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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION RICCO

Reference: Operation E14/2586

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 8 MARCH 2016

AT 1.50PM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

This transcript has been prepared in accordance with conventions used in the Supreme Court.

MR THANGARAJ: Mr Thompson, I just want to show you a copy of your – sorry, give you a copy of your statement and we’ll distribute those and I’ll tender that. Just can you distribute those.

THE COMMISSIONER: Exhibit R49. Sorry, Exhibit R50.

#EXHIBIT R50 - SINC SOLUTIONS STATEMENT FROM MARK THOMPSON

10

MR THANGARAJ: This is a statement of yours 3 December, 2015?
---Ah hmm.

And can I just ask you to read to yourself on page 3, paragraph 45 through to 58 inclusive please?---Okay.

20 All right. You’ve given – part of your statement there you’ve explained why it was that certain things happened and is this the bottom line, that if Mr Gary Goodman asked you to authorise something even without the appropriate documentation you would do so?---It wasn’t me authorising.

Beg our pardon?---It wasn’t me authorising it.

No, no, I’m saying if he authorised it?---Oh, he authorised it.

30 If, if he authorised it but it didn’t have the requisite information supporting it such as the invoices and remittance advices you’ve talked about in that section of your statement, even without that material you would process the payment?---Under protest, yes.

Okay. But was the system – sorry, was what in fact happened effectively that you – did you trust him that the invoices were legitimate or did you just do it regardless of whether you had a view as to its genuineness?---I trusted him that they were.

That – you trusted him that?---That they were.

40 That they were genuine?---Yes.

All right. And that’s why I wanted to ask you, some of these examples you’ve given are from last year, May and October of last year and you’ve already given us examples of a number of problems that you had observed yourself and taken to Mr Byrnes which have then gone to Ms Cullinane?
---Ah hmm.

In the circumstances where there had been, there had been a concern about blank cheques with supporting documentation that was incorrect, where

there had been discovered Mr Goodman's bank account having the same details as a creditor bank account therefore raising the obvious suspicion which we now know is correct, there had been the misuse to Gas Motorsport's benefit of Mr Fitzgerald Senior's corporate credit card, there being the Cabcharge problems and at least with the October one the Teletec problem, in those circumstances where you had first-hand knowledge and had taken steps with respect to Mr Goodman's misuse, how is it that in May and October of last year you were prepared to process these sort of payments on the basis that you trusted Mr Goodman?---He would ask me to
10 make the payments and I'd say I need documentation for this.

Yes?---And he'd say just do it now. I'll get it for you later on.

Yes?---And if I'd protest say look, I want you to just pay this, just pay it.

And I understand that - - -?---He was very overbearing in that respect.

Okay. Well, you have said that in your statement and I'm not suggesting that that's not correct but what I want to ask you is – I already said to you –
20 I already asked you was it on the basis that you trusted him that these matters were genuine and you said yes. How could you have trusted him in May or October of last year such that Council spent its money, how could you have trusted him in circumstances where you knew about the materials that we've just been through?---Yes, that's a good point. I probably shouldn't have.

All right. So – well, what ultimately then is the answer, was it – why then did you put the payments through or not demand the mandatory information in advance of putting a payment through?---I did demand it in advance but
30 he just wouldn't give it to me.

No, but you accept that you're supposed to have the – you're supposed to have that material before you put the payment through?---That's right.

So the fact that he wasn't able to give it to you immediately, that itself may have raised further concerns, did it?---It probably should have, yes.

All right. So at the end of the day, how is it that the payments were made in circumstances where you had good reason not to trust Mr Goodman?
40 ---I guess it was just an error of judgement.

Nothing further.

MR MOSES: Thank you, Commissioner.

THE COMMISSIONER: Yes, Mr Moses.

MR MOSES: Mr Thompson, you're the Systems Administrator for the Council?---Yes, that's right.

I act for the Council. And your role is to be responsible for the corporate computer system. Correct?---Yes.

And the level of access that you had was parameters. Is that right?
---Um - - -

10 That is you had the highest level of access to the system?---Highest level.

Is that correct?---That's right, yes.

Which meant that as part of your access to the system you could, if needed or necessary, go into the system and change data entry. Correct?---As stated earlier - - -

Yes?--- - - - only like in a master file, not in transactions.

20 Okay. And in relation to credit payments, it wasn't part of your substantive duties to arrange for payment of invoices coming into Council. Is that right?---That's right.

Okay. And I think you have said in your evidence that in relation to Gary Goodman, he would come into your office, usually late in the day, usually on a Friday, and demand that payments be made in respect of certain invoices. Correct?---Yes.

30 And what you would do would then be to arrange, is this right, the electronic transfer of funds?---Yes, that's right.

And you've agreed with Mr Byrnes' evidence that in or about 2009 you informed him that you had noticed that payments being made to an entity called CND Computers had a bank account detail that was the same as Mr Goodman's personal account?---Yes.

And you alerted Mr Byrnes to that issue?---That's right.

40 And despite that occurring, that is alerting Mr Byrnes to that issue, and this is a fact but you can tell us this, it's correct isn't it that payments continued to be made into that bank account of Mr Goodman through those invoices, CND Computer invoices, until 2011. Is that right?---I don't know for sure.

Okay. But you would have had visibility of that in your role, that is as to those payments going into that account?---If I looked for it, yes.

Yeah, okay. And is it your evidence to the Commissioner that you didn't go back and have a look at whether the payments to Mr Goodman's account

through invoices being paid to that particular entity had stopped after you raised it with Mr Byrnes. Is that right?---Yes, that's right.

So you didn't, you didn't look at that issue further because your evidence is you informed Mr Byrnes who told you he was telling the Deputy General Manager?---Yes, that's correct.

