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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION YANCEY

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 30 JUNE, 2015

AT 10.01AM

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

THE COMMISSIONER: Yes. Yes, Mr Andjic, your section 38 order continues to operate as does your obligation to tell the truth.

<ANTHONY JASMIN ANDJIC, on former oath [10.01am]

THE COMMISSIONER: Yes, Mr Brady.

10 MR BRADY: Yes, thank you, Commissioner.

In what circumstances was it that you first saw Fayrouz and Fatima together that led you to the conclusion that they were sisters?---There was a meeting that I was having with Fayrouz at - - -

For what?---For I believe it was one the courthouse projects, I don't know which one it was, I think it was Cessnock and I invited her to come so I can meet who she is and discuss the project as a whole and I can't recall if it was in the building or if it was outside, I can't, it was around there, that period,
20 that time where she met Fatima and they said oh, it was a conversation and then I said, put one and one together and I said what's going on here and then went from there.

Right. You say you can't remember whether it was in the building?---Yes.

Do you mean you can't remember whether it was actually at your Department or what, at a courthouse - - -?---No, no, no.

- - - site?---No, it was at the Department but I don't know if it was inside the
30 building at the time or if we were outside. Sorry.

It definitely wasn't at Cessnock Courthouse that you first became aware of this?---Not, not at Cessnock Courthouse, it was part of that Cessnock project, I can't recall if it was one or the other but it was as far as - - -

Let's just focus on where you were when this first happened, when you first became aware that Fayrouz and Fatima were sisters?---It was - - -

40 Did, did - - -?---Yes, sorry.

Did that occur at Cessnock Courthouse?---It was related to Cessnock Courthouse but - - -

Did it occur - - -?--- - - - it - no, no.

- - - at Cessnock Courthouse?---No, no, no.

Definitely did not occur at Cessnock Courthouse?---I can't give you a 100 per cent but I'm, I'm saying more than likely yes.

Well, how can you only say more than likely?---Because I can't recall if it was at the courthouse or if it was the building, I'm saying that it was probably at the building prior to going to Cessnock so it was related to Cessnock.

10 Well, just think about it for a moment, the first time you find out that a company that you've given work to is being project managed by Fatima's sister, just think about that for a moment and try and give us a definitive answer if you can. Where did that occur?---It was at the building.

And when you say at the building, at the building of Asset Management?
---Ah, yes.

Now did you go to Cessnock Courthouse on a site visit?---On a number of occasions, yes, I did.

20 When you found out that Fatima and Fayrouz were sisters was that before you went for the first site visit to Cessnock Courthouse?---I believe so.

When you found out that Fatima and Fayrouz were sisters what did you do?
---Well, I asked the question what's, are you sisters and they said yes, we're related and then I said well, I'm going to have to - - -

30 Well, hang on a second, did they say we're related or did they say yes, we're sisters?---Oh, yes, we're sisters and I said to them that we have to, we have to declare it, I'll have a talk to my manager and see what the next process is in that regard.

Right. And then what happened?---I spoke to Jamie and then the comment was if the, if the declaration is put into place, it's a low risk, we can move forward with the project.

If the declaration was put into place it's a low risk, we can move forward with the project?---Correct.

40 You say that's what Jamie Maslen said to you?---I can't say it verbatim but it's along those lines.

What declaration was put in place?---There was a declaration of, I don't know, there's a form that is put into place, it's either a conflict of interest form or a stat dec, I don't know the actual form, I can't recall the type of form that it was.

And who filled that out?---Each individual person.

Who's each individual person?---Myself, Fatima and Fayrouz.

All right. What did Fatima put in in hers?---Um, that she declares her relationship with Fayrouz that they know each other.

Well, they did more than know each other, they were sisters?---Yes.

10 Did she put down we are sisters?---I don't recall the exact wording of that but it was related or thereabouts, I can't say if it's sisters or not, I don't recall.

Well, are you looking at these declarations?---Well, once the declarations signed off on and the likes I put it into the folders.

Did you look at the declarations?---At the time more than likely I did, yes.

Well, you were the assistant director in charge of Capital Works, right?
---I was, yes.

20 If there is a declaration of a conflict of interest no doubt you want to know exactly what that declaration says?---Yeah, I probably did have, review it at the time.

Well, did Fatima say Fayrouz is my sister?---I can't recall the exact words like I said but it was, it was along the lines with relatives, relations or sisters, I can't give you the exact words, sorry, Mr Brady.

30 Well, it's not even a matter of the exact words, it's just a question of whether or not you put down that they were sisters. Did she put down that they were sisters?---I can't recall.

Why not?---It's not at the top of my mind, sorry, I'm trying to rack my brain if it was or if it wasn't said.

Well, surely it's been something you've been thinking about for some time now?---Yes, and I'm struggling to come out, come up with what actual words were said.

40 Now what happened to that declaration that you say that Fatima signed?---It was put into the file with the, my working file.

What do you mean it was put into your file with your working file?---I've got a working file. When I create a file I create a working file and then hand that file through to the next project manager or officer because to – so they can create their own filing system.

Did you start a hard file for the Cessnock Courthouse project?---I never did start a hard file.

You never start a hard file?---I do every now and then but more often than not, probably 90 per cent of the time I have a working file which is a manila folder and I put all my documents in there and when the project gets handed over to the respective project officer I give that to them to create their own filing system.

But you were going to be the project officer on this weren't you?---Not necessarily, no.

10

Well, who was?---I was trying to get someone to do the role?

What do you mean you were trying to get someone to do the role?---I've been trying to recruit someone in that position for a number of years and unfortunately I didn't have the resources so I was, I was managing that project or those projects.

Right. So you were the project manager for it?---At that time, yes.

20

Well, why as project manager didn't you start a hard file?---Because like I said before, Mr Brady, I always have a working file and then when that gets handed over to a project officer accordingly it gets, I didn't believe I was going to be continuing on with that project.

Well, at some stage you must have realised I've now got this project?---Yes.

Well, when you realised I've now got this project why didn't you start a hard file?---It didn't cross my mind at the time because I was using my working file.

30

Did you working file then include everything that you were doing?---Pretty much, yes.

And that's just in a blue manila folder?---Not, not a blue manila, there was multiple colours.

So do you say therefore that you never started a hard file for the Cessnock project?---I don't believe I did.

40

The Cessnock project ultimately ended up costing the Government somewhere in the vicinity of about \$400,000-odd didn't it?---I don't know the exact figures, sorry.

Is that about right though?---I, I don't recall the figures, I apologise, no, I don't know.

It was getting up towards half a million wasn't it?---I don't know, I don't know the figures.

Well, it's definitely more than a couple of hundred thousand wasn't it?---It was over 100,000, I, I, I admit that, yes.

And at no stage did you decide we actually need a separate file for this courthouse project that's worth over \$100,000 to the Government?---No.

Why not?---It just didn't cross my mind, I had a working file and I was working against that.

10

Okay. So you say that Fatima put her declaration of conflict of interest in that working file?---Well, yes. That – I put that in that working file.

All right. Did you show that declaration to Jamie Maslen, do you say?---Ah, from memory I did, yes.

20

And when Mr Maslen saw that Fatima had written in there that she was, well, maybe related to someone who had just got a contract from Capital Works, what do you say he said?---Like I said before, I approached him and he said "It's a low risk situation, it's manageable, continue on with it".

THE COMMISSIONER: Mr Andjic, when one is dealing with conflicts of interest, the closer the relationship between the person such as yourself who is obliged to declare the conflict and the person with whom you are dealing, the greater the conflict?---Yes.

30

So for example, if Ms Hammoud was at that stage your wife or if Ms Hammoud and Ms Chacra were in fact sisters as opposed to cousins once removed, then the conflict is greater, is it not?---Ah, yes.

So wouldn't it be a critical part of the declaration to state that Ms Hammoud and Ms Chacra were in fact sisters, not cousins once removed?---I probably – I don't recall the wording. I believe that it was – I can't say exactly if the sisters was mentioned or if it was relatives.

But you see, you see my difficulty is this. You say that Mr Maslen said "This is a low risk situation, this is manageable"?---Yes.

40

On what basis could he have said that if the declaration was clear that they were sisters? You could not in any reality describe that as a low risk conflict of interest, could you?---I, I took it on his guidance in that respect.

I'm not asking how you took it?---Ah, sorry, yeah.

I'm asking you how could that relationship, one of sisters be described as a low risk conflict?---I believe there was another incidence where a brother and – and that's why – okay, it wasn't a low risk.

Are you, are you suggesting that that other situation was also brought to Mr Maslen's attention?---Another incidence?

The other one you're talking about?---Yes. I believe so.

What so you're saying that Mr Maslen on two occasions decided that the business between the Department and a direct relative was a low risk conflict?---I believe so. I can't speak on his behalf but I believe it was the fact.

10

But you're telling me that you know there was a prior incident and then there was this one and on both occasions Mr Maslen described that as a low risk?---Yes, I believe so, yes.

MR BRADY: Would you say to him, I'm not sure about whether or not you'd describe sisters and the conflict that creates as being low risk?--- Sorry, what's the questions?

20

Did you say to him, well, why is that low risk?---No, I didn't ask, I didn't query his thoughts at all or his presumptions.

So you're in charge of this project, aren't you?---At the time I was, yes.

And not only are you in charge of the project but you're in charge of the group that's running the project?---Correct.

30

Well why didn't you make your own determination about whether a contract given to Fatima's sister created a conflict?---I did and that's why I approached Jamie.

Because you were concerned about it?---Obviously, yes.

Well if you were concerned about it why didn't you say to Mr Maslen, look, I actually have some real concerns about this?---I told him "This is my position. This is what it is, this is the conflict that was raised to me. This is my concern," and it went from there.

40

And notwithstanding the fact that you expressed your concerns to him about a conflict, Mr Maslen, says, "Yeah, don't worry about it. Go ahead"?--- Yes.

Are you seriously giving that evidence?---I am, yes.

All right. So Fatima signs a conflict of interest. Right?---Yes.

Which you keep on some working file?---Correct.

Did you – when you have a project is there also an electronic file for it?---
Sometimes, yes.

Why only sometimes?---It depends what you're going to put in that file.
Like if you're going to have word documents and the likes then there would
be electronic file, yes.

