowledge the entities' staff for their cooperation with this audit.

A handwritten signature in black ink, appearing to read 'C Spencer'.

CAROLINE SPENCER
AUDITOR GENERAL
20 October 2021

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Auditor General's overview

From March 2020, the Western Australian (WA) State Government announced a range of stimulus initiatives to support the State's financial and social recovery from the COVID-19 pandemic. Although WA has not experienced a significant outbreak, financial and social recovery was considered necessary to mitigate the impact of policy measures taken to manage the threat of COVID-19.



This report summarises how well 19 State government entities rolled out a mix of 30 financial relief and stimulus funding initiatives, with a total budget of \$2.144 billion, over the period 1 July 2020 to 31 March 2021.

Initiatives included financial relief targeted to support individuals and groups that were economically impacted, as well as stimulus funding intended to support jobs and generate new or additional economic activity. To be effective, financial relief and stimulus funding needs to be provided quickly, to the intended recipients.

It is a credit to the responsible entities that in unique and somewhat difficult circumstances all 30 initiatives we examined were rolled out, at least in part, and entities had a strong focus on maintaining sound governance and risk management frameworks.

However, 47% of the initiatives have not substantially used their allocated budgets.

In total, 61% of the total \$2.144 billion budget was delivered through the 30 initiatives – the vast majority as financial relief funding to citizens and businesses. This means, for a number of reasons outlined in the report, a total of approximately \$800 million remains unspent.

Of particular concern are the Department of Communities' social housing initiatives, which as of 31 March 2021, only \$6.42 million (2%) of the \$319 million budget was spent. Although planned to be rolled-out over 2 years, these initiatives are now competing for resources in a building and construction boom in WA that's been driven by other pandemic-induced stimulus measures (including federal and state building grants) aimed at the private housing sector. It is relevant to also recognise that the economy is now larger than it was pre-COVID-19.

This leads me to a key recommendation of the report. When deciding on any future stimulus funding and relief measures, State government entities should consider predictable events in their planning such as market limitations (including reduced contractor and builder availability.) It's also important they improve their planning and coordination when initiatives are competing with one another, as is the case with social housing, to ensure all initiatives reach the relevant beneficiaries.

This audit also reinforces a key message from my recent *Local Government COVID-19 Financial Hardship Support* report – the importance of entities applying a common sense and balanced approach to probity. Both reports are a timely reminder for both State and local government entities that an overarching principle in emergency and stimulus responses should be to provide prompt relief and reduce the burden on eligible applicants at their time of need.

This report provides valuable insights into some of the factors that slowed progress of select initiatives. I hope it provides useful lessons for State government entities for their future emergency and program planning to ensure they are well placed to best assist the Western Australian public they serve.

Executive summary

Background

From March 2020, the Western Australian (WA) State Government announced a range of stimulus initiatives to support the State's financial and social recovery from the COVID-19 pandemic. Although WA has not experienced a significant outbreak, financial and social recovery is still required due to the impact of measures taken to manage the threat of COVID-19.

In July 2020, the Government announced the WA Recovery Plan which committed \$5.5 billion to a wide range of initiatives, including those already announced since March 2020. Various State government entities are responsible for the roll-out of the initiatives which include infrastructure upgrades, grants, small business support, housing stimulus programs, rent and mortgage relief, and other assistance payments. The budget was subsequently increased to over \$5.8 billion.

The 30 initiatives we audited cover a mix of financial relief (\$1.392 billion) and stimulus funding (\$752.2 million) delivered by 19 entities over the period 1 July 2020 to 31 March 2021. Financial relief is targeted to support groups that were economically impacted while stimulus funding is intended to generate new or additional economic activity and support jobs. Both intend to minimise the social impact of the pandemic response measures. To be effective, financial relief and stimulus funding needs to be provided quickly, to the intended recipients.

The Government's first funding initiative was the COVID-19 Relief Fund. Our Office audited and reported¹ to Parliament on Lotterywest and the Department of Local Government, Sport and Cultural Industries' management of phase 1 of this fund. It has therefore not been considered again as part of this audit.