Is that correct?---Yes.

10 Okay. Now, could we have shown to the witness volume 18 of the ICAC brief, commencing at page 10. So it's 10 and 11. I was just wondering whether you can help us with this, Mr Thompson. There's an email from you going to Mr Goodman on a Saturday at about 3.20, Saturday, 16 March, 2013, attaching a remittance advice in relation to the Truck Service Centre. Do you see that?---Yes, I do.

And you're probably aware of evidence in these proceedings that approximately a half a million dollars of Council money was paid through invoices that were presented in respect of the Truck Service Centre?---Yes.

20

And that those moneys went into bank account controlled by Mr Goodman being Gas Motorsports. Are you aware of that?---That's what I've heard, yes.

Yeah. Okay. Can you explain to the Commissioner, what you were doing on 16 March, sending to Mr Goodman the remittance advice that an amount of money in the sum of \$11,913 had been paid in respect of this invoice, sir?---He rang me on the Saturday morning saying "We've got some invoices we need to pay". I said, "Well, we can't do anything about it today, Gary."

30

Right?---And he said "We need to get the money into our accounts". I go "We can't do that till Monday". So he said "Well could you at least make the payment as in the remittance advice, because the Business Unit needs a street sweeper to start sweeping on Sunday".

Okay. Is that what he told you?---Yes.

Okay. And then you then - - -?---So I went into work - - -

40

You went into work to do that?---Yeah. And did that payment for him so it was processed in our computer system and I emailed him the remittance advice as you requested.

What was the invoice that was presented to you – let's go back one step. In terms of the three invoices that were paid is it your evidence that you physically sighted them, did they give them to you? How did you get them?---He emailed them to me.

So he emailed them to you?---Yes.

So Mr Goodman emailed you three invoices and said you needed to pay them?---Yes.

Did you regard that to be a bit odd?---I'd say I would've at the time, yes.

10 And bearing in mind of course that you had noticed in 2009 that there was money being paid into his personal bank account on the account of the invoices issued by the CND computer company, correct?---Yes.

Yeah. So I mean bearing in mind that history, did you regard it to be a bit odd that you would be receiving invoices from him with an urgent demand that you paid them on a Saturday? What, why would you do that?---I thought it was unusual. But I did not, I thought the Truck Service Centre was a legitimate company. I didn't know otherwise.

20 Okay. And despite knowing that there was money previously going into his account through invoices issued in the name of the CND computer company, is that right?---Yes.

30 Okay. And you – is it your evidence - just to be clear – is it your evidence that and you say this to the Commissioner on oath, that at no stage were you aware after the 2009 alert to Mr Byrnes concerning the payments going into the bank account of Mr Goodman in relation to CND Computers. After that notification is it your evidence to the Commissioner, your sworn evidence that you were not aware after that time that any invoices that you were paying on behalf of the Council were either firstly, false invoices?---Yes.

Secondly, invoices for moneys that were being paid to Mr Goodman either directly or indirectly, is that correct?---No, I have no knowledge of the that.

Is that correct?---Yes.

And thirdly, is this your evidence, that you received no money from Gary Goodman, you received no money from Gary Goodman either by way of a loan or gift during the period 2009 up until today?---No.

40 Is that your evidence?---Yes, it is.

Okay. Thank you. Now are you familiar with the company called Gardens Extra?---Yes.

Okay. Can I just ask that the witness be shown a document at volume 23, page 51. This is a file note, part of the Council records. You're referred to there in the second entry, there's a third point, "Unacceptable explanation of phone call to Garden Extra on 14 April". Do you know what's that about?

---No. No. I was told there was a phone call.

Yeah. But I can't really recall what it was about.

Now in respect of Suman Mishra she's given evidence in these proceedings to the Commissioner that she invested \$15,000 with you in relation to an online investment business that you had. Do you recall that evidence, were you here when that evidence was given or has that been relayed to you?---It has been relayed, yes.

10

Yeah. And did Ms Mishra invest \$15,000 with you?---There was no online investment business or anything.

I'm just asking you did she give you \$15,000?---She did give me \$15,000, yes.

20

And, Commissioner, just the reference for that just for the Commission's records is page 190, about line 34. So her evidence was that she invested – this question I think was asked by Counsel Assisting about investing money with you and I think around \$15,000 and she was asked, “And why are you investing it with him?” And she said, “He told me about some deal, online investment.” “What was that?” So let's go to the first issue. Did she give you \$15,000?---Yes, she did.

And what did you do with the money, sir?---It was put into - - -

What did you do with the money?--- - - - an online savings account that I had.

30

In your name?---Yes.

Did she tell you whether that money came from Mr Goodman?---No. I believe it was something to do with her divorce.

When did she give you the money, sir?---I think it was 2011 I think.

You think?---I think, yes.

40

And what bank account did it go into?---It was paid into a CBA Streamline account.

In your name?---Yes.

Okay. And did you use that money?---No.

Okay. And when did you return it – before that, did you return it to - - -?---I returned it about 12 months later.

Yeah. And you returned it to her and with – did you pay her any interest on it?---Yes, I did.

And how much did you give her?---The interest was around about \$800.

And did you keep any money?---No.

Okay. She said that she paid you tax that was applicable on it?---Yeah, she gave me a bit of money back, yes.

10

How much did she give you?---I'd say it may have been 100, \$150.

Okay. And did she tell you the money was coming from proceeds out of her divorce?---I believe that was it, yes.

Is that what she told you?---Yes.

See, because Counsel Assisting asked her the question, “Well, why couldn't you just put the money in yourself?” “I didn't know much about them.

