

**Senate Standing Committee on Economics**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Innovation, Industry, Science and Research Portfolio  
Budget Estimates Hearing 2010-11  
31 May 2010

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**AGENCY/DEPARTMENT:** INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

**TOPIC:** Consultancies

**REFERENCE:** Written Question – Senator Barnett

**QUESTION No.:** BI-73

How many consultancies have been undertaken or are underway since November 2007? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).

Please also include total value for all consultancies, including figures for total *spending* on consultancies and also *value of contracts awarded*? Provide total figures since November 2007 and a breakdown on these figures for FY 2008-09 and 2009-10 FYTD.

Is the Department up to date with its reporting requirements on the Government's tenders and contacts website? Are the figures available on that site correct?

How many consultancies are planned for this calendar year? Have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.

**ANSWER**

The Department of Innovation, Industry, Science and Research (the Department) and its portfolio agencies engage consultants to provide specialist advice and services necessary to ensure effective program delivery. These consultants are engaged when the specialised skills required are not available within the department. Procurement contracts entered into by the Department, where the value is \$10,000 (including GST where applicable) or more, are reported on AusTender within six weeks of the contract being executed.

The Australian Research Council (ARC) is not currently up to date with its reporting on AusTender however processes have been put in place to rectify this for future reporting. For relevant *Commonwealth Authorities and Companies Act 1977* bodies, contracts valued in excess of \$400,000 and \$9 million for construction (including GST where applicable) are reported on AusTender within six weeks of the contract being executed.

The Department's planned strategic procurements, including consultancies, for the FY 2010-11 are included in the relevant 2010-11 Annual Procurement Plan. These are available at:  
[www.tenders.gov.au](http://www.tenders.gov.au).

In addition, details of consultancies valued at \$10,000 (including GST where applicable) or more are contained in the relevant Annual Reports.

## 2007-08 Annual Reports

- The Department and IP Australia's consultancy details are provided in the 2007-08 Annual Report which is available at:  
[www.innovation.gov.au/Section/AbouttheDepartment/Pages/AnnualReport200708.aspx](http://www.innovation.gov.au/Section/AbouttheDepartment/Pages/AnnualReport200708.aspx)
- The ARC's consultancy details are provided in the 2007-08 Annual Report which is available at: [www.arc.gov.au/about\\_arc/annual\\_report.htm](http://www.arc.gov.au/about_arc/annual_report.htm)
- Commonwealth Scientific and Industrial Research Organisation's (CSIRO) consultancy details are provided in their 2007-08 Annual Report which is available at:  
[www.csiro.au/resources/AnnualReport0708.html](http://www.csiro.au/resources/AnnualReport0708.html)
- Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) consultancy details are provided in their 2007-08 Annual Report which is available at:  
[www.aiatsis.gov.au/corporate/ar0708.html](http://www.aiatsis.gov.au/corporate/ar0708.html)
- Australian Institute of Marine Science's (AIMS) consultancy details are provided in their 2007-08 Annual Report which is available at:  
[www.aims.gov.au/source/publications/pdf/ar20072008.pdf](http://www.aims.gov.au/source/publications/pdf/ar20072008.pdf)

## 2008-09 Annual Reports

- The Department and IP Australia's consultancy details are provided in the 2008-09 Annual Report which is available at:  
[www.innovation.gov.au/Section/AbouttheDepartment/Pages/AnnualReport200809.aspx](http://www.innovation.gov.au/Section/AbouttheDepartment/Pages/AnnualReport200809.aspx)
- The ARC's consultancy details are provided in the 2008-09 Annual Report which is available at: [www.arc.gov.au/about\\_arc/annual\\_report.htm](http://www.arc.gov.au/about_arc/annual_report.htm)
- CSIRO's consultancy details are provided in their 2008-09 Annual Report which is available at:  
[www.csiro.au/resources/Annual-Report-08-09.html](http://www.csiro.au/resources/Annual-Report-08-09.html)
- AIATSIS consultancy details are provided in their 2008-09 Annual Report which is available at:  
[www.aiatsis.gov.au/corporate/ar0809.html](http://www.aiatsis.gov.au/corporate/ar0809.html)
- AIMS consultancy details are provided in their 2008-09 Annual Report which is available at:  
[www.aims.gov.au/source/publications/pdf/ar20082009.pdf](http://www.aims.gov.au/source/publications/pdf/ar20082009.pdf)

Australian Nuclear Science and Technology Organisation's (ANSTO) consultancy details are as follows:

For ANSTO's consultancies between 1 May 2008 and 30 April 2009, refer to BI-103 (2009-10 Budget Estimates).<sup>1</sup>

For consultancies from 1 November 2007 until 30 April 2008, and from 1 May 2009 and 31 May 2010, see the response below. The below figures do not include legal services and the approach to determining consultancy contracts from non-consultancy contracts was obtained from the Department of Finance and Administration's *Guidance on Procurement Publishing Obligations (July 2007)*.