Like if you're going to have tenders and things of that nature?---Ah, yes,
yes.

10

Right. So was there an electronic file for the Cessnock project?---I believe
there was, yes.

Did you upload that declaration of a conflict of interest onto the electronic
file - - -?---No.

- - - for Cessnock?---No. I did not.

Why not?---I didn't feel the need for it.

20

Why not?---Because there was a hard copy.

There was no hard file though, right?---No. It was a working file.

And what happened to that?---To that working file?

Yeah?---I don't know.

Why not?---Because it became missing when I was away.

30

By the time you went away and this thing became missing, how big was this
working file?---I don't recall.

Well do you say that every single project that you were actually running
went into that working file?---Not every single project. Each individual
project had a working file.

Except the Cessnock one?---No. Cessnock had its own working file. Each
individual project had a working file.

40

I see. Just no hard file created by, by the Department for it?---No. I didn't
create any hard file, no.

So all the working files from all the projects that you had went missing. Is
that what you say?---The bulk of them, yes.

THE COMMISSIONER: Were they, were they in folders, hard copy
folders like this?---No. They were in like manila folders like that.

Cardboard manila folders?---Yes.

What colour were the cardboard folders?---Ah, there was a number of colours. It could've been orange, blues, yellows and greens were the predominant ones.

And they were labelled, were they?---At the top I'd say the courthouse name and title and that's how I labelled it, yes.

10

MR BRADY: Well why if you've gone to that effort don't you go to the effort of actually setting up a hard file for the particular project?---Like I said, I work on a working file and then hand those working files to an individual project officer and then they can create their own filing structure.

All right. So in addition to Fatima filling out this declaration or conflict who else filled one out?---Myself as well as Fayrouz.

20

All right. So Fayrouz fills one out, no doubt saying I'm a sister of Fatima?--
-Correct.

Actually saying I'm the sister?---I don't know if it's to those – I can't say it verbatim but it's either relations or sister, I can't say the exact words. I apologise.

All right. Because Fatima and Fayrouz are sisters, right?---Yes.

So there's a conflict there, right?---Correct.

30

Why do you fill one out?---Because I heard the conversation in that regards so I wanted to make sure that I was part and parcel of that as well.

Well how does that create a conflict for you?---Because I knew of the situation.

Well how does that create a conflict for you?---Well, I just did what I thought was the right thing to do at the time.

40

And I ask again, how does the fact that they're sisters create a conflict for you?---Because I knew they were sisters at that time and I wanted to make sure that I covered all my bases in that regard.

How does it create a conflict for you?---It probably doesn't.

Well what did you write down in your supposed conflict declaration?---That I knew – that the declaration was made between Fatima and Fayrouz that they were sisters or related and I understand that I knew that and I'm continuing on with the process accordingly.

That's not a conflict declaration from you, is it?---Well, that's what I wrote on the form.

You see according to you and the evidence you've been given there would be absolutely no need for you to fill out a conflict of declaration, a declaration of conflict - - -?---Probably not.

- - - on this project?---Probably not.

10

Well what did you do with the declaration of conflict that you filled out?---Same as the other conflict of interest forms.

You see there was no conflict of interest forms filled out, was there?---Yes, there was.

You didn't declare a conflict of interest because quite frankly this was all part of the plan, wasn't it?---No, that's incorrect. I did declare it.

20

THE COMMISSIONER: Did all three forms go into the same working file, did they?---Correct, yes.

So all three forms got lost with this file, did they?---Yes.

Given that you'd had this conversation with Mr Maslen, why weren't the forms provided to him?---Because all sign off submissions and the likes go into a working file so the actual project file.

30

But this wasn't, this wasn't to do with the project as such, this was to do with declaring a conflict and Mr Maslen had told you that it was, that it was a low risk?---Correct.

So the buck stopped with Mr Maslen, didn't it, in terms of him authorising the continuation of the project?---Yes. At the end of the day, yes.

And you didn't think that it was appropriate to show him the – provide him with the conflict of interest declarations?---I, I showed him the forms and - - -

40

You showed him the forms?---Oh, yes, I did. I said that before. Yes, I showed him the forms and then it got put into the files.

MR BRADY: So you showed him each of the three forms that you - - -?---I showed him, yes, the forms.

- - - that you had?---Yes.

Right. Saying here's the conflict of interest?---Well, here's the declarations, yes.

Mr Andjic, are you seriously telling this Commission that you showed Mr Maslen these three conflict of – declarations of conflict of interest in relation to Fayrouz and Fatima being sisters and you knowing about it and Mr Maslen said, Yeah, don't worry about it, just go on with the project?--- Correct.

10 Well, even if Maslen said, Mr Maslen said let's go on with the project why didn't you use your own common sense and say look, this is probably a bit of a difficulty?---I took on his credit as the director. I took his advice and I moved on forward with the project. My – yes, that's it.

Why?---Because my role is to deliver the projects and I made sure that I – to deliver them.

All right. So when did you find out that Fayrouz Hammoud's name was Fayrouz Hammoud?---When I met her the first time.

20

You know she was signing off as Fay Rouze, right?--- Yes.

You knew her name was Fayrouz Hammoud?---When they – obviously when I put one and one together it was Fayrouz Hammoud then, yes, or Fay Hammoud.

Or Fay Hammoud?---Yes.

30 You know don't you that she then continued to sign off on things as Fay Rouze?---Correct.

Well, what did you do about that?---Nothing.

Why not?---I didn't feel a need there was – for me to do anything in that regard.

Hold on a sec. You know that she's signing off on a name that is not hers, right?---It's her name. It's said it was her name.

40 You know her name is Fayrouz Hammoud, right?---Yes.

When she's signing off on these things as Fay Rouze why don't you say why aren't you using your real name?---It didn't cross my mind.

How did it not cross your mind that someone who is dealing with the department was using a false name?---It just didn't.

Now, you had to fill out a requisition form didn't you in relation to the SAFF Projects getting the project management job for Cessnock?---I believe I did.

Let me show you 1146. That's a requisition form isn't it?---Correct. Yes.

Requisition form needs to be filled out at the start of every job doesn't it?
---The bulk of them, yes.

10 And what's said on the requisition form it sets out who the – what the courthouse is going to be, right?---Yes.

It sets out doesn't it the supplier name?---Yes.

And then the description of the works?---Yes.

And the unit price?---Correct.

20 And then you have some signatures at the bottom don't you?---Correct.
Yes.

The requisition, requisitioning officer, that's the person who is going to be the project manager isn't it?---Not always, no.

Why not?---It depends like, who is going to be given the job or if it needs to be signed off on by anyone on behalf – like I said yesterday, the whole process was like if no one was around, you needed to get this out, you get someone to sign it on your behalf.

30 There was no rush in getting this requisition form filled out though was there?---It was coming – like it was within that crux of a financial year.

On 7 March, 2013?---Correct.

It could have waited to the 8th of March or the 9th of March surely?---Oh, yeah. A couple of days wouldn't make a difference.

40 Right. You don't suggest do you that Mr Ingram was going to be the project manager for Cessnock?---At the time I'm not saying that he was or he wasn't. I can't – but during the course of it he didn't become the project officer at all.

You don't suggest that you intended to make him project officer though do you?---I, I don't recall. I had a list that I used to keep of who was going to do what.

You see, you were the person who was saying whether or not SAFF should get the job, right?---Yes.

You were the one who wrote to SAFF saying we're looking for work for you?---Correct.

Took the fee proposal?---Yes.

10 Why weren't you the person who sent it out as the requisitioning officer since you knew about the matter?---Well, like I said, what, what happens is when you get the invoices, whatever it might be, get sign offs, get the requisition started as the like so it didn't come across like using a team member to do it.

But Mr Ingram doesn't know anything about it?---Yeah, there was a number of times or projects that happened like that.

Well, why didn't you sign as the person who knew something about it and then get someone to authorise that?---It's just - I guess it was common practice within the Department.

20 Again, it's subverting the process isn't it?---Not intentionally I guess in that respect but that's what was common practice.

Was it subverting the practice?---I've - - -

Sorry, subverting the process?---Subverting the process?

Yes?---It depends how you look at it but, yes, it can be looked at that way.

30 Well, how else would you look at it?---Like I said, it depends on the situation and the, and the outcomes that are required.

When you got the fee proposal from, when you got the fee proposal from SAFF Projects - - -?---Yes.

- - - did you write back to them and say could you break down the amounts, the amount that you're claiming - - -?---I don't - - -

- - - or going to charge?---I don't recall.

40 You didn't did you?---I probably didn't.

Why not?---Because I normally don't.

So SAFF sent through a fee proposal 1038, simply giving a figure?---Yes.

And you didn't ask them how they calculated the figure?---No.

You didn't ask them the stages and how much each stage was going to cost?---No.

How could you possibly then work out whether or not the figure of 44,270 was reasonable?---I used the rule of thumb with project management fees based on total project cost.

And that was the entirety of your approach to whether or not that seemed to be a reasonable figure?---On all projects, yes.

10

On all projects you took that approach?---More than – 99 per cent of the time, yes.

If they sent through something and it didn't break down how they were going to go about allocating that money you just said oh, as long as it's about 10 per cent no problems?---Not always. Like I said, 99 per cent of the time, yes.

20

Not always but 99 per cent of the time really is always isn't it?---No, there might have been one – once or twice where I did ask for a break down.

Why?---I can't – I don't recall the circumstances but I do recall doing it, yes.

Now, in order to go to a contract for construction you would need to go to the panel wouldn't you?---Not always.

30

If it's over 30,000?---You have to go do a tender process and approach a panel, yes.

All right. And the important thing about that is the panel includes the list of prequalified companies doesn't it?---Could, could be.

Well, it is isn't it?---Not always. It depends on a panel. If they're prequalified within that panel then, yes.

Well, doesn't the Department of Finance have a prequalified list of construction companies to be used?---They do, yes.

40

And that's the panel you get isn't it?---Not always.

Well, where else do you get it from?---Like I said yesterday, it could go to other Government agencies where we could approach them. You could – we could - - -

What other Government agencies?---You could go probably the Department of Housing or you can go Department of Transport or whoever it might be.

Department of Transport for a construction company?---I'm not – I'm saying other agencies. You asked for other agencies so I gave you other agencies. And we could have went internally with Brookfields Multiplex because they have their own panel.