Conclusion

The 30 audited initiatives have all been implemented but not all are fully delivered. The budget of the selected initiatives was \$2.144 billion of which \$1.3 billion (61%) was rolled out to beneficiaries by 31 March 2021.

Although the roll-out occurred quickly, there was a strong focus on maintaining a sound governance and risk management framework. The governance arrangements and internal controls established by the responsible entities were largely sound.

We found nothing that would suggest funds and relief were not being used for their intended purpose. However, in some instances, it is too early to draw such a conclusion, in this respect, due to the limited roll-out of initiatives.

Some of the factors that have slowed progress could be useful lessons for future emergency and program planning. For instance:

- consideration of balancing eligibility criteria between reducing the risk of money going to people that may not need or be entitled to it, versus making it easier for those that do to access the program quickly
- administrative demands and resources, including demands on senior executive oversight and decision-making, required to implement initiatives
- the risk and impacts of having multiple initiatives in the same sector.

¹ Western Australian Auditor General's Report, [COVID-19 Relief Fund](#), Report 11: 2020-21 21 December 2020

What we did

The objective of the audit was to assess the extent to which, and how effectively, COVID-19 stimulus initiatives were implemented by State government entities.

We targeted 30 (Appendix 1) of the 44 initiatives announced between 16 March 2020 and 15 July 2020, that extended beyond 30 June 2020. Nineteen entities were responsible for implementing the initiatives, with an approximate budget of \$2.144 billion.

We assessed if the initiatives were implemented, progress on the roll-out to 31 March 2021, reasons for under performance (less than 90% of the budget spent) and, where applicable, the effectiveness of entities' distribution of the initiatives and their related internal controls.

To measure how effectively entities distributed the stimulus initiatives, we assessed if a responsible entity:

- appropriately communicated the initiative to potential beneficiaries
- used the funds for the intended purpose of the initiative
- allocated the correct amount of funds/relief to approved and eligible beneficiaries
- allocated the funds in a timely manner and in accordance with legislation and policy.

Our detailed findings have been reported to entity management. Entities should act on our recommendations as soon as possible to address all weaknesses and ensure a robust control environment and reliable accounting records.

This audit did not assess if the initiatives achieved the State Government's desired outcomes or if the spending of funds or provision of relief was done in the most efficient manner to ensure value for money.

This was an independent performance audit, conducted under section 18 of the *Auditor General Act 2006* and in accordance with Australian Standard on Assurance Engagements ASAE 3500 *Performance Engagements*. We complied with the independence and other ethical requirements related to assurance engagements.

What we found

Most entities had appropriate internal controls in place to roll-out initiatives

Based on the limited assurance audit work we performed, we found no significant internal control weaknesses to indicate that funds or relief were being misappropriated. However, in 41 instances the eligibility criteria of applicants were not always met nor adequately supported to confirm their eligibility. Of these 41 instances, 28 related to free and reduced fee courses at the South Regional TAFE. Entities with these findings need to improve their internal controls to ensure a sound, robust and sustainable control environment.

All audited initiatives were rolled out but 47% were not fully delivered

All 30 initiatives examined were rolled out by the responsible entities. However, the budgeted relief and funding was not always fully delivered to targeted beneficiaries by 31 March 2021 (Table 1).

	Financial relief	Stimulus funding	Total examined
Budget	\$1.392 billion	\$752.2 million	\$2.144 billion
\$ amount rolled out	\$1.1 billion	\$217.6 million	\$1.3 billion
% rolled out	79%	29%	61%