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<sup>1</sup> Although the subject matter in BI-103 and the current question (BI-73) are the same, the information is provided in a different format as it takes into account the variations in the questions asked.

## ANSTO CONSULTANCIES

### 1 November 2007 – 30 April 2008

Non-legal consultants engaged from 1 Nov 2007 – 30 April 2008:	Subject Matter:	Order Date:	Total Value of Contracts (excluding GST):	Method of Procurement:
Lodestone Management Consultants Pty Ltd	IT	16 January 2008	\$239,400.00	Tender/Quotation
Business Quality Management Pty Ltd	Engineering	1 February 2008	\$25,819.00	Direct Appointment
BMP Consulting Australia Pty Ltd	Human Resources	3 December 2007 – 5 December 2007	\$3,450.00	Direct Appointment
EMC Global Holdings Co	Human Resources	4 February 2008	\$1,400.00	Direct Appointment
Ernst & Young	Professional Services	21 December 2007 – 19 March 2008	\$40,029.00	Direct Appointment
Warren Wilton	Professional Services	21 November 2007	\$6,563.65	Direct Appointment
<b>TOTAL</b>			<b>\$316,661.65</b>	

### 1 May 2009 – 30 June 2009

Non-legal consultants engaged from 1 May 2009 – 30 June 2009:	Subject Matter:	Order Date:	Total Value of Contracts (excluding GST):	Method of Procurement:
Australian Valuation Office	Professional Services	29 June 2009	\$36,000.00	Direct Appointment
Energetics Pty Ltd	Engineering	20 May 2009	\$17,000.00	Direct Appointment
Plaut IT Australia Pty Ltd	IT	8 May 2009	\$25,920.00	Tender
<b>TOTAL</b>			<b>\$78,920.00</b>	

### 1 July 2009 – 31 May 2010

Non-legal consultants engaged from 1 July 2009 – 31 May 2010:	Subject Matter:	Order Date:	Total Value of Contracts (excluding GST):	Method of Procurement:
Askew & Associates	Professional Services	20 May 2010	\$155,189.70	Direct Appointment
CPR Communications & Public Relations	Professional Services	31 July 2009	\$19,534.46	Direct Appointment
Ernst & Young	Professional Services	23 October 2009	\$5,388.00	Direct Appointment
The PMO Pty Ltd	Professional Services	19 August 2009	\$24,750.00	Direct Appointment
Warren Wilton	Professional Services	14 July 2009 – 28 October 2009	\$10,383.79	Direct Appointment
Bow-Tie Consulting Pty Ltd	Engineering	25 September 2009 – 27 April 2010	\$35,727.60	Direct Appointment
Business Quality Management Pty Ltd	Engineering	24 September 2009 – 17 May 2010	\$62,520.00	Direct Appointment
Coffey Geotechnics Pty Ltd	Engineering	15 September 2009 - 21 April 2010	\$23,355.00	Direct Appointment
Coffey Geotechnics Pty Ltd	Engineering	20 November 2009	\$83,200.10	Tender
Cyclocon Ltd	Engineering	12 November 2009	\$1,500.00	Direct Appointment
EMC Global Holdings Co	Human Resources	28 September 2009 – 30 March 2010	\$19,650.00	Direct Appointment
Performance Drivers Pty Ltd Ltd	Human Resources	21 August 2009 – 23 April 2010	\$21,825.00	Direct Appointment
Dowling Consulting Pty Ltd	IT	8 December 2009	\$340,000.00	Tender
Five Islands Pty Ltd	IT	27 August 2009 – 28 April 2010	\$166,750.00	Direct Appointment
Plaut IT Australia Pty Ltd	IT	7 September 2009 – 6 April 2010	\$312,000.00	Tender
LK Creative Pty Ltd	Professional Services	26 March 2010	\$28,800.00	Direct Appointment
P J Williams Consulting Pty Ltd	Professional Services	3 November 2009 – 17 May 2010	\$330,995.11	Direct Appointment
<b>TOTAL</b>			<b>\$1,641,568.76</b>	

## Commonwealth Scientific Industrial and Research Organisation (CSIRO)

Details of consultants used by CSIRO are published in CSIRO's annual report. The total value of consultancies let by CSIRO since November 2007 is \$4.52 million (GST inclusive), based on information published in these reports, and consultancies let to date in 2009-10 (see AI-81 for details).