Let's go back. The Department of Transport has a panel for construction companies?---I believe so.

10 And you might from Capital Works go to the Department of Transport's panel for construction companies?---We could go to other agencies, yes.

Well, did you ever go to the Department of Transport's panel for construction companies?---No, no, not for here, no.

Well, for anything?---When I was working for RailCorp, yes.

20 Mr Andjic, can we try and focus here please, this is really going outside the scope of the questions that are being asked of you. You see, I would have thought that a Government department develops a prequalified list of contractors on the basis that that list represents companies who are capable of carrying out the work that the particular department requires, am I right about that?---Yes.

So that if you were using a list from the Department of Transport you'd be looking at people who are in the business of building railway bridges or laying down tracks or constructing railway stations, am I right about that?
---Yeah, oh, oh - - -

30 So you're going to have to go to a panel of contractors who actually know what it is, what projects, i.e. renovations of courthouses, et cetera, et cetera are within the remit of your department, not someone's department, isn't that right?---Yes, I apologise, I misunderstood the question, sorry.

All right.

MR BRADY: All right. So anyway, no doubt for Cessnock Courthouse you send off and ask for the list?---Correct.

40 And you do that from the Department of Finance, right?---As far as I remember, yes, I did.

And you got a list back, right?---I, I believe so.

You then have to of course fill out even before a procurement method selection form, don't you?---The PMS form, yes.

Let me take you to 1181. That's the procurement method selection form, right?---Yes, that's correct.

And that's the one for Cessnock Courthouse, right?---Ah, I believe so, yes, it says Cessnock, yes.

Down the bottom it indicates that the requesting officer is Fatima Hammoud?---Yes.

And you're the signing officer?---Correct.

10 And the estimated total project cost was \$350,000?---Correct.

Can I go over the page to 1188. Is that part of the procurement method selection form?---Um, no.

What's that?---That is a form that's given to Department of Finance and Services to access um, their panel.

Right, to get their pre-qualified list of companies to do work?---Correct.

20 You see down the bottom where it says, "Contractors or consultants requested by client for consideration"?---Yes.

"Only firms pre-qualified with the relevant DFS Scheme for construction and related works will be considered for selection." Do you see that?---Yes.

DFS Scheme is the Department of Finance, right?---Correct.

Those companies are all on that list, right?---Yes.

30 And you knew didn't you that you should be choosing three companies to go to tender from the pre-qualified list?---Correct.

You didn't choose three companies to go to tender from the pre-qualified list did you?---No I didn't.

Because that changed to include the Triton Group didn't it?---Correct.

40 Why?---I approached the panel members that were on the list and the comments that they said to me that I want to work with Government and then I approached Department of Finance and Services and told them the scenario and then they came up to me and says you can utilise anyone you want to in regards to it for the location.

Sorry, just hold on two seconds. You approached the panel members, or the list members - - ?---Yes.

The ones who had actually gone to the effort of pre-qualifying for Government work?---Correct.

Who had to go through the process that we heard from Mr Richardson, from Mr Richardson about the effort it goes to get on the pre-qualified list, right?--Yes.

And each of the members of that list that you contacted said, “We don’t want to do Government work”?---Not along those lines exactly. I can’t give you the wording exactly but I called them because of the area and I said to them, “Are you interested in the job,” and they said no.

10

THE COMMISSIONER: You mean all of them said that?---Not all.

Every single one of them said that?---Not all, no.

Well who did say it and who didn’t say it?---I don’t recall the actual contractors, because I believe a couple of them actually did go for the role. I can’t recall.

MR BRADY: Well just give us a name of one company that you rang saying, “Would you like to go on this tender,” who said, “No, thank you very much. We don’t want to do Government work”?---Oh, probably Kingston. If you look at those, I’m not a 100 per cent sure which company it is.

20

No. Well give us a name of one of them, just one of them that you rang that led you to going to Department of Finance and asking whether or not you could use someone off this list?---I don’t recall the actual – it’s such a long time ago, sorry.

THE COMMISSIONER: Why didn’t you use the company that said yes, they were happy to do the job?---I believe there were a couple of companies that were on that list.

30

Yes, I know. I’m asking you why didn’t you use one of them?---Why?

Yes?---Their tender wasn’t accepted, acceptable.

So they tendered for the job did they?---Yes.

And it wasn’t acceptable to whom?---To the tender evaluation committee.

40

MR BRADY: So that was J&C Building was it?---Oh, I don’t - - -

And Programmed Maintenance Services?---I don’t know.

At about this time Pattersons for example were tendering in relation to Camden/Picton weren’t they?---I don’t recall the timings but possibly yes.

Did you go to Pattersons and say would you like to do Cessnock as well?---
No I didn't.

Why not?---I didn't feel the need to approach them.

Well, hold on a second. You've actually gone to the effort of going to
Department of Finance to say, "People from the list don't want to do the
work, can I go off the list," and you didn't even go to a company that was
10 doing another job for you?---The, the reason I believe with Patterson was
because I wanted them to tender on another project.

So you actually made a conscious decision not to go to Pattersons, is that
what you're telling us?---I probably did, yes.

Well what about the other 50 construction companies that were on the list
that was sent through to you?---Um, I don't know if it was 50.

Well, can I take you to it?---Yes.

20 1159. That was the list that was sent through to you, right?---Correct.

And you can see in fact over the page at 1160 Patterson Building Group at
number 8?---Yes.

And Programmed Maintenance Services who you actually got a tender from
- - -?---Yes.

- - - number 11. Can we go through then to page 1163, which is page 7 of
10 of this lot. Do you see it goes through to 35, All Solutions Building Pty
30 Limited?---Yes.

Now these are all ranked aren't they?---They're, I don't know what the
ranking means in - - -

But they're ranked aren't they? You can see that?---Yes, they're definitely
ranked, yes.

All right. And I want to suggest to you from 35 there are then in fact 15
40 companies at 35 leading to 50 companies over at page 1165. 50
construction, 50 construction companies that you could have gone to that
were actually on the list to do this job?---Yes.

Well what about using one of those rather than someone who wasn't on the
pre-qualified list?---I rang a bulk of them um, and then I looked at like,
location-wise as well - - -

Can I just stop you there?---Yes.

You rang the bulk of them?---A lot of them, yes.

Well, can we just have a quick check which ones you did ring then?---Well -
- -

You obviously didn't ring Patterson because you turned your mind to the fact that, you know - - -?---They were going to do another job for us.

They were doing another job?---Yep.

10

Whether they had 50 people who could have worked on it or otherwise you didn't know?---Yes.

All right. Well let's go through it. Did you ring MCD Group?---I can't recall. I don't, I can't recall.

Did you ring GNSL Group?---I can't recall.

Michael and Phillip Ferry?---I'm not 100 per cent sure.

20

AGM Construction?---Again you're going to say, I'm going to say I don't recall for the bulk of them. I don't know who I rang.

THE COMMISSIONER: When you say you called the bulk of them that, implicit in that answer is that you didn't call all of them?---No. I didn't call all of them, no.

Well, when you say the bulk do you more than, slightly more than half or - -
-?---It, it was probably - - -

30

- - - 75 per cent of them?---Yeah, half or thereabouts.

Maybe half or thereabouts?---Yeah. Yes, yeah.

So why didn't you call the other half?---Some of them like have been in Queensland - it's location wise.

Well forget the people who are in Queensland but there must've been - I mean if they were 50 firms on the list and you called about 25 to 30 of them why didn't you call the other 20?---It was just becoming a common trend so I just said "That's it. I need to go forward with the project".

40

MR BRADY: What I want to suggest to you as well is that in fact the list that you got sent through was a list of New South Wales companies?---Not all of them.

Okay. Well can we just check?---Yes.

Just go to page so 1159, all New South Wales?---Yes.

Go over the page, all New South Wales?---Correct.

Go over the page, all New South Wales?---Yes.

Go over the page, all New South Wales?---Yes.

Go over the page, all New South Wales?---Yes.

10

Go over the page, all New South Wales, ah, I'm sorry, number 35 at the bottom, one up from the bottom, there's a Queensland company?---Yes.

So there's one Queensland company out of the 50 that are listed there. So forgive me, I got it wrong, it's not 50 that are New South Wales, it's only 49 that are New South Wales. Why did you only ring half of them?---I rang the ones that - - -

20

The 49 that were New South Wales?---I rang the ones that were as close as possible to the location so from Sydney up and the likes so anything that was on the south coast I probably didn't even consider.

All right. Can you just give us one name of one of the companies you rang so we can check with them that you rang them about this project and they said "We don't want it"?---I can't recall what the company names or which company it was, sorry.

It's because you didn't ring them, did you?---I did.

30

You put Triton on because you wanted to favour them, didn't you?---I, I called the companies.

You put Triton on because you wanted to favour them, didn't you?---I don't know if it's favouring but possibly.

Well what was it then?---Possibly, yes.

40

It's not possibly it's absolutely, isn't it, you were favouring them, right?---More than likely, yes.

And you were favouring them because of your relationship with Fatima. Right?---Ah, not just because of that.

Partially because of that?---Possibly, yes.

It's a straight yes, isn't it?---Possibly, yes.

You didn't think that was problematic in terms of the conflict that you were favouring this company because of your relationship with Fatima?---It wasn't wholly based on the relationship.

You didn't think it was problematic that you were at least partially favouring this company because of the relationship you had with Fatima?--- Yes, that's unprofessional of me, yes.

10 Well it's a bit beyond unprofessional, isn't it?---Um, yes.

It's moving in the direction of fraud, isn't it?---I don't believe it's fraud.

Well you're giving a company a leg up because of your relationship with the sister of the person who owns it?---Subconsciously, possibly, yes.

Not subconsciously at all, it's directly, isn't it?---There was no malice intended.

20 Whether it was malice intended that's what you were doing, isn't it?---I wasn't favouring just on that basis, no.

What was the other basis then you were favouring it?---The pressures associated with the end of the financial year, knowing the company - - -

Well what did you know about the company?---I knew that they were doing some works for us so it was more convenience than anything else.

30 You didn't know anything about the company, did you?---But it was convenient on my part.

All right. So you put Triton on the list?---I did.

And then of course you go out to tender. Right?---Correct.

Who was then on the tender committee?---Ah, from memory it was myself, ah, Fay and Fatima.