20

That's when I came out of my divorce and I never had a single account in my own name when I was married.” So did she actually tell you the money was coming from divorce proceeds or you just don't know where the money came from, what's your evidence?---I don't know for sure.

You don't know?---No. I know it was at the time of her divorce but I don't know the circumstances.

30

You don't know. Okay. Now in relation to matters of your employment at Council, can I ask that you be shown volume 23, pages 4-5. This is a letter that you received from the Deputy General Manager on 22 July, 2015 and as you might recall there was a cheque that was received from Toplace for \$203,000 which was apparently received by the Council in May but was not receipted until April, 2015?---Yes.

And a problem arose in respect of that and you were told by the Deputy General Manager, “As custodians of public moneys we're all required to exercise care and due diligence in carrying out our duties.” Do you see that?---Yes.

40

And on the next page at page 5 said, “We've previously discussed the need to separate the accounting functions from your role as Civica administrator and these changes will occur over the coming weeks in consultation with the Co-ordinator Financial Services and the Chief Financial Officer.” Do you see that?---Yes.

Yeah. Did that actually occur at that time or did it occur later, that is subsequent to the ICAC investigation becoming public?---What date was this?

This – if you go to the front page, it's 22 July, 2015?---22 July. It did start occurring around that time.

Okay, thank you. Now, in relation to your chain of command, the chain of command was that you would report to Mr Byrnes - - -?---That's right.

- - - or Mr Goodman?---Yes.

10 Mr Byrnes. Okay. And you were informed, weren't you, that it was important for you to follow the chain of command and not to deal with matters that fell outside of your duties. Correct?---Yes.

And that was something which you were reminded of I think by Martin Perry, the Manager of Governance and Human Resources, in 2010?---Yes.

Do you recall that, that instance?---Yes, I do, yeah.

20 Yeah. And what occurred there was that – but you correct me if I'm wrong – was that you were involved in swiping in another employee via the electronic timekeeping system?---Yes.

And you were told that you had no authority to do that?---Yes.

And that that should not occur?---Yep, that's right.

30 Okay. Just the reference for the Commissioner, that's volume 23, page 50. So you knew that there were established procedures that you were required to follow. Correct?---Yes.

Yes. And you were aware, and I can take you to it if you want, but you would accept wouldn't you that you were aware and had been informed of Council's Code of Conduct. Correct?---Um - - -

I can take you to it if you'd like?---Well, Code of Conduct wasn't till 2012.

Yeah?---And this was in 2010.

40 Yeah?---But I can still understand the issue, yes.

Yeah, no, but you understood, did you not, for the period of your employment that you had an obligation as an employee that if you observed conduct that you considered to either be corrupt or the misuse of Council resources, that you had an obligation to report it?---Yes.

Yes. And that's what you did, you say, with the matters that you raised with Mr Barry Byrnes. Correct?---Yes, that's right.

Thank you. And you were aware in terms of internal reporting procedures that in the event that you were not satisfied with a matter that you had raised with your direct report, you could escalate the issue if necessary. Correct?
---I believe that's the case, yes.

Yeah. Okay. Now, I just want to ask you some questions about a different topic. Is this the case, that – you can correct me if I'm wrong – your leave, annual leave, have you taken annual leave in the last six years with the Council, in the last six years?---No.

10

So for the last six years your evidence is you have not taken one day of annual leave?---Oh, there may have been a day here or there but not, not like a week of leave or anything like that.

No. So, because the system, I just want you to understand that during the course of this investigation that has commenced as a result of the ICAC inquiries, there's been a review undertaken of your leave records and it purports to show that you've taken no leave for six years. Is that right?
---That would be a fair enough statement, yes.

20

So are you suggesting, sir, that you've taken like a day here or there in the last six years?---Possibly, yes, that's right.

Really?---Yeah.

Really. Okay. Now, you've received cash out, cashing out of your leave entitlement, sir. Is that right?---Yes, I have.

Yeah. And quite substantial payments?---Yes.

30

Yeah. And who authorised that?---I think overall they were authorised by the Deputy General Manager.

Did you ask her for it?---No, it was suggested to me.

Sorry, say that again?---It was suggested to me.

By whom?---Gary Goodman.

40

Oh, okay. So he suggested what?---Ah, we need to reduce our leave liability - - -

Right?--- - - - so do you want some leave paid out.

Okay. And you organised those payments, didn't you?---Um - - -

Well, do you recall in 2007 there were four payments that were made in relation to Ms Cullinane, yourself, Gary Goodman and Barry Byrnes?

---Yes, yep.

Did you facilitate those payments being made outside of the payroll system, sir?---They were paid through creditors, yes.

Yeah. And you know that you should not have done that, correct?---No, I was directed to do it.

Yeah. Who directed you to do it?---Gary Goodman.

10

And did you not think that that was rather odd that a payroll associated matter was coming through creditor payments?---At the time I didn't, no.

No. And did you suss and it became aware that there was a problem with how that had been done?---Yes.

Yeah. And how did you become aware of that?---I can't recall offhand.

You can't recall?---No.

20

Okay. Do you recall that there was a request that you had to repay certain moneys?---Yes.

Yeah. And do you know what that was in relation to?---The tax component.

Yeah. Okay. And that it had to be – the transaction had to be reversed to go through the payroll system?---I'm not too sure about that.

Okay. Can the witness be shown page 45 of volume 23.

30

THE COMMISSIONER: While that's coming up, Mr Thompson, did anyone suggest to you that you should reduce your leave entitlements by actually taking leave?---No, they didn't.

Over six years no one said to you that you should be taking leave?---No.

Was there any policy at Council that dictated that you would lose annual leave if you didn't take it within a stipulated period?---No, there wasn't.