Source: OAG

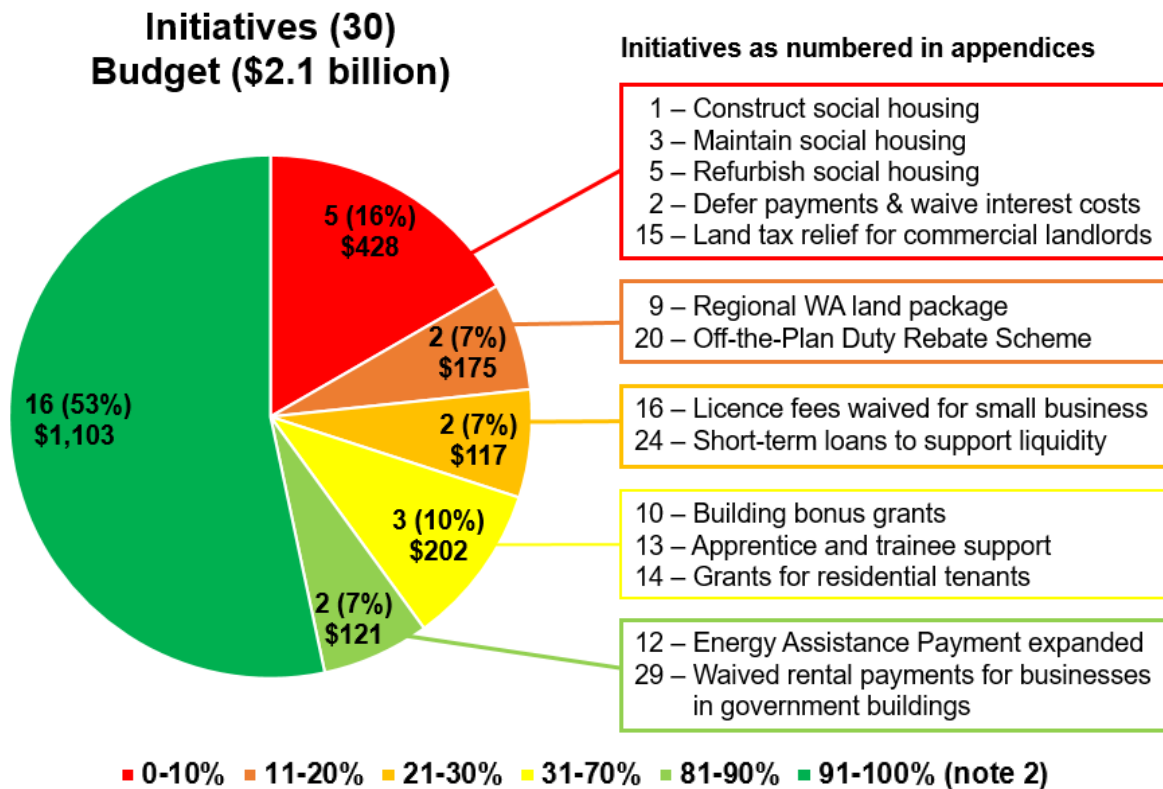
Table 1: Amount of financial relief and stimulus funding delivered

Overall, more financial relief was delivered to citizens and businesses than funding of initiatives. In part this was due to it being quicker for a government entity, such as a water and power utility, to apply credit or stop charging for something, or to not increase a cost, than to go through procurement and contracting processes to deliver new projects. Some relief initiatives have been more effectively rolled out than others due to having clearer eligibility criteria and simpler processing.

The delay in delivery of funding initiatives has been due to complexity of procurement and contract management processes, reduced contractor and builder availability, and insufficient interest for some initiatives which are demand driven. In addition, the impact of COVID-19 in WA has not been as significant as was expected when the initiatives were planned, budgeted and approved. This contributed, in some instances, to the under delivery of announced stimulus funding.

Sixteen initiatives used more than 90% of their budget

Sixteen of the initiatives had used more than 90% of the budgeted amount by 31 March 2021 (Figure 1). Four of these initiatives have been extended and additional funding redirected from within the responsible entity. Where an initiative has been fully implemented but budgeted funds remain, the funds will be reallocated internally within the entity if initially funded internally, otherwise transferred back to the consolidated account.



Source: OAG

Figure 1: Percentage roll-out by 31 March 2021 of budget by initiative audited

Note 1: Dollars is in millions (rounded to nearest million).

Note 2: The 16 initiatives (91-100% expended) are those numbered 4; 6; 7; 8; 11; 17; 18; 19; 21; 22; 23; 25; 26; 27; 28 and 30 in Appendix 1.

Of the 16 initiatives which utilised more than 90% of the budgeted amount, 12 (75%) were relief initiatives which did not require physical spending or transfer of funds and therefore were easier to roll-out.