40 What do you mean from memory, you know who it was, don't you?---Ah, yes.

Well why did you add from memory?---Because it's from memory. I'm speaking from memory.

Now you knew at least by that stage surely that Fayrouz and Shadi were partners?---I knew once we went on the site – visit each other like in terms of like the pre-tender meeting, I believe it was. That's when it was disclosed to me.

Right. So before you did the Tender Evaluation Committee you knew, didn't you, that Fayrouz and Shadi were partners?---Correct.

And you knew that Mr Chacra owned both SAFF and Triton?---Correct.

How in the world do you decide that it's appropriate for Fayrouz to sit on that Tender Evaluation Committee?---Ah, like I said, I approached my manager and it was given the green light to go ahead.

10 How do you come to the conclusion that it's appropriate for Fayrouz to sit on that committee?---Ah, how did I come to the conclusion?

Yeah?---I just did it.

Why?---To move the project forward.

THE COMMISSIONER: You mean to ensure that Mr Chacra's companies got the job?---No. Not that, to move the actual project forward to, to deliver the program, that was my intent.

20

What you thought the partner of the owner of these two companies on the Tender Evaluation Committee was going to vote to give the work to someone else, did you?---No, I didn't think that at all.

Right. You knew that she was going to vote to give the work to her partner?---Um, I don't know – I have to speak on her behalf but - - -

Ah, seriously Mr Andjic?---Yeah. Okay from my perspective, yes. I probably knew that.

30

MR BRADY: Well why did you do it?---Like I said, um, circumstances like to try and get the project off the ground, get it delivered, push it forward.

What's that got to do with having the partner of the person who's tendering on the Tender Evaluation Committee?---It doesn't have anything to do with it at all.

40 Right. So why did you do it?---Like I said it was convenient. She was a part of it already as part of the – as a project manager, if I pulled her off I had to get another project manager on board and the likes.

Well why not just get someone else on the Tender Evaluation Committee?--
-I should have in hindsight, yes.

You should've in hindsight. You knew at the time that you should've.
Right?---Um, I probably wasn't thinking like that at the time.

Because it was all part of the plan. Right?---What plan?

The plan to defraud the Government. Right?---I wasn't defrauding the Government.

Well you've got SAFF and Triton who was owned by the same person. Right?---Correct.

10 SAFF is doing the project management works?---Yes.

You've got Triton tendering for that work?---Correct.

You know that SAFF is going to say "Triton should get the work"?---I didn't know it implicitly at the time, no.

You must've known that. Right?---No.

20 You must've known that Fayrouz was going to say "I think we should give it to my partner"?---There was no comment made like that at all.

There didn't have to be a comment made like that. You just use your common sense, don't you?---Possibly, yes. I should have.

And the whole idea behind this plan was to get more work for both SAFF and Triton. Right?---It wasn't a plan.

What was this just straight incompetence then on your behalf?---It was.

30 It has to be utter incompetence, doesn't it?---I was incompetent in that respect, yes.

Were you utterly incompetent when you then first appointed Triton as project manager for this Camden and Picton project when you had absolutely no idea about the qualities and experience of Triton?---I should've done more research. Yes, I agree.

Was it utter incompetence?---On my behalf?

40 Yes?---Yes.

It's a bit beyond utter incompetence. You have to add to that, don't you, just an astounding coincidence that it happened to be someone who had a relationship with the woman that you loved. Right?---Infatuated with, yes.

So not only was it utter incompetence but it was just the most astounding coincidence as well. Is that what you are trying to tell us?---Yes.

When are you going to accept that you gave this stuff to Triton because of your relationship with Fatima?---I'm saying I'm not denying that there was some, probably subconscious relation in that respect to push it forward. I don't deny that at all.

Because you end up giving SAFF and Triton \$1.285 million worth of the Government's money, didn't you?---Yes, I did.

10 And you did so because of your relationship with Fatima. Right?---Not necessarily, no.

What do you mean not necessarily?---It was the end of the financial year, it was, I had a contractor and a project manager that was there and I used it for convenience on behalf.

20 What do you mean by not necessarily?---Well, like I said it was, I was under the pressure to deliver projects so I had a contractor there and a project manager that was there. I was utilising them and the likes. And it just fed off from that.

And it just happened to be the sister and her partner of the person you loved that you were giving it to?---Infatuated with, yes.

THE COMMISSIONER: Mr Andjic, I'm not quite sure I understand what you mean by I was under pressure to finish the projects?---The - - -

Our understanding - - -?---Oh, sorry.

30 Well, if you just let me - - -?---Sorry. I apologise.

- - - finish. Our understanding is that a significant amount of money, something in the order of \$250 million was set aside by the Department for a 10 year program which related to the upgrade of all these country courthouses - - -?---Correct.

- - - and that your projects were part of this upgrade?---Correct.

40 So the money was always there whether or not you spent it in that financial year or in other financial years, isn't that the position?---No. Um, the total analogy in regards to a financial year, if you don't use it you lose it, the money.

No, but you see that's what I'm asking. It does not seem to me to be correct that the money would be lost given that the money was earmarked for that project over a 10 year period. One way or another the upgrade of those courthouses was going to be completed with that money, isn't that the position?---No, not necessarily because there was changes that were happening within the court upgrade program.

All right, let me just ask you this – over the life of this project that you were running, the upgrades to these various courthouses in 2013 there were, as I understand it no court sittings scheduled at any of these courthouses because of the need to upgrade some of the courthouse infrastructure that would make it impossible virtually for any court sittings to take place?---Um - - -

Is that the position or not?---No, not really. Sometimes courts were, were operational while we did some of the upgrade programs.

10

In any event in relation to some of these courthouses where you had to do work in the courtroom itself there was simply no court sittings scheduled at that courthouse?---No, we tried to coordinate accordingly so we don't impact court sittings.

Well, my understanding from some of the evidence we've previously had is that the courthouse at East Maitland for a significant part of 2013 had absolutely no court sittings at all because of the nature of the work that had to be done there?---Um, there wasn't related to the works, no. There was some other works - - -

20

Sorry, what wasn't related to the works?---Ah - - -

The fact that there were no court sittings?---Yes, correct.

MR BRADY: You needed to didn't you sign a declaration of potential conflicts on the tender evaluation committee, right?---I signed a declaration, yes.

30 You say do you that both Fatima and Fayrouz then signed conflicts, declarations of conflict of well?---Ah, yes that was separate from the actual tenderers, yes.

For the tender evaluation committee?---Ah, it was a separate forms, yes.

And do you say that Fayrouz and Fatima in signing that declaration disclosed their interest?---Um, I don't recall what was stated on their but they disclosed their relationship with Triton, yes.

40 Do you say that this declaration form from Fayrouz for example said that SAFF, the project manager, and Triton, the construction company tendering are owned by the same person?---I don't recall the exact words. I apologise.

Well forget about the exact words. Was that the intent of it, that SAFF who was the project manager, and Triton were owned by the same person?---Ah, yes. It was, that, that was, I believe that was the intent.

All right. And that the person who owns both of those is in fact “my partner”?---It was, I didn’t, don’t recall the wording along those lines, no.

Well, did Fayrouz do you say declare her interest in being on the tender evaluation committee that her partner, as Triton was bidding?---I don’t recall the exact words but they were, there was something in that effect, yes.

10 Okay. So let me get this right if a can. Fayrouz has disclosed that SAFF and Triton are owned by the same person and that person is her partner?---I don’t think about the, the companies but the, the partnership, yes.

So she disclosed she was sitting on a tender evaluation committee where her partner was bidding to try and win that process?---There was a disclosure accordingly, yes.

And do you say that you gave that disclosure to Jamie Maslen?---I showed it to him, yes.

20 And just tell me if you would when Jamie Maslen finds out that the partner of one of the people who are tendering for this project was on the tender committee?---Sorry, what was the question?

Just tell me what it is that Jamie Maslen said when he found that the partner of one of the people who were tendering for this job was actually on the tender committee?---Again, the same thing happened where he said it’s a low risk situation, it’s manageable accordingly.

30 You can’t surely be serious that Mr Maslen said to you that the partner of one of the people bidding was actually determining whether that bid should win is a low risk?---Yes. I am saying that.

Well did you say well, “You might think it’s a low risk, Mr Maslen, but I don’t know what world you’re living in. It clearly is a problem”?---No I didn’t.

Why not?---I took his word. He was my director.

It’s because you never raised it with him isn’t it?---No, I did raise it.

40 You’re not seriously suggesting that the director of AMB saw that one of the partners of a person bidding was actually on the tender committee and said yeah, that’s low risk in terms of conflict of interest?---Yes.

But - - -

THE COMMISSIONER: Mr Andjic, can I just ask you – you were present throughout Mr Maslen’s evidence last Monday were you not?---I was, yes.

Right. Thank you.

MR BRADY: Let me just take you to the code of conduct for a tender process and what you actually sign?---Ah hmm.

724. Excuse me one moment. Do you see that's a declaration that you sign in relation to the code of conduct for a tender process, right?---Yes.

10 And that one is in fact in relation to the Picton and Camden Courthouse?---
Yes.

Do you see there at personal interest, "Declarations and Potential Conflicts"?---Yes.

It says this, "The need to avoid bias in tender processes cannot be over emphasised." Do you see that?---Yes.

20 Well, let me ask you this – do you think there might have been just the
slightest little bit of bias that the partner of one of the people tendering was
actually on the tender evaluation committee?---I might have been biased,
yes.

You might have been biased?---Yes.

Right. I wasn't asking about whether or not you were biased but we'll come back to that?---Yes.

30 I was asking whether or not there might have been the slightest bit of bias
that Fayrouz was actually on the tender evaluation committee when her
partner was tendering for the bid?---Ah, we're talking about – which
project, Cessnock?

MR OATES: No, Camden/Picton?---Oh, Camden/Picton. I apologise.

MR BRADY: Let me make this perfectly clear to you?---Yeah.

I'm not talking about whether or not in relation to this particular project that is the Camden/Picton project?---Yes.

40 We don't have the declaration signed for the Cessnock project. Do you
understand that?---Okay.

We can't find them. Do you understand that?---Yes.

Is that because they were never signed?---They were definitely signed.

Right. So we have the one for Camden/Picton but we don't have the one for Cessnock?---Yes.