40

MR MOSES: Well I have something to say about that later, Commissioner. But, yeah. Page 45, volume 23. Is that your handwriting on this page?---No, it's not.

Okay. And if you then go to, if we then go, sorry, Commissioner, volume 23, page 52. You received a cash out payment in 2004 for 23 weeks annual leave. Do you see that?---Yes.

Now is that because you were not, according to you, not taking any annual leave whilst you were working at the Council?---Yes, that's right.

So you were accumulating all this?---Yes.

When's the last time you received a pay out in respect of annual leave?---2014, I think.

Okay. And who authorised that?---Deputy General Manager.

10

Okay. Thank you. And just so we understand your evidence so we get it right, are you telling the Commissioner on oath that for the last six years, so if we get this right. For the last six years you have not been outside of the country, correct?---I haven't been, no.

Okay. And you have not taken any periods of leave outside of the state of New South Wales, is that right?---No. That's right, yeah.

Okay. That's your evidence?---Yes.

20

Okay. Thank you. Just one final question. In 2009 when you raised with Mr Byrnes the fact that CND Computer invoices were or had carried the same account details as Mr Goodman's personal bank account, all the money was going into his personal bank account. How did you come to identify that issue? How did you pick it up?---Something came across my desk with that information on it.

Okay?---And I just noticed that number looks familiar.

30 Okay. I have no further questions of the witness.

THE COMMISSIONER: Any other questions of Mr Thompson?

MS MCNAUGHTON: Yes, Commissioner.

THE COMMISSIONER: Yes, Ms McNaughton.

40 MS MCNAUGHTON: Can I indicate for the record first Commissioner, that it's been difficult to obtain instructions on the run in relation to some of these issues. The first I've been able to get instructions in relation to some of Mr Byrnes' evidence over the lunch period. So I'll be able to put certain matters to this witness but if it is to be held against my client that certain things were not put to Mr Byrnes, I would ask for him to be recalled should that be necessary?

THE COMMISSIONER: Well, well, could I just let everyone know that we are under a rather pressing timetable. We're not sitting tomorrow and the

proposal furthermore is not to sit on Thursday and that has been brought about by the need to pursue some further lines of inquiry. So the public hearing will go into next week and we are attempting to do what we can to make sure that all the critical witnesses are called, and certainly, Ms McNaughton, if you need people recalled to put particular things to them, then you'll be given that indulgence, but I just think that this is an opportune time to make everybody aware that things might crystallise towards the end of this week and everybody needs to consider their position in terms of who we call next week. But anyway, you go ahead with what you can do now, Ms McNaughton, and then we'll cross that bridge when we come to it.

MS McNAUGHTON: Thank you, Commissioner.

Sir, I represent Lorraine Cullinane. In relation to the issue involving CND Computers and duplicate numbers and bank accounts, it's been the evidence of Mr Thompson, sir, that you came to him with a sheet of paper with entries to do with CND Computers and you showed him the list but you did not give him a copy. Is that right or wrong?---Yes, that's right, it was Mr Byrnes, yes.

20

Yes. And he also says that you and he went to see Ms Cullinane together? ---Yes, that's right.

That is right, is it?---Yes.

You say. And did you give her the sheet?---Yes.

Right. So you didn't just tell him for him to go to Ms Cullinane, you say you both went?---Yes, we did, that's right.

30

Is it possible that the sheet was of a more general nature, only raising the issue in general about duplicate bank accounts rather than any particular information about any particular person or company?---It was just a list of payments that we were concerned about basically.

Right. And are you certain sitting here now that particular names of people and companies were on that sheet or was it a more general concern in relation to the generic issue of duplicate bank accounts being used for payments?---As far as I know it was like the last point, duplicate payments for, not duplicate payments but um - - -

40

Duplicate bank accounts being used?---Duplicate bank accounts, that's right, yes.

So no particular information about a particular name. Is that the position? ---Oh, CND Computers, yes.

Right. But any other name?---Not that I can recall, no.

So it's possible, is it, that Mr Goodman's name was not mentioned during the course of that meeting?---Oh, no, his name was mentioned.

Are you sure about that?---Yes.

Suggest to you, sir, that you may be mistaken about that?---No.

10 Are you aware of a contractor by the name of Yan or Yahn or something similar to that?---We had a contractor by the name of Yan for our computer system.

Right. And when did he work for the Council to your knowledge?---2009 to about 2011 roughly.

Are you aware of whether or not he was ever asked by Ms Cullinane to inquire as to whether or not there were duplicate bank accounts in the system?---No, I'm not.

20 Did he necessarily report to you about the work that he had done?---No.

So is it possible he could have done such an inquiry without you being aware?---Oh, yes.

Can I go to a different issue now in relation to the co-signing of cheques. Is it the case that Mr Byrnes and Mr Goodman were the main cosignatories of cheques?---Yes, that's right.

30 And it's only when either he, sorry, either when Mr Byrnes or Mr Goodman was not available that you would be asked to sign?---Yes, that's right.

In the main?---Yes.

And that in cases where one of either Mr Goodman or Mr Byrnes were not available, in some cases Ms Cullinane would sign?---Yes, that's right.

MS McNAUGHTON: But there would always be two signatories to your knowledge?---Yes.

40 Yes. Thank you. Thank you. They're my questions.

THE COMMISSIONER: Thank you. Anyone else needs to ask Mr Thompson any questions? Anything arising, Mr Thangaraj?

MR THANGARAJ: No, nothing.

THE COMMISSIONER: Yes, Mr Thompson, you may step down. You're excused?---Okay. Thank you.

THE WITNESS EXCUSED

[2.25pm]

MR THANGARAJ: Sharon Dale, Commissioner.

