

Joint Standing Committee on the National Broadband Network

Answers to Questions on Notice

Committee Hearing 11 February 2019

Communications Portfolio

NBN Co Limited

Question No: 12

NBN Co Limited

Hansard Ref:

Topic: Line testing

Ms TEMPLEMAN: The decision though of Optus and Vodafone to continue offering 100 megabits, sort of raises some questions I guess about whether you expect that to continue. Are you confident that the testing and the assessment process you have is accurate enough and reliable enough for RSPs to make those decisions?

Mr Whitcomb: Yes, we are.

Ms TEMPLEMAN: I know you don't like to comment on the decision process of an RSP, but are you disappointed that Telstra has dropped that 100-megabit service, given your focus is to allow, especially small businesses and home based businesses, strong access to data?

Mr Whitcomb: Ultimately we'd like to enable customers to get access to the highest speed that is available. In the case of the copper networks, as I've described, we do have an extensive process of validating what that speed is and providing that back to the retailers but ultimately it's up to them. That's part of the market evolving. We're seeing some of the RSPs being extremely aggressive in those higher-speed tiers and bringing in a substantial volume in that. Other RSPs will have different strategies. In that overall mix we're ultimately seeing this continued uplift in customers on to higher-speed tiers.

Ms TEMPLEMAN: When you look at the assessment process is there a difference in the reliability or the accuracy of the assessment, or how trusted it can be for fibre to the curb, fibre to the basement, or fibre to the node? Are they all the same or are there wider variations for some than others?

Mr Whitcomb: I might have to take that on notice. I'm not aware of any significant variation. It's still measuring the degradation of the speed over the copper. The shorter the copper is the less likely that would be impactful. But I think our ability to assess it is consistent across the techs.

Answer:

There is not a wider variation in the reliability or accuracy of the assessment across **nbn** fixed line technologies.

NBN Co provides accurate information across FTTN, FTTB and FTTC to RSPs based on two methods of calculation: the estimated line rate and the measured line rate. These methods allow RSPs to obtain an estimate of the likely maximum service speed for an address prior to a service connection to the **nbn**. Once a service is activated the NBN Co provides RSPs with weekly reports detailing the actual line rates achieved.

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Question No: QoN 13

NBN Co Limited

Hansard Ref:

Topic: Fixed Wireless outage notifications to Small Business

Dr HAINES: I'd like to turn our attention to the complaints process and recommendation 3 of the ANAO report No. 15, under service continuity and complaints management, where it recommended that: NBN Co establishes a regular and ongoing process to use its complaint data to undertake root cause analysis of connection related complaints, to inform continuous improvement internally and with complaints management stakeholders. NBN's response was that it had implemented initiatives including analysis of complaint trends and analysis by complaint phase in the migration process. Are you able to give me some detail about the level of complaints made by small business as a result of NBN outages? I'm curious in particular as to whether there's any difference between metropolitan and rural areas.

Mr Rue: I'll ask my colleagues to try to help, but I'm not sure that we have all the statistics for you. I should have said, Chair, that if you see us playing with equipment it's because we've got a team listening to this to try to answer questions, to help you.

CHAIR: Sure. I don't think you're Robinson Crusoe there!

Mr Rue: Good—just in case you thought I was doing something else. So, maybe the team back in Sydney will be able to help us with this. But perhaps I could just say that I welcome the report from the ANAO. Broadly, as I'm sure you'll see, it was very positive, which is good. But they did have some useful comments on complaints management, which we've helped implement. I don't know whether Kathrine has the details on small business—

Ms Dyer: No, not specifically on small business. In relation to the report that was received, we have a very robust complaints management system in place across the company whereby we review data, trends and root causes right across the life cycle of all our work, whether that be the build, connection of customers or even use cases, where the customers call back into NBN. Utilising that review information, we took onboard a lot of the recommendations and have worked on an improvement plan. The majority of those have already been implemented, or slight changes have been made. Specifically related to small business—I can't answer that question immediately now. I'm not sure whether Paul has something to add there.