But you say that you would have signed this for Cessnock as well, right?---I think this was similar to that, that was signed, yes.

Right. And you say that Fayrouz would have signed one of these as well, right?---Yes.

10 Well when it says, “The need to avoid bias in tender processes cannot be over emphasised,” would it be fair to say this, there must have been just a little bit of bias that Fayrouz was sitting on her partners tender bid?---Yes.

Well, why in those circumstances as the chair of the committee do you not take the step to say Fayrouz, you shouldn’t sit on this?---I approached my manager to get clarification and that was, that was the process.

20 THE COMMISSIONER: Mr Andjic, you don’t need to approach your manager to know that there was a very real conflict of interest. You don’t need to approach him to know that do you?---Yeah, and that’s why I asked for the declarations to be made.

No, no, no, no. I’m not worried about that. Please answer my question. You didn’t have to approach your manager to know that there was a very real and direct conflict of interest?---Correct. Yes.

So you could have taken steps without going to your manager to remove her from the panel could you not?---Possibly, yes, I should have done.

Well, it’s not possibly?---Yes.

30 You could have?---Yes.

And you didn’t?---No.

Why not?---Because I went through thinking that if I approach my manager and discuss it with them accordingly - - -

Well, that assumes that you actually did approach your manager doesn’t it? ---I – but I did, yes.

40 MR BRADY: You see, you didn’t really talk to Mr Maslen about any of this did you?---I did.

See Mr Maslen before he got appointed to acting director was just on the same level as you weren’t you – wasn’t he?---I believe so, yes.

You know so?---Oh, yes, he was. Sorry, yes, assistant director.

Well, you know don’t you that he was the same level as you?---Yes.

There was a bit of conflict between you and him when he got the acting job wasn't there?---Not at all. Not at the time.

You basically decided to run your own shop didn't you?---I didn't decide that, no.

You refused to engage with Mr Maslen didn't you?---No, I did engage.

10 Right. Now, apart from the bias that Fayrouz might show you've also got Fatima who is actually Fayrouz's sister on the same committee, right?
---Correct.

Fatima who is now the sister of the person who is the partner of the guy tendering?---Correct.

Well, that surely raises the issue of bias as well?---Yes.

20 Well, why didn't you say Fatima, you can't sit on this either?---I didn't have the resources to do anything otherwise.

Are you seriously suggesting that the reason you didn't ask Fatima to step aside was simply because of the resources?---Well, I didn't have any resources around.

Are you suggesting the reason why you did not ask Fatima to step aside was because of the resources?---Not wholly, no.

30 Well, why didn't you ask her to step aside?---Because I believe that the whole process with declaration would have covered everything in that respect. That's why.

Did it come to you then as a great surprise when Fayrouz suggested that you should use Triton?---Collectively, when we sat down and did the evaluation we did the, the whole ranking and the likes and it came to that conclusion. There wasn't like oh, I want, I want this company as opposed to this company. There was no discussion whatsoever in that respect.

40 So you say do you that Triton put in the best bid?---As – from memory their submission was strong.

Did that include for example setting out very clearly each of the things that they were going to do and the charge associated with that?---From what I've seen today, no, there was no clear indication of trades or whatever it was.

Surely that would have caused you some concern about their bid?---No, not really because many projects we've done beforehand all we did was base it on a lump sum figure so they didn't provide any break down of costs.

These are people who are tendering and you've got to assess them, right?
---Correct, and that's - - -

You've got to assess whether or not they're up to the task?---Correct.

You've got to assess how they've come to a complete – to a figure?
---Correct.

- 10 Well, surely the fact that they didn't provide any indication of how they came to their figure would cause some concern?---No, not really.

Why not?---Like I said before, in the past, previous projects many times it as just based on a lump sum figure and not necessarily a breakdown of the cost.

Did you check to see whether or not Triton Group had been involved in the Huntleys Point development for \$5 million with ALDI?---No.

- 20 Why not?---I don't go through their referees at all.

Why not?---Or their references or checks. I never did the checks and balances in that respect.

Why not?---Just I never did it at all.

And I ask again, why not?---Probably incompetence on my behalf.

- 30 THE COMMISSIONER: You mean for the entire time that you were assistant director of Asset Management of Capital Works, whatever it was sorry, you engaged people and never ever checked their references?
---Correct.

Never, or never checked what work they had done?---Never. No.

On any occasion?---No.

At any time you were doing the job?---No.

- 40 MR BRADY: Did everyone who was working with you take that same incompetent approach?---My team was – you have to ask them.

Well, you were in charge of them, right?---And I have full faith in my team, yes.

Well, did you find out from any of them whether they took that same incompetent approach?---No, I never approached them because I was very comfortable with the way they were doing their works.

So you didn't check to see whether he'd done Huntleys Point redevelopment, you didn't check to see whether he'd done insurance repair Mosman?---No, definitely not.

So you've heard today – sorry, you heard a couple of days ago that they were just lies, right?---Well, whatever the Commission said when it's in the investigation, yes, I heard.

10 Well, were you sitting there - - -?---I was here.

- - - when Mr Chacra was giving evidence?---I was, yes.

You heard me ask him about those things?---Yes.

And he said they were lies, right?---Yes.

20 You must have thought to yourself at that stage my God, I've been completely hoodwinked?---I didn't think along those lines but I said oh my God, what have I done.

It suddenly struck you did it that giving \$1.285 million to this man might have been a little bit well, wrong?---On my behalf, yes.

You see, the reason why you didn't check any of these things is because again it was all part of the plan wasn't it?---There was no plan.

30 What was it – sorry, Commissioner. What was it about the Triton bid that made it so much better than the others?---Their submission. They answered the bulk of the questions I believe in terms of the non-price criteria.

Well, the non-price criteria of course included their previous experience didn't it?---I don't recall what the actual non-price criteria was.

Well, you know it included previous experience don't you?---Not necessarily. Not always do we mention previous experiences or staff. It doesn't necessarily mean that.

40 Well, one of the issues about doing a courthouse renovation is it's a heritage building, right?---Whether it's State listed or listed, yes.

Well, you know don't you that one of the non-price criteria is how many heritage buildings or the experience with doing heritage buildings the company had don't you?---I don't recall what the actual criteria was.

At the time when this Tender Evaluation Committee is running did you work out – withdraw that. How long did the Tender Evaluation Committee meeting run for?---The actual meeting itself?

Yeah?--- It would have probably taken a few hours.

Well, during the course of that few hours that this was occurring did it suddenly strike you that Fayrouz had no project management experience at all?---No, it didn't strike me.

10 It didn't suddenly strike you in the course of this couple of hours of reviewing construction tenders that Fayrouz had no project management qualifications at all?---No, it didn't strike me.

Why not?---Because I've used people that weren't project managers on Tender Evaluation Committees before and - - -

But she was a project manager according to her, right?---Yes.

You could see she was a senior project manager according to her?---Yes.

20 Well, why in a meeting of a couple of hours going through construction tenders did you not realise that Fayrouz in fact had absolutely no project management experience in relation to construction?---During the course of the review everyone individually reviewed their own I guess component and then we sat down and we discussed what the benefits, the non-benefits, whatever it might be, within each project against each criteria and then we collectively went and ranked them accordingly. So it doesn't necessarily mean like if, if, if it says does the company have whatever, if it's within the tender submission it's within the tender submission.

30 At any stage did you work out that Fayrouz who had absolutely no experience or qualifications in relation to project management of construction had absolutely no experience or qualifications in relation to project management for construction?---It didn't dawn on me, no.

At no stage in any of your dealings did you realise?---No.

40 So when you went for site meetings for example it didn't suddenly strike you in fact she doesn't really know anything about construction?---I take the lead in most of everything that I do in terms of what it is, so at a site meeting I'd probably be taking the lead and walk around and discuss the bulk of the matter and the, the people, so it might be on my behalf that I should have just stepped back and let them run with it but I, I guess I took the lead in that respect.

Is that perhaps another example of your utter incompetence that you didn't work out that Fayrouz who was doing these project management for construction jobs had absolutely no experience or qualifications in project management?---I don't know if it's incompetence but it's um, blinded by me, yes.

Well, what's the difference?---Okay, if, if there's no difference between the two then yes, it would probably have been incompetent on my behalf.

Well, did you ask Fatima, "I didn't realise your sister was a project manager"?---No.

"What's she do?"---No.

10 Why not?---I didn't feel the need to.

Well, forget about the need. Just in terms of general chitchat, "I didn't realise your sister was a project manager. What's she do"?---No, I didn't ask.

Just general conversation?---No. I don't remember asking that question. Maybe it did come across but I don't remember asking that question.

20 For example, I don't know, "Oh Fatima, is that the reason why you want to get in project management, because your sister's involved in it"?---No, I don't recall having a conversation like that at all.

No conversation whatsoever with Fatima about the fact that her sister was a senior project manager - - -?---No - - -

30 - - - and Fatima was looking at doing the same thing?---I don't recall the extent of the conversation or if it, how prevalent it was in the, but there was conversations but I don't know if it was relating to project management or whatever it might have been. I can't recall that part, sorry.

In any event you say do you that at the end of day provided the conflict was declared you could just go ahead regardless of whether or not there was bias or otherwise?---With the conflict declared and given the green light from my manager, yes.

40 So what about the fact that then SAFF was owned by Mr Chacra, Triton was owned by Mr Chacra, and SAFF was going to be confirming whether Triton had done a proper job, did that strike you as being a little problematic?---Not really because at the end of the day I would also look at the job and make sure that that was being undertaken as well.

What was the purpose of a project manager being paid some 40-odd thousand dollars by the Government then?---Because that's the procedure and process that we had to go through to make sure that there was a project manager on-board.

So you say the only reason why a project manager was included here was because that was the procedure?---Um, yeah.

And it didn't matter whether they could do the job or not do the job?---No, not necessarily. It's, as a project manager I believe they were like, supporting system for us. I was quite busy in regards to what needed and I needed someone to do all the grunt work, if, on my behalf. So whatever I required I would ask them to do.

Using them for grunt work?---Yes.

10 Paying them \$180 an hour for grunt work?---Oh, is that a question, sorry?

Yes?---Ah, I paid them accordingly, yes.