MR CHALMERS: So I appear Commissioner and she'll take the oath and I've explained the section 38.

THE COMMISSIONER: Yes. Yes, come forward, Ms Dale. Sorry, Mr Chalmers. Mr Chalmers, sorry, you have explained the section 38?

MR CHALMERS: I have.

10

THE COMMISSIONER: Thank you.

MR CHALMERS: Thank you, Commissioner.

THE COMMISSIONER: Ms Dale, just take a seat. Could I just make sure you understand that the section 38 order protects you from the use of your answers against you in any future civil or criminal proceedings but it doesn't protect you if it should be found that you have given deliberately false or misleading evidence because in that case your answers could be used to prosecute you under the ICAC Act. Do you understand that?

20

MS DALE: Yes.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

30

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED

40

THE COMMISSIONER: You want to take an oath, Ms Dale?

MS DALE: Yes.

THE COMMISSIONER: Yes, can we have the witness sworn please.

<SHARON ELIZABETH DALE, sworn

[2.27pm]

MR THANGARAJ: Ms Dale, could you give the Commission your full name please?---Sharon Elizabeth Dale.

And when did you first start working for Council?---'99.

And what's your most recent role?---Creditors clerk.

10

All right. Before you became aware of this investigation what was the process of paying an invoice at Council, what was your role with respect to - - -?---Oh, okay. I got the mail in the morning. Went through the invoices. Distributed them to people. They had to send them back authorised with job cost numbers and then I would put in my payment run.

Sorry, just a bit more slowly. Sorry?---Oh.

So you got a group of invoices did you?---In the mail - - -

20

Right?--- - - - in the morning or in the internal mail or whatever.

Yes?---I would give it to the appropriate person to authorise.

And who would that – how would you determine who that would be?
---Different sections.

30

Okay?---You know like, different directors or different managers. Then it would come back to me and then I – with a job cost number and they're – they would have signed off on it and then I would process it.

Right. And when you say process it, you mean put the payment through?
---The data entry, yes, yes.

And when you say they signed off on it, what did you understand that meant?---They'd authorise payment.

40

All right. And that was – presumably that was enough for you, that was all you had to see, a signature to authorise the payment?---Yes.

All right. And has that process changed at all since the ICAC investigation?---Um - - -

Has anything changed since September/October of last year?---Delegation wise?

No, no, with respect to just what you've told us about with respect to - - -?
---Yes. I don't, I don't distribute the mail any more.

Right?---And I think that's about it.

Okay. All right. So the process is that you will receive an invoice authorised and then you put the payment through?---Mmm.

And is the authorisation any different, that is, is it one person signing off on the invoice and then you put it through, is that still the basis of payment?
---Yes.

10

Okay?---Yes.

Before the ICAC investigation how were purchase orders generated do you know?---Mark Thompson could do purchase orders Tien Luk. I never did purchase orders.

All right. Do you know whether they were ever raised or came about after an invoice had been paid?---No.

20

You don't know that?---No.

Okay?---I don't believe they were, no.

O.K. All right. Were you ever asked to authorise – sorry, were you ever asked to put through any payments which had not been authorised?---Yes.

And who asked you to do that?---Gary Goodman.

30

And can you – do you have any memory of any instances where that happened?---Oh - - -

Well, what would happen?---Well, he, his invoices were always really urgent, he would put me under so much pressure, I would get them about 10 to 4.00 in the afternoon, they had to, the file had to be created by 4 o'clock for it to be sent to the bank and he'd say, "I'll sign it, I'll sign it," but he did have a sore leg so would send, like, please pay by email sometimes, yes.

40

Right. Okay. And did the fact that it was done so late, say at 3.50 or 3.45, did that mean that it was harder or impossible to get the proper paperwork?
---For me?

Yeah, for you?---Yes, especially when he was in another building, yes.

Yeah, all right?---Yes.

THE COMMISSIONER: How far away was this other building?---He was in the Coronation Hall, so - - -

Which is how far from you?---From me, maybe to the lefts.

Right?---Yes.

And so he made these requests, you said they were urgent, late in the day
- - -?---Yes.

- - - by email - - -?---Yes.

10 - - - because it was difficult for him to move around?---Yes.

Is that the position?---Yes, yes.

MR THANGARAJ: And those invoices, were they then signed and given to
you the next day or shortly after?---No.

Right?---Not always, no.

20 Okay. And did you chase them up?---Yes, I used to put them aside and say
that you need, you need to sign these. He said, "I will, I will."

Right. But he wouldn't sign them in front of you, he would just – you left
them with him and - - -?---Yes.

- - - they didn't come back to you?---Well, I didn't do the filing.

Right?---So when it did come back another girl did the filing so - - -

30 So would you process a payment and put in in an out tray for someone else
to file, is that how it worked?---I process the payment, then the payment has
to be signed off the batch by Barry or Gary, then they would send it back
when they've been through it, yes.

Okay?---And another girl would file it.

All right. And were all the invoices – sorry, were there any invoices that
were hard copy only, that is not on the system but just a piece of paper?
---Not that I recall, no.

40 Okay. Apart from what you've just told us were there any other occasions
where you processed an invoice without seeing the proper authorisation?
---From Gary, yes.

Okay. And apart from times when he said it was urgent, what other
examples were there?---His payments were always urgent.

Okay. All right. Did you ever have any doubts about any, about the
authenticity or accuracy of any invoices that you were asked to process?

---No.

Do you know anything about a delegations register, that is do you know who is allowed to authorise up to what amount?--- Yes.

And would you keep that in mind when you saw who was authorising - - -?
---Yes, yes.