For the other 14 initiatives, named in figure 1 and further outlined in Appendix 2, where less than 90% of the budget has been spent, this was largely due to:

- procurement and contract management processes being complex and/or time consuming
- reduced contractor and builder availability across metropolitan and regional areas. This resulted in higher quotations due to highly competitive market forces and increased material costs
- some initiatives were demand driven and did not receive interest from potential beneficiaries
- universities and local government entities had sufficient cash reserves not to require use of the funding
- some initiatives will stretch over more than 1 financial year and will only be paid out once all conditions are met
- some rebates were not commercially attractive for the beneficiaries as the cost (including administration time) exceeded the benefit

- processing delays due to high volumes of applications, extensive eligibility criteria and incomplete documentation being submitted
- clean-up of databases as the information used for planning and budgeting was different to that which was ultimately used for grant payouts, which resulted in actual benefits being lower than anticipated, as the grant benefits were only earmarked for specific beneficiaries.

Case study 1 – Balancing application criteria with the need for quick relief

Multiple entities commented that initiative roll-out was slow due to having extensive application criteria that caused lengthy review processes.

An overarching principle in emergency and stimulus responses should be to provide prompt relief and reduce the burden on eligible applicants at their time of need. This means ensuring that application requirements are proportionate to the value of relief available and are balanced with internal controls to identify possible fraud.

Internal controls could include high-level checks such as confirming an applicant's identity and income through RevenueWA or the Australian Business Register, further verification procedures on a risk-based sample basis, and using feedback and findings to inform ongoing monitoring controls.

Appendix 2 provides further details for the initiatives, including explanations for any budget underspend. We did not verify each individual explanation but given the nature and intent of the programs, and based on our knowledge of the entities involved and the evidence we did examine, there is nothing to indicate that the explanations are not reasonable.

Slow roll-out of some initiatives means Government objectives might not be met

Nine of the 14 initiatives, with an overall allocated budget of \$719.3 million, had less than 30% roll-out by 31 March 2021. The objective of these initiatives may not be achieved at all or within the original timeframe.

Of particular concern are the Department of Communities' social housing initiatives (building and maintenance). As of 31 March 2021, only \$6.42 million (2%) of the \$319 million budget was spent. These initiatives are competing for resources with initiatives aimed at the private sector and were not in place when the rent and eviction moratoria were removed.

Furthermore, there was limited uptake of the regional affordable land initiative intended to drive growth in regional WA. Only \$22.4 million (13%) of the \$166.3 million was used to 31 March 2021. This measure was also not clearly related to COVID-19 relief or funding.

Recommendations

1. The WA economy has proven itself to be relatively resilient to recent global economic crises including COVID-19 and the 2008 financial crisis. In both of these instances, our economy went against the trend and strengthened. The State Government should consider this history when deciding on any future stimulus funding and relief measures. Audited State government entities should:
 - a. improve their planning and coordination when initiatives are competing against one another (as is the case with social housing) to ensure all initiatives are rolled out to relevant beneficiaries
 - b. consider predictable events in their planning such as market limitations (including reduced contractor and builder availability)
 - c. to deliver quick relief to eligible applicants, balance application requirements with risk-based compliance monitoring to prevent payments being made to ineligible recipients.
2. As the WA economy is now larger than before the pandemic, the audited State government entities should consider if any outstanding initiatives are still required. Where stimulus initiatives are continued:
 - a. the implementing entity needs to understand the reasons why all initiatives were not fully rolled out and consider if changes to eligibility criteria are needed and/or whether the relief provided is aligned to the beneficiaries needs
 - b. consider if initiatives are stimulus measures or just normal business as usual matters and make necessary adjustments to the initiatives.
3. In addition, entities should refer to, and adopt where appropriate, our Office's better practice guidance on grants administration. This is available on our website at www.audit.wa.gov.au/better-practice-guidance.