\$180 an hour for grunt work?---For assistance, yes. Grunt work, it - - -

You used the term grunt work, right?---I did, yes.

20 You were paying \$180 an hour for grunt work?---Sorry, that was, it was work on my behalf. If it came out as like, sounding bad it's not as bad as what it sounds.

Well, one of the jobs of the project manager is to ensure that the construction company is doing their job correctly, right?---Ah, that's one of many, yes.

And one of the jobs of the project manager is to ensure the construction company has finished their construction work properly, right?---Yes.

30 That is to check that it's been done according to proper standards, right?---Correct.

You didn't think it was a difficulty the fact that Mr Chacra was checking Mr Chacra's work to determine if it had been done to a proper standard?---No, because I was checking that on, as well on - - -

40 So why pay Mr Chacra for a job that you're then going to do as well?--- Because it was in unison like, with the project manager we would talk and go for example, "I don't like how this is done, can you please organise it to be done better. I don't like how this is done." If the Registrar calls me up in the middle of the day and says can you implement this and then I refer that back to the project manager.

So what was SAFF's role?---SAFF's role was the project manager on the role.

Right?---Assisting me.

Okay. So do you say then that you took on the role of what a normal project manager would do and that is going and ensuring the work was done to a proper standard?---No, that's common practice though.

Did you take on the role of what a normal project manager would do of going and ensuring the work was done to a proper standard?---I took part of that role, yes.

10 Well, the other part of the role, was that done by Mr Chacra?---The building works?

No, ensuring that the work had been done to a proper standard?---Ah, I, I presume so, yes.

So Mr Chacra was checking his own work to ensure that Mr Chacra had done a decent job?---In accordance with the company profiles, yes.

20 Well did he ever come back and say, "As project manager I have to say my construction work wasn't up to scratch"?---No. Fayrouz did come up to me and say there was a few issues.

Fayrouz came to you said, "Look, I'm a bit disappointed with what my partner has done in the way he's gone about building"?---There was occasions.

Are you serious, Mr Andjic?---I am serious, yes.

30 That Fayrouz came to you and said, "I have some real issue with the way Mr Chacra's gone about building something"?---No, not, not, "I have serious issues."

Well, "I have some issues with the way Mr Chacra's gone about building it"?---No, it wasn't a negative aspect in that respect, no.

Well what did she say?---It was probably along the lines, "Oh, this hasn't been done yet um, what do we need to do?" And then I'd give her the advice accordingly.

40 Well did she say to you for example, "Look, the disability lift hasn't been put in, we shouldn't pay him until it is"?---Um, I don't recall a conversation of that sort.

Can I take you to 1205. I think I've made a mistake. I said \$180, in fact it was being charged at \$190 an hour. Do you see 13/3/13 a bill to you from SAFF?---Yes.

Project manager's costs of \$11,159.50?---Yes.

Administration works of 20 hours at \$190 an hour?---Yes.

What was that for?---You're going to have to ask the, the company. I don't know.

THE COMMISSIONER: Well - - -

MR BRADY: Well you've heard them say they don't know, haven't you?--
-Yeah.

10

Well, you're the one who's going to check whether or not this bill appropriate, surely?---Ah, with regard to – I don't recall the extent of when this was done but it would have been um, some administrative works it might have been. I can't again quote what the actual invoice states. It might have been me asking them to do a report on my behalf or to undertake some investigation works on my behalf. That might, I can't - - -

THE COMMISSIONER: Is this just speculation?---From my behalf, yes. But this is what I know that has, had happened but I can't recall for this particular invoice.

20

You mean you're just speculating about the kinds of tasks that might have to be carried out?---Oh no, no. Sorry, no. I'm speculating in regards to the invoice.

This particular one?---Any invoice that it might have been because I can't, I don't - - -

Well, so you're just speculating based on the kinds of things that you normally see in an invoice?---The things that are expected to be done as part of the project management.

30

But you don't have any knowledge or recollection whatsoever of what this particular invoice represents?---Like I said, no. I don't, I don't recall what this is.

And Mr Chacra has absolutely no idea what it represents either?---That you have to ask him because I don't know - - -

40

No, well we've already asked him - - -?---Yeah.

- - - and he doesn't know. Where do you think we might go to find out what actually was done for the purposes of billing the Department \$10,145?---Um
- - -

How do we find that out, Mr Andjic?---Probably look through the files, that, is probably as they're - - -

Are they the files that have gone missing are they?---I, yeah, probably, yes.

Ah hmm.

MR BRADY: 1523 if we can. Do you see that, 17 April, 2013 for \$23,067.20?---Yes.

10 The same answers apply in relation to this bill?---No, this is – this one was relating to the tender review, writing the report, the communication between myself and the project manager relating to this report, changing the report a number of times, um, to suit.

So that's for \$23,067.20?---Correct, yes.

The Tender Evaluation Committee met on 15 April, 2013?---Yes.

The report was written on 17 April, 2013. You understand that?---Correct.

Two days later, right?---Yes.

20

And then straight after that Triton was granted the job, right?---Yeah, probably, yes.

So how in the world does SAFF get to a bill of \$23,067.20 for that?---I don't know the extent how they charged it or thereabouts but from my interactions because I was quite heavy in regards to, to push it forward and there was a number of times where the report was changed.

In between 15 April and the 17 April?---During that day, yeah, definitely.

30

All right. So \$20,972 is at \$190 an hour is 110 hours' worth. Basically 14 days, 14 full days?---Yes.

How does doing the report and going back and forth a couple of times in a two day period come up to almost 14 full days' worth of work?---I took the invoice at face value. I didn't go into the details as you did just then, sorry.

It's not much of a detail to go into it, is it, just saying it's about 14 days' worth of work?---Yeah. But I didn't, I didn't calculate it that way.

40

Well at the very least you could look at it and say, how in the world did they do \$20,000 worth of work in two days?---No.

Surely that would've been something that would've given you a little bit of a light bulb moment?---No, not really. I knew the interaction that was being undertaken and the works that were being delivered to me.

It was a fraud, wasn't it?---No. I disagree with that.

So it's just complete and utter incompetence on your behalf, is that what you say?---Based on everything that you've been saying and looking at it in hindsight, yes.

Complete and utter incompetence that happened to benefit the sister and partner of the sister of the person that you loved?---It did benefit them, yes.

10 And you want to say that it was just incompetence and not anything more?--
-I definitely will say that.

THE COMMISSIONER: Mr Andjic, you appreciate, don't you, that this Commission when it comes to consider the evidence that's been given by all of the witnesses is in a position to draw inferences that is conclusions based on the evidence that's been given. You know that don't you?---Yes, I do.

20 And to be blunt, you know the expression if it walks like a duck, quacks like a duck it's probably a duck. You know that expression?---I've heard of it, yes.

Right. When you put all of this information together and the propositions that Mr Brady's been putting to you, I just want you to be under no misapprehension, despite you wanting to rather regularly claim that this is complete incompetence on your part the overwhelming effect of this evidence that Mr Brady is putting to you is that you and Ms Fatima Hammoud and Mr Chacra and Ms Fayrouz Hammoud were in effect all of you, by passing subverting established Government procedure over a fairly limited period of time in order to personally gain from these contracts to the tune of about \$1.3 million. You understand that's the effect of what Mr
30 Brady's putting to you, don't you?---Yes.

And you deny that proposition?---Yes.

40 Can I just ask you, can you suggest what other possible inference might be available, what other possible conclusion we might draw from the combination of all of this evidence?---Looking at all the evidence and the likes, I didn't do a duty that I should've done in regards to my, my services. I agree with that. I probably should've been a bit more vigilant in regards to what I should've done with that respect and I wholeheartedly probably take the blame in regards to this whole fiasco that's come about because of my, I guess, and I know I hark on it, my incompetence but that's what I, that's what I see it as.

So you're saying all of this is explicable and solely explicable by your incompetence?---I should've been a bit more vigilant, yes.

Do you – I take it you were here when Mr Chacra said in answer to a question that “He assumed that he was receiving all this work because you

were trying to impress Fatima and you were favouring his companies for that reason” you were here when he gave that evidence?---Yes. I was here.

And do you dispute that, do you?---Subconsciously I probably was favouring that company based on that.

10 So you’re saying, you’re saying it wasn’t conscious at all?---Ah, not consciously like a 100 per cent. My God, I need to do this to impress Fatima, but probably subconsciously going to myself, if I, you know, do this it will impress Fatima, yes.

And do you say that it didn’t occur at the time that that was what you were doing?---Probably not.

But it did occur to Mr Chacra?---Ah, maybe, yes.

Right.

20 MR BRADY: And of course, it’s not only on what you’re saying complete and utter incompetence but it’s the most amazing coincidence as well, right? When you first gave the job to Triton not knowing that that was Mr Chacra’s relationship with Fatima?---Yeah. Yeah.

You knew his relationship with Fatima when you first gave Triton the job, didn’t you?---Well I knew of the relationship when we declared it accordingly.

30 You knew of its relationship with Fatima with you first gave Triton a job, didn’t you?---Not when I first gave them a job.

So you say that was just an amazing coincidence that it happened to be Fatima’s sister’s partner?---Not a coincidence but it happens, yeah.

So 30 July, 2013 at 1513. Do you see that’s another bill for some \$6,700 from SAFF for the Cessnock with works associated with Cessnock Courthouse finalisation of works?---Yes.

Site visit. Do you see that?---Yes.

40 So that seems to indicate, doesn’t it, that SAFF are signing off on the work that’s been done by Triton, right?---Um, I don’t recall if that was the final invoice or thereabouts but I believe they were finalisation of the actual physical works and there was probably some bits and pieces that were being remained as part of the project that I was going to manage to the end of it.

Okay. When you say finalisation of physical works, it’s SAFF actually signing off on what Triton has done by the physical works, isn’t it?---I believe so, yes.

So that is, isn't it, Mr Chacra signing off on the work that Mr Chacra has done?---Again, you're going to have Mr Chacra in that regard. But looking at it, yes.

Well see you were saying, weren't you, that it wasn't a problem because you were actually checking the works he'd done?---The bulk of them, yes.

10 So how does Mr Chacra come up with a bill of some \$6,700 for checking the work that Mr Chacra has done if in fact you were doing it?---Well, I was doing my checks and balances and they were doing their checks and balances and it was a combined effort.