10 Right. And what did you understand were the delegations for the people who sent you invoices?---We had a list that I would have to say wasn't the best list, I've asked for a better one, I would question Gary about Marny's delegation, I questioned Gary about Mark Goodman's delegations and he always said, "Yeah, yeah, yeah, it's okay, yeah, yeah, yeah, they can do that."

What did you understand Marny Baccam's delegation was, according to Gary Goodman?---Whatever she wanted to do.

20 Right?---Whatever she wanted to sign off on. Whatever I asked he said, "Yes, yes."

Okay. And was it any different for Mark Goodman?---The same.

Okay. When you say the delegation list wasn't the best, do you mean that it wasn't followed, do you, or - - -?---I just think it could have had a lot more detail.

30 What sort of detail do you think could have been there?---Like maybe copies of people's signatures next to them and yeah, maybe there were other people - I had a general knowledge of who could sign off on things as well, so the list could have been bigger.

And was the list by title or by name or both?---Oh, I'm not sure. I think it might be by both. I'm not sure.

All right. And did you ever raise, did you ever raise with anyone that the delegations document could have been better?---Yes.

40 Who did you raise that with?---To SINC after the ICAC - - -

Okay, that's after the investigation?---Yes, yes.

What about, okay, what about before?---No, I don't think I did.

All right. Has the delegation register changed since - - -?---Not yet, no.

Okay. All right. Did you have a Council phone, a mobile phone?---No.

All right. And I assume that you did not have delegation, you could not authorise invoices?---No.

All right. Did anyone ever come to you and say look, there are ways in which we can improve the system, that is before the ICAC investigation? ---Karen Rowe, who's our Finance Coordinator, she did start to make changes to improve it, yes.

10 Do you remember what changes she wanted to make?---With the maintenance, that I wasn't to do it, another girl did it and then we double-checked it. She filled in her form and signed off on it and then I would double-check it and then sign off on it.

Okay. And did anyone come and say to you that other people have raised concerns about the way we do business, that is Botany Bay Council, not you. But we do business and we want to make – they are suggesting that we make some changes. Did anyone say anything like that to you?---No.

20 All right. In the time that you've been there have you seen any changes in the role that you've had or any roles that you had that have improved the system?---Yes. The one I was just telling you about, the maintenance.

Apart from that one, apart from Karen Rowe?---That's all I can think of at the top of my head for the moment.

Did you become aware of Council mobile phone overseas calls being made?---Yes, I did.

30 Did you hear that evidence earlier today?---Yes.

And did you do something about that?---Yes, I did.

Who did you tell about that?---Barry Byrnes.

All right. Now I just want to show you a copy of that statement you prepared for SINC Solutions. I'll tender that. I just want to ask you a couple of questions from that statement that you've prepared or that you've signed.

40 THE COMMISSIONER: Exhibit R51.

#EXHIBIT R51 - SINC SOLUTIONS STATEMENT FROM SHARON DALE

MR THANGARAJ: Just before we get to that. I asked you about invoices. I assume and you did not have any delegation. I assume that you didn't sign any invoices to authorise them?---No.

All right. If you can just go to your statement, page 2, paragraph 16. You see the second line and you say that, you talk about the job number?---Yes.

Is that the same thing as the purchase order number or not?---No. No.

10 All right?---This is the job cost number.

Okay. And is this a process that's been in place for a while or is it a new process?---No, for as long as I can remember.

And what would happen if there was no job number?---I would ask Mark Thompson.

All right. And he'd give it to you?---Yes.

20 All right. And in paragraph 24 when you say you've always checked them, what are you saying that you were checking, is it the things in the first sentence or is it something more than that?---The first part.

Okay?---Yeah.

Paragraph 52, page 4, is that something that's happened all the time or is that new?---New.

30 Okay. And that came about recently or since the investigation, did it?
---Since the investigation, yes.

All right. And paragraph 55, is that also in that same category, it's come about since the investigation?---Yes.

All right. Can I just finally, paragraph 116 on page 7?---No.

Does that mean that you - - -?---(not transcribable)

40 Sorry, have you seen that?---Sorry. That's correct.

Does that mean that apart from what's in your statement you're not aware of any other abuse of any other Council property or - - -?---No.

- - - any other misconduct at Council?---No.

All right. Nothing further.

THE COMMISSIONER: Yes, Mr Moses.

MR MOSES: Thank you. Ms Dale, I act for the Council. I've just got a few questions for you, ma'am. You commenced working for the Council in 1991?---No.

No?---1999.

1999. Thank you. I stand corrected. And you reported to whom?---Gary Goodman.

10 Yeah. And your most recent position with the Council was to deal with accounts payable?---Yes.

And is this how the system worked that you would receive through the mail invoices and you would then direct them to the person who was to authorise the accounts?---That's correct.

And did Mr Goodman inform you that there were certain entities that he should authorise invoices for, so he would tell you in respect of certain companies I want you to send these invoices to me?---No, he didn't tell me
20 in such a way.

Okay?---But I knew that Telstra accounts went to him and I knew that Finance, some of Finance things went to him.

And I mean I can show you the emails but I'm sure we can shortcut this?
---Yeah.

You would send him emails from companies such as Teletec to deal with?
---I didn't send him emails, no.
30

No. Well, you would – he would forward you emails or you would forward him emails with Teletec on there. I mean I can show them to you?---Yeah.
No, no, no. Teletec - - -

There's no suggestion you've done anything wrong?---No, no, no. I understand that.

I just want to understand the process?---No. I think Teletec always forward them to Gary Goodman.
40

Yeah. That's all right. Okay?---Yeah.

And there were times I think you've said where things would be emailed to him because he was in a different part of the building, he was on a scooter for some time. Is that right?---Yes.