Response from audited entities

Entities with findings generally accepted the recommendations and confirmed that, where relevant, they have amended policies, practices or systems for administering the roll-out of COVID-19 stimulus initiatives. Their responses included the following to our findings and recommendations:

- The increase in applications, which is significantly higher than initial estimates, and complexity of assessing eligibility along with the short implementation timeframe required additional staff. Since the audit findings were issued, entities have updated work instructions on eligibility assessment and document retention, and introduced training sessions.
- Eligibility criteria was complex, and each application must be validated against all those criteria before it can be approved and paid, which resulted in application processes taking longer than initially anticipated.
- Entities identified fraudulent applications and consider that without any legislative power to recover the grant funds once they are paid, all applicants must be judiciously checked before making payments/providing funding relief to ensure that only those that are eligible receive funding/relief. This important due diligence process ensures integrity in the stimulus benefits process but does add to the processing and approval timeframes.
- For some initiatives progress in processing applications was communicated to applicants through the [wa.gov.au](https://www.wa.gov.au) website. Correspondence was also sent to applicants in January 2021 asking them to check that they submitted all supporting information as part of their application as 90-95% of processed applications had required the team to follow-up missing documents. This means that officers spend extra time requesting information from applicants and are double handling applications as additional documents are submitted.
- Entities will continue to review resourcing and administrative and approval processes, and implement any initiatives identified to pay the funds more efficiently without compromising the integrity of the grant schemes.

Appendix 1: Audited initiatives

	Stimulus initiative	Entity	Allocated budget at entity (\$m)
1	Construct up to 250 social housing dwellings and purchase off-the-plan units for supported housing program	Department of Communities	97.00
2	Customers can defer payments and waive interest costs	Keystart	9.00
3	Maintenance programs for 3,800 regional social housing properties - including remote Aboriginal communities and subsidised housing for regional government workers	Department of Communities	80.00
4	Reducing the commercial fishing, fishing tour operator and aquaculture licence and application fees. In addition, deferral of access fees	Department of Primary Industries and Regional Development	17.90
5	Refurbish 1,500 existing social housing dwellings	Department of Communities	142.00
6	\$2,500 and \$500 support respectively for WA small business and charity offset	Horizon Power (\$2,500)	13.65
		Synergy (\$2,500)	196.70
		Horizon Power (\$500)	2.85
		Synergy (\$500)	39.70
7	\$600 WA Household Electricity Credit (HEC)	Synergy	612.80
		Horizon Power	23.70
8	15 free TAFE short courses available to around 13,500 Western Australians	Central Regional TAFE	25.00
		North Metropolitan TAFE	
		North Regional TAFE	
		South Metropolitan TAFE	
		South Regional TAFE	
9	Affordable land package to drive growth in regional WA. Delivered via discounted residential and industrial land sales offered by Development WA	Development WA	166.30
10	Building bonus grants of \$20,000 for homebuyers who sign up to build or purchase new property (single tier)	Department of Finance	147.00
11	Cash payment to on-demand booking services	Department of Transport	1.80
12	Eligibility for the previously announced Energy Assistance Payment boost has been expanded to include new eligible applicants	Horizon Power	2.29
		Synergy	114.10
		Department of Finance	1.75
13	For the building and construction industry to maintain a skilled workforce by supporting apprentices and trainees	Building and Construction Industry Training Board	24.50

	Stimulus initiative	Entity	Allocated budget at entity (\$m)
14	Grants of up to \$2,000 through the Residential Rent Relief Grant Scheme (RRRGS) for tenants who have lost their job	Department of Mines, Industry Regulation and Safety	30.00
15	Land tax relief grants for commercial landlords providing rent relief	Department of Local Government, Sport and Cultural Industries	100.00
16	Licence fees waived for small business	Department of Mines, Industry Regulation and Safety	16.76
17	Major reductions in TAFE fees, an expansion of the Lower Fees, Local Skills initiative which at the time of the initiative announcement had 73 courses reduced by up to 72%	Central Regional TAFE	32.00
		North Metropolitan TAFE	
		North Regional TAFE	
		South Metropolitan TAFE	
		South Regional TAFE	
18	No interest on deferred bill payments	Horizon Power	No value specified
		Synergy	
		Water Corporation	
19	No power or water disconnections	Horizon Power	No value specified
		Synergy	
		Water Corporation	
20	Off-the-Plan Duty Rebate Scheme. Expansion of 75% transfer duty rebate capped at \$25,000 including multi-tier developments	Department of Finance	8.20
21	Payroll tax - \$1 million threshold brought forward by 6 months for small businesses	Department of Finance	7.00
22	Payroll tax paying businesses with a payroll between \$1 million and \$4 million will receive a one-off grant of \$17,500 to assist them to manage the impacts of COVID-19. Small and medium sized businesses can apply to defer payment of their 2019-20 payroll tax until 21 July 2020	Department of Finance	107.00
23	Regional taxi assistance available to around 200 former country taxi licensees who paid a sum to a third party to acquire a taxi-car business and were operating against that licence on 1 July 2019	Department of Transport	6.00
24	Short-term loans to support liquidity of local government entities and universities' operations. In addition, loan guarantee fee to be waived	Western Australian Treasury Corporation	100.00
25	Tourism Business Survival Grants of \$15,000 to \$100,000 for eligible tourism operators demonstrating extreme business hardship	Tourism WA	8.65

