

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings May 2014

Communications Portfolio

NBN Co Limited

Question No: 320

Program No. NBN Co Limited

Hansard Ref: In Writing

Topic: Reviews

Senator Ludwig asked:

1. Since 25 February 2014, how many new reviews (defined as review, inter-departmental group, inquiry, internal review or similar activity) have been commenced? Please list them including:
 - a. the date they were ordered
 - b. the date they commenced
 - c. the minister responsible
 - d. the Department responsible
 - e. the nature of the review
 - f. their terms of reference
 - g. the scope of the review
 - h. Whom is conducting the review
 - i. the number of officers, and their classification level, involved in conducting the review
 - j. the expected report date
 - k. the budgeted, projected or expected costs
 - l. If the report will be tabled in parliament or made public
2. For any review commenced or ordered since 25 February 2014, have any external people, companies or contractors being engaged to assist or conduct the review?
 - a. If so, please list them, including their name and/or trading name/s and any known alias or other trading names
 - b. If so, please list their managing director and the board of directors or equivalent
 - c. If yes, for each is the cost associated with their involvement, including a break down for each cost item
 - d. If yes, for each, what is the nature of their involvement
 - e. If yes, for each, are they on the lobbyist register, provide details.
 - f. If yes, for each, what contact has the Minister or their office had with them
 - g. If yes, for each, who selected them
 - h. If yes, for each, did the minister or their office have any involvement in selecting them,
 - I. If yes, please detail what involvement it was
 - II. If yes, did they see or provided input to a short list
 - III. If yes, on what dates did this involvement occur
 - IV. If yes, did this involve any verbal discussions with the Department
 - V. If yes, on what dates did this involvement occur
3. Since 25 February 2014, what reviews are on-going?
 - a. Please list them.
 - b. What is the current cost to date expended on the reviews?

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings May 2014

Communications Portfolio

NBN Co Limited

4. Since 25 February 2014, have any reviews been stopped, paused or ceased? Please list them.
5. Since 25 February 2014, what reviews have concluded? Please list them.
6. Since 25 February 2014, how many reviews have been provided to Government? Please list them and the date they were provided.
7. When will the Government be responding to the respective reviews that have been completed?
8. What reviews are planned?
 - a. When will each planned review be commenced?
 - b. When will each of these reviews be concluded?
 - c. When will government respond to each review?
 - d. Will the government release each review?
 - e. If so, when? If not, why not?

Answer:

1. Since 25 February 2014, NBN Co commenced two new reviews as listed in the table below (including details of the date ordered, commenced, nature, scope and expected cost of the reviews). As the review is internal to NBN Co there was no minister or department responsible nor will the outcomes of the review be made public or tabled due to their confidential nature.

Review Costs									
Nature of Review	Scope of Review	Vendor	Ordered	Commencement	Ordered Amount (\$)	LTD Amount (\$)	30 June 2014	Status	Expected Completion
					\$'000	\$'000			
Organisational Review	Consultancy Services for the COO Organisational review for NBN Co and for selected areas outside of the COO	THE BOSTON CONSULTING GROUP PTY LTD	3/02/2014	7/04/2014	4,291	4,291		Complete	1/07/2014
Business Operation Contract Management Review	Advice to support NBN Co Program Lead in developing a Delivery Partner Contracting Model	THE BOSTON CONSULTING GROUP PTY LTD	1/06/2014	20/06/2014	939	217		Complete	25/07/2014
					5,230	4,508			

2. Please refer to the answer to Question 1 for information regarding the external resources employed by NBN Co. Information regarding Boston Consulting Group (BCG) management is either publicly available on their website or is best directed to the company itself. Information regarding the lobbyist register is publicly available at <http://lobbyists.pmc.gov.au>. No department, minister or minister official has had any part in selecting, scoping, overseeing or reviewing the output of their reviews.
3. Since 25 February 2014, there were two external reviews ongoing these are listed below, the ongoing internal reviews are listed in Item 1 above:
 - a. -*Strategic Review part 2 being the Fixed wireless and satellite* (referred to in the 'Strategic Review', page 119) by Boston Consulting Groups (BCG)
-Review of NBN Co Limited Governance by KordaMentha (current)
 - b. The external consulting costs of the reviews mentioned above to 31 May 2014 were:
 - *Strategic Review part 2 – Fixed wireless and satellite*: Boston Consulting Group's (BCG) fixed consultancy fee of \$1,576,055 excluding GST (inclusive of all expenses except travel outside Sydney).
 - Review of NBN Co Limited Governance by KordaMentha (current): \$350,000.00 excluding GST.

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Additional Estimates Hearings May 2014

Communications Portfolio

NBN Co Limited

Note: NBN Co also contributed to the “*Cost-Benefit Analysis and Review of Regulation*” by the Department of Communications and had incurred costs of \$162,821.00 excluding GST to 31 May 2014.

- 4-7. Since 25 February 2014, all 4 reviews listed above have been completed, only the Fixed Wireless & Satellite Review and the NBN Co Governance Review have been/will be provided to Government and both have been made public.
8. NBN Co only undertakes reviews when the circumstances warrant this.