Yeah. Okay. Now in relation to the accounts payable system there was a Fujitsu system. Correct?---Yes.

Previously?---Yes.

And the access that you had to that system was that you could go into a, into an account using the Fujitsu system, that is you could if you wanted to - - -?
---Yes.

- - - to go into the Fujitsu system and reverse or change details where bank account payments were to be made?---Yes.

10

Yeah. And I can show you this if necessary but you might be able to shortcut this as well. Were there occasions where Mr Goodman asked you to go into the Fujitsu system to reverse bank account details in respect of certain creditors?---Not that I can remember, no.

Okay. Is it possible that he may have?---May have - - -

Yeah?--- - - - but when I was changing bank accounts detail it usually would have something on the invoice to notify me they had new bank account details or - - -

20

Okay?---I mean I won't probably need to show you this but there are entries for 4 February, 2009 and 5 February, 2009 where there are reversal of accounts concerning a company called CND Computers that were paid to Gary Goodman's Access Advantage account and Performance Service Centre, and a Performance Centre account. If you did change details in the Fujitsu system in respect of matters then you would do it because of a direction you were receiving to do something?---Yes.

30

Yeah. And if you did – if you were making changes it's fair to say that you wouldn't have known that you were making changes to the accounts so that they would be directed towards Mr Gary Goodman's accounts or accounts that he held control of. Correct?---Oh, that's correct, yes.

Thank you. Okay. I have no further questions. Thank you.

THE COMMISSIONER: Ms Dale, can I just ask you, can you just have a look at your statement?---Ah hmm.

40

At paragraph 6 is that an error, "I started employment in records in the city - - -?---No, that's correct.

- - - in 1991"?---'99.

Well, that's what I'm saying, is that - - -?---Yeah, I just - - -

Is that, that date 1991 is incorrect?---Yes, yes.

So it should be 1999?---Yes.

Thank you?---Yes.

Any other questions? Yes, Mr Dunne.

MR DUNNE: Ms Dale, my name – Ms Dale, I'm -?---Oh, sorry.

10 My name is Dunne. I appear for Mark Goodman and I'd just like to ask you some questions in relation to your statement. Do you still have that statement in front of you?---Yes.

At point 60 you state that with regards to invoice number 3-2-8 for Jovane - -?---Sorry, what, what point is it?

60, 6-0?---Yeah.

You've found that?---Yes.

20 You say that Invoice 328, it is Mr Goodman's signature on the invoice, he normally signs like that?---Yes.

Is that right?---Yes.

Now I think you were saying earlier in answers to questions for Counsel Assisting that you thought one of the improvements that could be made should be the delegation list, should have details including a copy of the signature, is that right?---Yes.

30 And at this time you didn't have a copy of - - -?---No.

- - - Mr Goodman's signature?---No.

You'd seen a number of them and is it fair to say that you wouldn't be expecting anybody else to be signing that other Mr Goodman?---Yes.

And so is the case that if it was close enough it was good enough?---I just presumed that was Mr Goodman's signature, that's what it looks like to me.

40 I see. If you could – this is numbered but further on to your statement and that point 60 refers to invoice number 328. Further on is a copy of that tax invoice attached?---What page is it on?

It's not numbered. It would be after a whole bundle of Teletec invoices there are an invoice and a remittance notice and then there's a tax invoice for Jovane for a sum of \$9,922?---Hold on, I'm still trying to find it. Yes.

Okay. So that's invoice number 328?---Yes.

For a total of \$9,922?---Yes.

And have a look at the signature on that?---Yes.

Which looks – which you've said is Mr Goodman's, is that right?---I presume it's Mr Goodman's.

10 You presume, that's right?---Because, because this invoice comes from the Business Unit.

So because it comes from the Business Unit and because it looks like Mr Goodman's signature you assume it was Mr Goodman's signature?---Well, yes.

And you didn't have on your - - -?---No.

20 - - - delegation sheet a copied signature which you could compare it to
---No.

If I could ask you to go well one, I think it's one page further on, there's another Jovane invoice. This invoice is 367?---Yes.

For \$9,515?---Yes.

And you see the signature there is - - -

30 MR MOSES: Commissioner, I object to this. I mean ultimately my friend can put a submission to you in terms of comparing the signature of his client on what appears on invoices. But whether or not this particular witness agrees or disagrees with the signature being Mr Goodman's or not, she's not a handwriting expert.

THE COMMISSIONER: Well, no.

MR MOSES: She has given her evidence in paragraph (not transcribable) -
- -

40 MR DUNNE: Perhaps I can shorten it, Commissioner?

MR MOSES: - - - what it is.

THE COMMISSIONER: Yes, all right. I think Mr Dunne, you've established the point which is that - - -

MR DUNNE: Yes.

THE COMMISSIONER: - - - this witness in effect assumes the signatures to be those of the person who would normally sign the documents.

MR DUNNE: Yes.

THE COMMISSIONER: Yes.

MR DUNNE: And so in your statement and you make several references in your statement to Mr Goodman's signature appearing on invoices?---Yes.

10

That's your statement in relation to it being Mr Goodman's signature is based on the same assumption that you expressed before that because it came from the Business Unit and because it looked like Mr Goodman's signature or something like Mr Goodman's signature you assumed it was his?---Yes.

And as Counsel for the Council of Botany Bay have indicated, you've got no expertise in - - -?---No.

20

- - - confirming signatures in that area?---(No Audible Reply)

Yes, thank you.

THE COMMISSIONER: Any other questions of this witness? Nothing arising, Mr Thangaraj?

MR THANGARAJ: No.