Stimulus initiative		Entity	Allocated budget at entity (\$m)
26	Up to 20 days leave available to all public sector employees	Development WA	No value specified
		Department of Mines, Industry Regulation and Safety	
		Department of Transport	
27	Waive on-demand service authorisation renewal fees	Department of Transport	1.01
28	Waive passenger transport vehicle (PTV) authorisation renewal fees	Department of Transport	2.00
29	Waive rental payments for not-for-profit and small businesses in government-owned buildings for 6 months	Development WA	2.70
30	Waive wastewater service charges for eligible businesses	Water Corporation	5.50
			2,144.86

Source: OAG

Appendix 2: The 14 initiatives with reasons for the underutilisation of allocated budget

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
1	Construct up to 250 social housing dwellings and purchase off-the-plan units for supported housing program	Department of Communities	97	0.52	<1%	These initiatives will be implemented over multiple years. The Department of Communities is currently experiencing issues due to:
3	Maintenance programs for 3,800 regional social housing properties - including remote Aboriginal communities and subsidised housing for regional government workers	Department of Communities	80	3.11	4%	<ul style="list-style-type: none"> inability to engage contractors/trades to perform the required works instances where contractors have quoted for work, the quotations were higher than expected and may not achieve value for money builders prioritising private market new builds, due to the requirement for private new home grants to meet specified grant timeframes.
5	Refurbish 1,500 existing social housing dwellings	Department of Communities	142	2.8	2%	
2	Customers can defer payments and waive interest costs	Keystart	9	0.065	1%	<p>A worst-case scenario was assumed by the entity when establishing the budget. This assumed:</p> <ul style="list-style-type: none"> hardship applications would increase to 2,000 all would seek a waiver of interest of up to 6 months.

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						<p>During the same time the Commonwealth Government announced Jobkeeper and other support payments as well.</p> <p>Keystart then used this information in formulating the eligibility criteria to exclude customers who were eligible for Jobkeeper and other support payments.</p> <p>Consequently, while hardship did reach approximately 2,000, most case-by-case assessments resulted in Keystart agreeing with the customer to defer payments rather than to waive interest, resulting in the actual relief being lower than planned.</p>
9	Affordable land package to drive growth in regional WA. Delivered via discounted residential and industrial land sales	Development WA	166.3	22.4	13%	There was limited demand from purchasers for these locations.
10	Building bonus grants of \$20,000 for homebuyers who sign up to build or purchase new property (single tier)	Department of Finance	147	59.76	41%	<p>There were delays in processing applications due to the high volume of applications received within the required timeframe.</p> <p>Applicants could apply for the building bonus grant as well as a Commonwealth Government home</p>

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						builder grant. This was administrated by the WA Department of Finance on their behalf through a partnership agreement. As a result, if someone applied for both grants, this then led to increased processing times as well as claims from ineligible applicants.
12	Eligibility for the previously announced Energy Assistance Payment boost has been expanded to include new eligible applicants – Synergy's share	Synergy	114.1	93.5	82%	This initiative has been fully rolled out. When the budget was determined, management used the database as is to calculate the relief which will be provided. However, before the payments were made to beneficiaries, the entity embarked on a process to review its database of eligible customers and thereby excluded large corporate entities and local government entities. This was undertaken given the purpose of the grant was to support small businesses and charities adversely impacted by COVID-19. This resulted in the actual relief provided being less than the budgeted amount as the base used for planning and budgeting purposes was different to that

