

**Senate Standing Committee on Environment and Communications**

**Answers to Senate Estimates Questions on Notice**

**Supplementary Budget Estimates Hearings December 2014**

**Communications Portfolio**

**NBN Co Limited**

**Question No: 170**

**Program No. NBN Co**

**Hansard Ref: In Writing**

**Topic: Government Payment of Accounts**

**Senator Ludwig asked:**

Since Budget Estimates in June, 2014:

1. What has been the average time period for the department/agency paid its accounts to contractors, consultants or others?
2. How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
3. How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
4. How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
5. How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days? f) How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
6. For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio/department agency since Estimates, 2014?
7. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

**Answer:**

1. An employee must adhere to the internal policy set out in the NBN Co Buying Guide prior to any services being procured and/or payment being made to contractors/consultants. All reasonable efforts to pay suppliers within terms are made. The rendering of an invoice by a supplier does not mean that NBN Co has accepted that it has received the deliverables from the supplier. NBN Co will only pay suppliers when it is satisfied that the contractual terms (i.e. the deliverables) have been provided. For an analysis of invoice payment times refer to the answer to questions 2,3,4,5 and 6 below.
2. The analysis below is based on the number of days between invoice date and payment date. The actual terms contractually agreed per supplier may differ.

Months	Number of Invoices	Amount	% of Total Payment	Total Payment
Jul-14	3,770	80,553,288	21%	388,140,818
Aug-14	3,880	93,633,841	37%	253,597,030
Sep-14	4,008	121,026,050	30%	405,758,038
Oct-14	3,908	108,092,798	27%	397,818,448
Nov-14	3,412	70,468,064	31%	228,130,858
Dec-14	4,268	143,664,168	37%	386,107,668

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3. The analysis below is based on the number of days between invoice date and payment date. The actual terms contractually agreed per supplier may differ.

Months	Number of Invoices	Amount	% of Total Payment	Total Payment
Jul-14	3,169	242,443,500	62%	388,140,818
Aug-14	3,250	159,963,189	63%	253,597,030
Sep-14	3,542	284,731,987	70%	405,758,038
Oct-14	3,361	289,725,650	73%	397,818,448
Nov-14	3,004	157,662,794	69%	228,130,858
Dec-14	3,169	242,443,500	63%	386,107,668

4. Not applicable.  
5. Not applicable.  
6. Not applicable.  
7. Contractors/Consultants accounts do not generally attract interest on overdue amounts.