

Senate Standing Committees on Finance and Public Administration
Inquiry into the management and assurance of integrity by consulting services (Consulting services) 2022-2023

QUESTION ON NOTICE / Written

001 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Hearing Date: 23 March 2023

Topic: 2022-23 and 2021-22 Consultancy spend comparison

Senator Barbara Pocock

Question

Will DFAT spend less on consultancy services in the 2022-23 FY than in the 2021-22 FY?

Answer

No.

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QUESTION ON NOTICE / Written

002 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: 2022-23 Consultancy spend to date and forecast

Senator Barbara Pocock

Question

- "1. What is DFAT's predicted spend on consultancy services in the 2022-23 FY?
2. How much has [agency] spent on consultancy services to date in the 2022-23 FY? "

Answer

1. As of 23 March 2023, the predicted spend for consultancy services in the 2022-23 financial year is approximately \$1.7 million (GST inclusive).
2. As of 23 March 2023, the department has spent \$704,466 (GST inclusive) on consultancy contracts in the 2022-23 financial year.

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QUESTION ON NOTICE / Written

003 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: 2021-22 Consultancy spend - actuals

Senator Barbara Pocock

Question

What did DFAT spend on consultancy services in the 2021-22 FY?

Answer

1. The department reported spending \$450,471 (GST inclusive) on consultancy contracts in the 2021-22 financial year in its Annual Report. This information is publicly available on page 124 of the department's [Annual Report](#).
2. Since the publication of the 2021-22 Annual Report, 11 contracts have been reclassified on AusTender. The revised expenditure on consultancy contracts for the 2021-22 financial year is \$564,822 (GST inclusive).

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QUESTION ON NOTICE / Written

005 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: Failure to fulfil contracts

Senator Barbara Pocock

Question

Has DFAT determined in the last ten years that a consulting firm has not fulfilled their contract? If yes, list all occurrences, including the name of the consulting firm, name of project, date of contract and reason consulting firm did not fulfill the contract.

Answer

No.

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QUESTION ON NOTICE / Written

006 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: Termination of Consultancy contracts

Senator Barbara Pocock

Question

Has DFAT terminated any consultancy contract and why in the last ten years?

Answer

No.

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QUESTION ON NOTICE / Written

007 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: Consultancy Contract disputes

Senator Barbara Pocock

Question

Have any contracts been the subject of dispute or legal action in the last ten years?

Answer

No consultancy contracts have been the subject of dispute or legal action in the last ten years.

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Inquiry into the management and assurance of integrity by consulting services (Consulting services)
2022-2023

QUESTION ON NOTICE / Written

008 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: PwC Contracts

Senator Barbara Pocock

Question

"List all contracts awarded to PwC since 16 November 2022 to date. Include:

- a. name of project
- b. type of project (advice, evaluation, service delivery etc..)
- c. cost
- d. contract commencement date
- e. contract finalisation date. "

Answer

There have been no contracts awarded to PwC since 16 November 2022.

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QUESTION ON NOTICE / Written

009 – Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Topic: Big 7¹ Consulting Firms

Senator Barbara Pocock

Question

"The following questions relate to the below consulting/accounting firms that will be referred to as the "Big 7." If answering in the affirmative to any of the below questions, specify which of the Big 7 firms you are referring to.

- Deloitte
- EY
- KPMG
- PwC
- McKinsey
- Boston Consulting
- Accenture

1. Are any former partners of each of the Big 7 employed at DFAT?
2. Are any of these former partners receiving ongoing payments from their former association with these firms, including as part of any retirement plans?
3. Has DFAT established if these ongoing payments are tied to the financial performance these firms?
4. Are any former partners of each of the Big 7 appointed to any boards or sub-committees of DFAT?
5. Are any of these former partners receiving ongoing payments from their former association with these firms, including as part of any retirement plans?
6. Has DFAT established if these ongoing payments are tied to the financial performance these firms?
7. Are any former partners of the Big 7 involved in any policy consultation committees, panels or other formal processes at DFAT?
8. Are any of these former partners receiving ongoing payments from their former association with these firms, including as part of any retirement plans?
9. Has DFAT established if these ongoing payments are tied to the financial performance these firms?"

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Answer

1. All Australian Public Service (APS) employees, Locally Engaged Staff (LES) and contractors are required to complete an annual Declaration of Conflicts of Interest upon commencement with the department. A conflict of interest is anything that could be seen to influence the decisions, actions or advice given in the course of public or official duties, including outside employment.
 - a. APS, LES and Contractors would only be required to declare former employment if they have ongoing ties to former employment or colleagues that could be perceived to compromise the decisions they make, the actions they take or the advice they provide in connection with their official duties.
 - b. The Ethics, Integrity and Professional Standards Policy Section has not identified any employees who have declared a conflict of interest involving former or current employment with the 'Big7'.
2. Not to DFAT's knowledge.
3. Not to DFAT's knowledge.
4. Not to DFAT's knowledge.
5. Not to DFAT's knowledge.
6. Not to DFAT's knowledge.
7. Not to DFAT's knowledge.
8. Not to DFAT's knowledge.
9. Not to DFAT's knowledge.
10. Not to DFAT's knowledge.