Mr Tyler: I don't have the actual stats here, but what I would say is that it's clear that the customer satisfaction of small business lags that of our residential users. We've done a lot of research into why that is. We boil it down to three key areas, the first being the more-complex applications they use. They might have point-of-sale systems, multiple voice lines, online accounting systems and things like that, so they're using the network in a different way—a more demanding way. They also have higher expectations, because the consequence of issues on their network, the consequence of a loss of connectivity obviously has a dramatic impact on businesses.

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And the third reason we found is that often businesses, small businesses in particular, are on the wrong plan. They're not on a plan that's been designed to meet the needs of business. We've done a lot of things to try to address that. I can rattle off a number of them. We created a business operations centre based in Melbourne, in Docklands, which is dedicated to business, and Australian based resources, which is really focused on catching the fallout of problems in business connectivity.

We've done a lot to try to educate businesses on what they have to do to prepare to join the NBN and then how to get the best out of the NBN. Examples of that would be things like the recently launched business readiness tool on our website, which takes businesses step by step through the sorts of things they need to be prepared to do with their applications, with their technology, to get the most out of the NBN. We have another tool on our website that we put out called our Solution Finder. The point of that tool is to take businesses step by step through what they want to use the NBN for. I had some applications that I called out before, but how do they want to use the NBN? It asks them a series of simple questions and then makes a recommendation as to what is the appropriate NBN wholesale product that they should source through retailers, in order to make sure they have the right plan to meet their needs. It is that mismatch between their needs and the actual plan they purchased that is often one of the root causes of the level of dissatisfaction.

Mr Rue: I'm not quite sure we answered your question—we have tried to talk around the process. The team has told me there is a limited number of specific small business complaints, but we need to get you the details. We'll try to do that. Is there anything—

Dr HAINES: I'm happy for you to take that on notice

Answer:

There is no information currently available regarding complaints from small business as a result of nbn Fixed Wireless outages. Please refer to QoN 14 Small Business complaints for more information on Small Business data.

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Question No: QoN 14

NBN Co Limited

Hansard Ref:

Topic: Small Business complaints

Dr ALLEN: Yes, I would. It's very hard to do these questions. Small business owners have been detailing their frustrations with NBN—lots of outages, porting challenges and a lack of communication. Can you provide the committee with details of the level of complaints received from small to medium businesses regarding NBN services, and what trends have you seen in the volume and types of complaints over the past five years? Do you have any information on potential losses suffered by small businesses as a result of NBN outages? What measures have you put in place to manage complaints from small businesses?

Mr Tyler: I think we've largely covered that line of questioning to the extent we can. I don't actually have the statistics here in front of me, unfortunately, so we'll definitely—

Dr ALLEN: Apologies. I was late onto the line, so I'm sorry about that.

Mr Tyler: No problem. But we'll definitely take on notice the request for the actual statistics. As a general trend, there has been a decline in the number of complaints as a percentage of the number of users on the NBN network, and we're quite encouraged by that. But we're by no means satisfied with any complaints on our network and we want to continue to perform to the best possible expectations of any end user, be they a residential user or a business user. In my previous answer I went through a number of the initiatives that we've undertaken to improve that experience and reduce complaints even further. I assume we would leave that.

Mr Rue: I could also point out that we obviously monitor the complaints we receive. There may also be complaints that retailers have that they have then dealt with. So, just to be very clear, we won't have the full picture of the industry when we reply to you.

Answer:

In the period of July 2018 to February 2020, business complaints per 100 active premises reduced and improved from 0.3 to 0.1 while NBN Co has doubled the number of active business premises from approximately 450,000 to 957,000 in the same period.

NBN Co provides a complaint management service for all members of the public, including small business customers in accordance with our public Complaint Management Policy. While NBN Co encourages customers to raise their concerns and complaints directly through their RSPs who are best placed to work with their customers in resolving their issues, including raising nbn-related concerns with NBN Co.

NBN Co has also developed a dedicated channel for the resolution of complaints on behalf of businesses including when their RSPs have not purchased business-grade nbn services.