The checks and balances from Mr Chacra was to check that Mr Chacra had done a good job?---Well I was dealing with Fay.

20 You knew, you know now, don't you at least now, that Fay has absolutely no idea about construction, right?---Well, based on the evidence shown to date, yes.

You knew that Fay at that time was the partner of Mr Chacra, right?---At that time, yes.

You knew that Mr Chacra owned both SAFF and Triton, right?---Correct.

You therefore knew that Mr Chacra and/or Fay were signing off on the work that Mr Chacra had done?---Correct.

30 And making it seem like they were doing it independently from the company Triton?---Yes.

You knew that therefore was a fraud, right?---No, I didn't consider it as a fraud.

Now, do you say that you went up and checked that the works done at Cessnock Courthouse had all been done?---To a point, yes.

40 What do you mean to a point?---At one stage I was no longer allowed to go out on road trips.

When was that?---I don't recall the timing.

Well, was it before Cessnock finished or after Cessnock finished?---I don't recall the timing, sorry.

Well, don't worry about the timing. Was it before or after Cessnock finished?---It was around that July, August, September mark that I was no longer allowed to go on sites.

July, August, September mark?---Yes. I can't recall the actual - - -

July, August, September, 2013?---Correct.

So does that mean you could not possibly have gone to see whether or not the work had been done at Cessnock Courthouse?---I did it on my own accord.

10 Right. Okay. So did you go up do you say and check that the work done at Cessnock Courthouse had been done, had been done correctly?---As much as I could to gain access, yes.

What does that mean?---I – when I was told not to go onto the site I actually went there on the weekends on my own on behalf to have a look at it.

Well, did you go and check to see whether or not the disability lift had been put in?---At the time I probably did.

20 And?---It wasn't and thus I had to delay payment.

Did you delay payment until it had actually been put in?---I believe so, yes.

You know you didn't don't you?---I think I did, yes.

The disability lift was put in in April, 2014. You understand that?---April, 2014?

30 Yeah?---The lift itself was, yes.

All right?---But the works associated – the building works and the connection was done.

Right. So you paid for the installation of the disability lift on 7 November, 2013 didn't you?---Sorry, which date was it?

7 November, 2013?---Correct.

40 Why did you pay for the installation of the disability lift on 7 November, 2013 if it wasn't put in until April, 2014?---It was a payment to the contract that, that needed to be done, like the subcontractor for their lift, to order it and the likes.

So you have to pay in full to the subcontractor in November, 2013 in order for them to then install the lift in April, 2014?---I don't know when the lift was installed.

Did you actually check at any stage whether Triton had done the work that they were claiming?---I have, yes.

Or did you just sign off on what they sent through to you?---No, I checked. I took the invoice at face value as well.

You've added and I took the invoices at face value as well?---I do.

10 Did you add that because you're just saying I didn't really check to see if they'd done the works, I just paid them what they asked?---No. I do that all the time for all contractors and consultancies.

You see that bill of 45,760 – can I just go to 1509. You paid that by a payment voucher didn't you?---Correct.

You got someone else to sign off on that didn't you?---Correct.

Who is that?---That's Alec Denman.

20 Who was Alec Denman?---He was a – I don't know his title, sorry.

Well, what did he do?---He was, was part of Asset Management. He was part of the Facilities Management team.

The Facilities Management team?---Correct.

Didn't even have anything to do with Capital Works?---Oh, he did some works for us previously, yes.

30 Why did you get him to sign off on the works having been done?---He was probably in the office at the time.

But you were the one who was project managing this, right?---Yes.

There is no doubt about that because you've told us you were project managing it?---I was managing it, yes.

40 You told us you were project managing it because, you know, you gave an explanation of why you didn't need, for example, Fayrouz to really know anything about project management?---Not just Fayrouz but a lot of project managers, yes.

All right. Well, why if you are the project manager aren't you signing to say that it's actually been provided?---I was signing as the financial delegate and getting someone else to sign it on that basis.

The purpose behind this is to actually have the person who knows the job to sign whether or not the goods, services have been provided, right?---Yes, but it was common practice.

That's the purpose behind it isn't it?---That is the purpose behind it, yes.

Why then don't you sign it so say I know these things have been done?
---It's, it's common practice that, this methodology in signing, getting
10 someone to sign it on behalf of someone else by taking it, oh, the job has
been done. Can you sign it. Can you put it in Finance please.

Well, is it common practice for that to be done for \$45,760?---I don't know
the extent of some of them. No, I can't tell you that.

You know it was common practice for small amounts don't you?---I've seen
large amounts as well.

From anyone else other than you?---Possibly, yes.

20 You see, again, that's just subverting the process isn't it?---If, if you look at
it that way, yes.

And you were doing that in order to pay Triton whether they'd done the
work or not, right?---No, not necessarily.

What does not necessarily mean?---Paying them for works that they said
that they've done, yes, then you pay for them accordingly.

30 Why did you do that via payment voucher?---I believe the total expenditure
for that project was at a point where it required a further – moneys to be
allocated to it so the common practice was to incorporate a payment
voucher as opposed to a purchase order for that.

Why?---It's just common practice and that's what was across the board.

So that you didn't have to go back and try and justify why it was going to be
more than what the initial purchase order was?---Not necessarily but that's,
that was what was happening within the organisation at the time.

40 How much time did it take to draw up a new purchase order?---Oh, it
depends. It could be done in a day, could be – you could get a purchase
order amount in a week, depending on how busy Finance are.

There wasn't any particular rush in relation to this one was there?---I don't
know. No. At the time I don't, I don't believe there was or if there wasn't.

So why not do it properly?---In hindsight I should have.

It was in order to avoid anyone looking at it too closely wasn't it?---No, not really, no.

When you say not really?---Once I hand in the purchase order to Finance they can go through with a fine-tooth comb and then discuss it with me or my superior accordingly.

And you didn't want that to have to happen?---No, I don't, I don't mind them to have a look and review. The justification is there from it.

10

So why not do a purchase order?---At the time I probably should have but it didn't occur to me at that time.

How much did you end up paying Triton for the job at Cessnock?---I don't know the exact figures.

Over \$300,000?---Could have been. I don't know the exact figure, sorry.

Their initial quote was 203,000. You know that?---Yes.

20

The initial quote was obviously more than the other two companies that you didn't prefer, right?---Yes.

How did it get from 203,000 to 301,000?---There was a lot of issues with the roofing, particularly with the guttering system and the likes and the type of methodology in terms of getting that fixed there was a substantive amount of work that needed to be done there.

30

You mean the roof repair that was actually included within the scope of works?---Yeah. There was additional works that needed to be done with that.

What work?---I – from memory the whole guttering system needed to be – because no one actually went into the roof system during the course of the tender so we didn't know the extent of the damage. I can't recall the exact amount but from memory it's the guttering itself, the actual waterproofing associated with that, the structures around that. I don't recall the exact extent.

40

Did you see that in fact things that were included within the scope of works weren't provided?---Yes, there was changes definitely.

Right. Which would have obviously come off the amount of \$203,000? ---Not necessarily. If you delete something and were adding something in that respect so it might be some – a positive/negative, negative/positive. It all depends.

You know for example that the gate that was within the scope of works was ultimately paid directly to the contractor by the Government don't you?
---Correct.

Some \$50,000-odd, right?---Correct.

Well, that surely comes off the 203?---That would have probably come off that, yes.

10 So that means that the variation then is rather than \$100,000 more like \$150,000?---I don't know, I believe there was a conversation with all the contractors saying that the gate prior to tender will not be part of this scope.

When did you think of that?---When did I think of that?

Yeah?---Well, during the course of the tendering.

20 Well, when I just asked you the gate would have to have come off the 203 you agreed with me, right?---Possibly, I said yes, if, if it was part of the contract and it was taken off.

You didn't say that at all, Mr Andjic, you said yes, didn't you?---No, I said and I reiterated why.

Right. Can I go to 1510. That's a bill of 21/11/2013 to you, do you see that?---Yes.

Finalisation of works from Triton Group?---Yes.

30 Nothing else described within that, do you see that?---Yes.

\$31,845, right?---Yes.

Did you not want to know what added up to \$31,845?---No, not really.

Why not?---I don't normally go back to a contractor and ask them what that, that was part and parcel of it, I take the invoice at face value.

40 So you're basically handing over \$31,845 of taxpayers' money on face value?---Knowing what, what has been done from like discussions and the likes, yes.

Well, from discussions and the like what had been done for \$31,845 of taxpayers' money?---I don't recall the, the final works that were done, it was probably just tidying up the bits and pieces that needed to be done that was asked on my behalf of like variations or thereabouts.

Tidying up bits and pieces for \$31,845?---I, I can't justify their costs, that's not my - - -

But that was your role, wasn't it, to make sure that when the Government handed over taxpayers' money to this company it was actually for something that they had done, surely that was your role?---Yes, and I did that.

10 Didn't you say, and haven't you said many, many times I just took it at face value?---No, yes, of course I took, the invoice came in and I knew what was done for that invoice at that time and then I just said yeah, okay.

And we're not in a position now to try and work out exactly what was done, what was done for \$31,845?---I don't recall the extent of the scope of works at that time for that particular invoice.

And we'll never know?---Well, I can give you some insight in it but I can't give you 100 per cent what it is.

20 And again, that's another one where you got someone else to sign off on the payment voucher didn't you?---More than likely, yes.

SAFF then got the job for Cowra as well didn't it?---As the project manager, yes.

How did they get the job for Cowra?---Oh, it was just asking them do you, you want another job or whatever it is and that's how it went, it went from there.

30 Well, why did you give it to them?---Again, convenience in that respect.

Well, by this stage surely you understand that Fayrouz doesn't really have much experience?---No, but it's more convenience on my behalf in having someone already there on the books.

Well, you have a number of project managers on the books don't you?
---Yes.

40 A number of project managers on the prequalified list?---Correct.

Did you go to any of them before giving this to SAFF?---No, but on other projects I did.

Did you go to any of them before giving it to SAFF?---Not for Cowra, no.

Why not?---Like I said I was probably more liaising with SAFF at that time and that's why it led onto that stage, into the next phase.

Because you gave them that on 7 March, 2013, didn't you?---Yes.

So by that stage you really hadn't had any opportunity to see what ability they had as project managers had you?---Not to the full extent, no.