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						actually receiving the benefit in the end. Management confirmed the entity would return the remaining funds to the Department of Treasury.
13	For the building and construction industry to maintain a skilled workforce by supporting apprentices and trainees	Building and Construction Industry Training Board	24.5	17.2	70%	The original budget of \$5 million in training subsidies of up to \$1,000 per course was based on a 30% downturn in revenue. However, there has not been a dramatic downturn in construction activity. This ensured that most apprentices remained actively engaged and did not need to access additional training. Regarding monthly grants, the original budget included all employers and apprentices that were potentially eligible. However, as individual eligibility was assessed, and apprentices left their roles through natural attrition rather than due to a downturn in activity, the number of eligible claims reduced.
14	Grants of up to \$2,000 through the Residential Rent Relief Grant Scheme for tenants who have lost their job	Department of Mines, Industry Regulation and Safety	30	10.9	36%	A worst-case scenario was assumed when establishing the budget. Due to the effectiveness of WA community protective measures and a willingness between tenants and landlords to

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						negotiate and help each other out, the uptake of Residential Rent Relief Grant Scheme was less than initially anticipated.
15	Land tax relief grants for commercial landlords providing rent relief	Department of Local Government, Sport and Cultural Industries	100	2.493	2%	Based on feedback from applicants, management indicated that the program was undersubscribed because the 25% rebate of the 2019/20 land tax bill was not commercially attractive when compared to the time invested by the beneficiary to obtain the benefit. Furthermore, it was difficult for landlords to accurately determine the eligibility of small business tenants which ultimately resulted in less applications being received.
16	Licence fees waived for small business	Department of Mines, Industry Regulation and Safety	16.76	4.8 (up to end 31 December 2020)	29%	The initiative has been rolled out. This initiative was demand driven and received less applications than expected when determining the budget. Note: The entity was not able to provide us with information relating to the extent of the roll-out of the initiative up to 31 March 2021 or to provide more specific reasons for the

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						underutilisation of benefits from earmarked beneficiaries.
20	Off-the-Plan Duty Rebate Scheme – expansion of 75% transfer duty rebate capped at \$25,000 including multi-tier developments	Department of Finance	8.2	0.97	12%	Due to the nature of the scheme, an applicant had to have entered into a signed contract between 4 June and 31 December 2020, while the development was in its construction phase. However, the rebate could only be paid after the development was completed and registered on the title in the applicant/ purchaser's name. Therefore, the budget has not yet been fully utilised as it is dependent on other outstanding processes.
24	Short-term loans to support liquidity of local government entities and universities' operations. In addition, loan guarantee fee to be waived Note: This facility is now closed to new applicants.	Western Australian Treasury Corporation	100	23.5	24%	Most local government entities and universities had sufficient cash reserves available, therefore they were able to reorganise their reserves and cashflows to appropriately address financial shortfalls resulting from a reduction in rates/fees. Six local government entities (2 cities and 4 shires) applied for loans to assist with cashflow relief and were approved. However, there were no loan drawdowns to date. Management

Numbers as per Appx 1	Stimulus initiative	Entity	Allocated budget (\$m)	Funding/ relief provided up to 31 March 2021 (\$m)	Percentage of budget rolled out at 31 March 2021	Entity provided reason for underspending/ use of budget
						do not anticipate further applications or any drawdowns.
29	Waive rental payments for not-for-profit and small businesses in government-owned buildings for 6 months	Development WA	2.7	2.38	88%	Relief provided was less than budget due to a combination of some tenants electing not to take up the initiative and lease deals terminating within the review period. In other instances, tenants were not small businesses or not-for-profit entities and therefore not eligible.

Source: OAG using audited entity information

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Auditor General's 2021-22 reports

Number	Title	Date tabled
5	Local Government COVID-19 Financial Hardship Support	15 October 2021
4	Public Building Maintenance	24 August 2021
3	Staff Exit Controls	5 August 2021
2	SafeWA – Application Audit	2 August 2021
1	Opinion on Ministerial Notification – FPC Arbitration Outcome	29 July 2021

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