Details of consultancies let during the period November 2007 – February 2010 were provided in response to AI-81. Information regarding consultancies let since the publication of this response are provided in the following table. This table also includes updated financial data for three consultancies listed in response to AI-81 (indicated with an asterisk) and corrected company details are provided for two consultancies (indicated with a hash). Total figures since November 2007 and a breakdown on these figures for FY 2008-09 and 2009-10 FYTD are also provided at the end of this table.

## CSIRO CONSULTANCIES

Fin Year	Division/ Unit Appointing	Nature & Purpose (abbreviated)	Start Date	End Date	Estimated TOTAL LIFE COST of Consultancy (GST inclusive)	Company Name	Nominated Consultant in Contract (where defined)	Reason for Consultancy (refer Notes at end)	Procurement Method (refer Notes at end)
*2009-2010	P-Health Flagship	Leadership development. Duration: 7 months.	01/12/09	01/06/10	\$13,627	Knowledge Teams International		SS	EX
*2009-2010	CSIRO Entomology	Development of protocol documents regarding an audit and repatriation of information and materials relevant to Indigenous people. Duration 3 months.	01/02/10	01/04/10	\$72,900	Australian National University - National Care for Indigenous Studies (NCIS)		SS	EX
*2009-2010	CSIRO Entomology	Development of protocol documents regarding an audit and repatriation of information and materials relevant to Indigenous people. Duration 3 months.	01/02/10	01/04/10	\$18,350	Australian National University - National Care for Indigenous Studies (NCIS)		SS	EX
#2008-2009	ICT Centre	Produce an eResearch Strategy document	05/08/08	31/12/08	\$35,000	Dr Beverly Hart	Dr Beverly Hart	SS	EX
#2008-2009	Energy Transformed Flagship	Develop submission in the solar energy domain.	01/10/08	30/01/09	\$33,000	Gerald Morvell	Gerald Morvell	IS	EX
2009-2010	CSIRO IM&T SAP Services	Conduct independent "Health Check" on Business Warehouse implementation.	09/03/10	31/03/10	\$16,500	PLAUT IT Australia	Geoff Armstron and Geoff Hunter	IS	OT
2009-2010	Enterprise Communication	Provide strategic communications services.	01/04/10	31/08/10	\$69,000	Health 2 Organisations	Richard Sauerma	IS	EX
2009-2010	Minerals Down Under Flagship	Develop a Mineral Futures Forum.	01/04/10	30/06/12	\$50,000	Christine Charles		IS	EX
2009-2010	Corporate Finance	Review capital funding requirements and associated accounting treatments. Provide	10/03/10	31/03/10	\$100,000	Ernst & Young		IS	ST

Fin Year	Division/ Unit Appointing	Nature & Purpose (abbreviated)	Start Date	End Date	Estimated TOTAL LIFE COST of Consultancy (GST inclusive)	Company Name	Nominated Consultant in Contract (where defined)	Reason for Consultancy (refer Notes at end)	Procurement Method (refer Notes at end)
		10 year capital plan in support of the CSIRO Lapsing Program Review.							
2009-2010	Organisational Performance Unit	Identify and apply agreed methodologies to a range of CSIRO's activities to demonstrate the economic, environmental and social impacts of CSIRO in appropriate terms in support of the CSIRO Lapsing Program review.	26/03/10	30/06/10	\$220,000	ACIL TASMAN PTY LTD	David Campbell	IS	OT
2009-2010	Client & Partner Engagement	Advise on MyCSIRO internet/intranet usability.	20/05/10	11/06/11	\$11,265	Reflecta	Nick Sayer	SS	RQ
2009-2010	CSIRO Astronomy and Space Science	Undertake Security Risk Assessment required for externally hosted vendor system.	14/05/10	04/06/10	\$32,868	Logica		IS	OT
2009-2010	Human Resources Specialist Services - Workplace Relations	Provide specialist industrial relations advice to support the negotiation of the Canberra Deep Space Communication Complex Enterprise Agreement	18/05/10	31/12/10	\$40,000	HBA Consulting		SS	EX
2009-2010	ICT Centre	Provide specialist e valuation services.	24/05/10	30/06/10	\$20,000	Deloitte Touche Tohmatsu		IS	OT
			Nov 2007	June 08	\$540,689				
			July 2008	June 09	\$1,632,342				
			July 2009	To Date	\$2,348,325				
			Total all consultancies		\$4,521,356				

**Notes to Table:**

**Reason Code Reason for Consultancy**

IS Need for independent study/evaluation.  
SS Specialist skills were not otherwise available.

**Procurement Code Procurement Method**

EX Exemption arrangement such as sole supplier, pre-eminent expertise or urgency and/or practicality.  
OT Tenders sought from the market place (Request for Proposal, Request for Tender, Expressions of Interest).  
ST Tenders being sought from suppliers who have prequalified through some form of previous competitive process.  
RQ Purchasing thresholds consistent with CSIRO's minimal standards.