30

THE COMMISSIONER: Thank you, Ms Dale, you may step down. You are excused.

THE WITNESS EXCUSED

[2.50pm]

MR THANGARAJ: Chloe Dickey, Commissioner.

MR LEAVER: Commissioner, I've explained the effect of section 38 to Ms Dickey, she'll take the affirmation.

40

THE COMMISSIONER: Thank you, Mr Leaver.

Just come forward, Ms Dickey, just take a seat. The order protects you from the use of your answers against you in any future civil or criminal proceedings, it doesn't protect you if it should be found that you've given deliberate false or misleading evidence to the Commission, because in those circumstances your answers could be used against you to prosecute you for an offence under the ICAC Act. Do you understand that?

MS DICKEY: Yes.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

10

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT

20

THE COMMISSIONER: Do you wish to be sworn or affirmed, Ms Dickey?

MS DICKEY: Affirmed.

THE COMMISSIONER: Affirmed. May we have the witness affirmed, thank you.

30

MR THANGARAJ: Ms Dickey, could you give the court, the Commission your full name, please?---Yep, Chloe Anne Dickey.

And when did you start at Botany Council?---Late January 2015.

And what's your role there now?---Administration.

10

And what does that involve?---I'm currently doing invoices receivable, payable, quotes, ordering, just anything really around the depot.

Around what, sorry?---Around the depot.

20

Around the depot. All right. Before the ICAC investigation, what was the process as far as you understood it of creating a purchase order?---The relevant supervisor would have a purchase requisition sheet and they would have the supplier on there, what the job was for and then it would be costed, signed off by the manager and a purchase request number would be raised and then they could go order or have the works done. Invoice would come in, see the goods receipted or works completed signed off by the relevant supervisor and then to the manager for approval to sign off on and then goes to Council for payment.

All right. And what was your role in that process?---Just handing paper to people.

30

All right. And has anything changed?---It's just a more detailed process.

In what way?---The materials requisition sheet is a lot more detailed now and if the works are for Sydney Airport then we try to get the Sydney Airport representative to sign off on the sheet as well to confirm, we credit, good receipt the invoice now as well.

Is that to confirm that the goods are needed or that they're received?

---Ah, in the system for authority.

40

Authority?---Yes.

Authority for the purchase to go through?---Yes.

All right. And what was the process before the investigation of paying for an invoice?---It would just be signed off by the relevant supervisor if we had the backing paperwork for it, it would be attached and then sent to Council.

All right. And has that changed?---Yes.

In what way?---Just a lot more detailed process as well so - - -

In the same way you've just told us about the purchase orders?---Yes.

All right. What role did Finance have in paying an invoice before ICAC investigation?---Ah, the same way they do now.

10 All right. And what do you understand that to be?---I understand it to be that once the invoices and goods receipted in the authority system and then it can be paid once it reaches Sharon.

All right. When a new contractor comes on, that is someone who's not in the system, did you have access to create them as a vendor in the system? ---No.

And who could do that?---Usually I emailed Tien Luk up in Council.

Right. And he would do that, would he?---She would, yes.

20 Sorry, she would do that?---Yes.

And what role did she have or does she have?---I'm not sure.

All right. All right. Now, you understand that this inquiry is about misconduct or various misconduct at Botany Bay Council. You've been there for about a year now?---Yes.

30 Are you aware of -- were you aware of any misconduct by anyone at Botany Council?---No.

Did you hear anything about - - -?---There's always rumours but nothing specific or - - -

Right. But nothing more than that?---Yeah.

All right. All right. All right. Nothing further.

THE COMMISSIONER: Any questions of Ms Dickey? No?

40 Thank you, Ms Dickey, you may step down, you're excused.

THE WITNESS: Thank you.

THE WITNESS EXCUSED

[2.55pm]

MR THANGARAJ: Commissioner, they're the witnesses for today. Can we just have five minutes because we may be able to update everyone as to what's happening for the rest of this week?

THE COMMISSIONER: Yes. We'll take a short adjournment. Let me know when you're ready. Thank you.

SHORT ADJOURNMENT

[2.55pm]

10

MR THANGARAJ: Commissioner, the proposal is that on – that we next sit on Friday morning and that we start with Siddik Hussein who is Al-Furat Printing. Marny Baccam has given evidence about him.

THE COMMISSIONER: Yes.

MR THANGARAJ: And the Lyndal Marshall, Gardens2envy and then Gary Goodman.

20

THE COMMISSIONER: And obviously Mr Goodman will go into Monday the following week?

MR THANGARAJ: That's inevitable.

THE COMMISSIONER: Right. All right.

MR MOSES: You can rest assured of that.

30 THE COMMISSIONER: All right. Well, I would assume that the process will in fact be streamlined rather than – at least by the time we get to Friday.

MR THANGARAJ: Yes.

All right. Well, at this stage I'll just adjourn to 10.00am Friday.

MR MOSES: And, Commissioner.

THE COMMISSIONER: Sorry, Mr Moses.

40

MR MOSES: I should indicate that there are two statements which are still to be provided to the Commission, one by the General Manager and one by Councillor Glinatsis. The corruption prevention team provided those two individuals with draft statements but we hope a more fulsome version of those statements will be provided to the Commission that also may streamline that as we take into account some of the evidence in this case.

THE COMMISSIONER: All right. Is there any chance those statements could be provided before the end of this week, Mr Moses?

MR MOSES: They will be.

THE COMMISSIONER: Oh, good.

MR MOSES: They will be.

10 THE COMMISSIONER: All right. All right. 10 o'clock Friday morning. Thank you.

**AT 3.10PM THE MATTER WAS ADJOURNED ACCORDINGLY
[3.10PM]**