You're just giving it to them because you knew of Fatima's relationship with them weren't you?---Not necessarily, no.

Not necessarily means, doesn't it, yes?---No, it doesn't mean that at all.

10

Well, why qualify it?---Sorry?

Why qualify it, why say not necessarily rather than no?---Because you're, you're, I'm telling you that it was probably convenience on my behalf that I have someone there already that was right next to me, was there any indication that I favoured them, yes, there was definitely.

There's no doubt you favoured them?---Yes, I, I favoured them accordingly, I don't deny that.

20

THE COMMISSIONER: Mr Andjic, when you say it was convenient, this is, this is in the context of knowing that Fayrouz had no real experience as a project manager, we're right about that aren't we?---Yes.

Right. So what, can you explain to me what's convenient about giving work to a company who doesn't have the capacity to in fact carry out the contract? I'm just not sure why that is convenient for you because that might suggest as you've indicated already that you in fact were obliged to do most of the heavy lifting because she didn't know what she was doing. I don't know why you say that's convenient?---In that respect what I'm trying to say is that it was convenient for me to have someone to be doing all my, like I said, grunt work in respect to it so associated with that so I would do all the leg work then hand that over to the project manager to write up reports, write on my behalf, write up minutes and the likes so that was that convenience, it's like a personal assistant type scenario and that's, that's what I was trying to - - -

30

So you were hiring her as a personal assistant to you?---Not necessarily for, on a project basis, I'm using personal assistants in a broad sense, sorry, I'm not saying as a PA.

40

And insofar as you say she was doing the grunt work, writing up reports and minutes and things like that - - -?---Correct.

- - - did you provide her with the outline of those reports and the minutes, did you actually give her the material that she had to include in the reports?
---Definitely did, yes.

All right. Thank you.

MR BRADY: Including the tender evaluation report?---No, there was assistance that I provided, yes, I didn't say to her this is, I showed her the outline of how it's supposed to be written, guided her in terms of where she can find that and said to her, okay, go for it and do it and then come back and then there was numerous occasions where I went back and forth.

Well, you were checking her work?---Yes.

10

THE COMMISSIONER: And amending it when you needed to amend it? ---Ah, to, to do it within what the Department requirements are, yes, I did.

So you have to correct it on occasions?---Oh, yes, I corrected the reports, yes.

MR BRADY: And you were paying \$190 per hour in order to have to check and correct her work?---If that was the figure that was put into place, yes.

20

It was just ripping off the Government, wasn't it?---Not really, no, 'cause it's common practice that I did anyway with other project managers as well.

Well, other project managers one would assume didn't have the complete and utter lack of experience and qualifications that Fayrouz had, surely? ---Yes, probably.

30

Right. Who did you deal with as a project manager who had absolutely no experience and no qualifications as a project manager, give us a name?---I, I, I can't give you any names because probably, let me see, I can't, I can't give you names, sorry.

All right. So Cowra?---Yes.

Nothing was done on the courthouse was it?---Not physically, no.

Well, as opposed to not physically?---No construction works was done at Cowra.

40

At all?---At all.

No doubt the fee proposal that was sent through to you by SAFF was on the basis that there would be construction works that they would need to supervise?---There was possibilities that that was coming in, yes.

Well, hold on a second, isn't a fee proposal you get at the start a fee proposal for project managing construction?---Yes.

Isn't it assumed in the project management of construction that some construction will actually take place?---Later, later in time, yes.

But when you get a fee proposal which includes within it obviously the scope of works one would assume the free proposal for project management assumes that scope of works is going to be done?---The assumption was there, yes.

10 Right. Ultimately nothing was done at all on Cowra was it?---Not for construction, no.

So no doubt in those circumstances the bill that SAFF would render to you would reflect very comfortably that no construction at all was done?---No. Um, there was a lot of um, pre-emptive work that needed to be done to allow for that construction phase to happen. Um - - -

THE COMMISSIONER: No, no, no, no?---Sorry.

20 Mr Andjic, listen to the question. The question was no doubt that the fee, or sorry, I think it was the invoice, no doubt the invoice would have comfortably reflected the fact that absolutely no construction was done. That was the question?---Yes. That's correct. Yep.

And do you agree with that?---Yeah. The - - -

Right?---Yes.

30 MR BRADY: So the fee proposal for Cowra was \$44,000. Do you understand that?---Yes.

Bearing in mind absolutely nothing was done by way of construction?---Correct.

Did we, you can anticipate what a bill from SAFF for 10 per cent of that?---Ah, no. It depends on what the, what happened during the course of the project management.

40 If actually nothing was done at all you couldn't surely expect a bill for more than 20 per cent of their initial fee proposal which would assume construction works through to finalisation?---Project management works doesn't necessarily mean just construction, base, review of just construction.

Well you tell us how much you would have expected to get a bill for from SAFF from the work that they did on Cowra Courthouse?---I, I don't know from, offhand based on um, all the information that they provided me and the works that they did, I don't know. I, I can't recall what the bill was or the extent of it.

You see, they sent through a bill of, I think 1622. On 17 April, 2013 for \$4,158. Do you see that?---Yes.

Including a Cowra site visit?---Yes.

That was Fayrouz was it?---Ah, yes.

And that was you taking up the running?---I was the lead, yes.

10 Right. So you've paid SAFF 11 hours at \$190 an hour for Fayrouz giving you a bit of personal assistance there?---If that's the way you look at it, yes.

Well is that right?---She was assisting the project, yes.

All right. So ultimately you've paid 3,780 for that, right?---Yes.

20 What else did they do?---For Cowra, I'm trying to remember here. Um, there was something that needed to be done on, at the outside um, relating to I believe a Magistrate's car parking location. So I asked her to sketch up and do a, a program set in terms of where, how that would be undertaken in terms of, so I could feed that through to the Registrar.

30 So she did the sketch of a car park?---Not a car park, the was like an enclosure that needed to be do and the interaction to get a Magistrate safely into the courthouse, and the interactions associated with that, and the line of path that needed to be considered as part of that um, what securing components needed to be undertaken as part of that because there, there was issues with the Magistrate's car parking being right next to public car parking and thus, again I'm talking about, from memory here, there was also um, I believe ah, a review of painting. Oh, I asked her to go and check out what the painting components relating to what needed to be done at Cowra because that was one of things, benching, there was pigeonholing that I wanted her to review in terms of how the current um, bench needed to be – not the Magistrate's bench but the counter ah, the, at the front needed to be done, and what design components needed to be associated with that. There was a fair that there was, I asked her to do.

40 And did that get done?---Ah, yes. There was a lot of that that was done, yes.

All right. So the stuff that you've talked about, are we thinking that's 22 days of full-time work?---I, I don't know. I, I don't calculate it that way. I don't calculate it in days or hours or the likes, I just calculate it if the works have been done pay it accordingly.

Well you see, how do you work out if it's paid accordingly if you don't know how long a project manager spends on something?---Like I said if

I've been provided with whatever I requested and that's when I say yep, the work was done accordingly, tick in the box.

You say accordingly. How do you work out it was accordingly unless you know how long it took them to do it?---It, it was my best judgement in that respect.

1589 if I can. This is the second bill for Cowra?---I believe it might have been. I'm not sure.

10

Why is the uncertainty?---I don't know if it's the second bill.

I see. You at least know that it's a bill for Cowra, right?---Yes. Correct.

And in fact if we can go back to 1631 you can see that's 12 June, 2013, right?---Yep.

There was a site meeting on the 1st of July so obviously this bill didn't include that?---Ah, don't, don't know. Yes.

20

Project manager's costs \$32,000?---Yes.

Do you see that?---Yes.

"Preparing first stage tender documents, reinforcing scope of works, risk register preparation update, and incidentals"?---Yes.

For \$32,000?---Yes.

30

At \$190 an hour that's 168 hours' worth of work?---Yes.

Do you understand that?---Yes.

168 hours' worth of work for a job that never started, right?---For construction, yes.

Well, these were project managing the construction, right?---Like I said, yes, the premise was - - -

40

How in the world - sorry?---Sorry.

How in the world do you justify paying \$32,000 of taxpayer's money to the company SAFF for project managing a construction job that never started?--
-Because of the documentation and the requests of information that I received in that respect. I received that and I took I based on that, not on, based on the construction side of things.

How in the world did you justify spending \$32,000 of taxpayer's money when that equates to 168 hours of work without finding out how much time they spent?---Ah, like I said I received all the documents accordingly and it was basically just going through that and saying yep, that's what I accept and pay it accordingly.

It was just a fraud wasn't it, Mr Andjic?---No. I disagree.

10 Gunnedah, you gave them the job there to didn't you?---Um, from memory, yes.

You know you did don't you?---I can't recall every job that I've given, who I've given but from memory, yes.

That didn't start either did it?---Not, I don't believe the construction side started for that one. I can't recall but.

20 So that's another one that SAFF Projects got the project management job but there was no construction, right?---Correct. Yes.

How much did you pay them - - -?---I don't know.

- - - on that one for a job that never started?---I don't know.

Did anyone from SAFF Projects actually go to Gunnedah?---Um, I believe, yes. Myself and Fay went.

How many times?---I don't recall how many times.

30 Did you go up once?---I, I don't recall.

Well what did they do for their money for Gunnedah?---Ah, very similar to Cowra but taking more, the issues relating to – there was a tree that needed to be considered removed or relocated because there was a primary issue with the waiting area and how the maintenance side of the system was being undertaken with the damage to water damage and the likes.

40 It's just a lot of words really, isn't it, Mr Andjic that you're sprouting?---No. I'm telling you the scope.

All right. So they needed to move a tree, what else?---Maybe, I'm not sure if it was removal or move a tree.

All right. Well remove or move a tree?---Yeah.

What else?---Ah, there was a lot of water damage works that needed to be considered.

All right. None of that was done though?---I don't believe there was any construction works or maintenance works relating to Gunnedah done.

Right. So for project managing they needed to go up, have a look at it and start to make some inquiries about who might be able to do it?---And prepare the tender documents if need be and the likes, yes.

All right. Is that it?---I don't recall the extent of the scope of works.

10 Is that \$32,950 worth of work?---Ah, there was a lot of leg work that was done.

Is that \$32,950 worth of work?---At the time, yes, definitely. Based on the scope and what might – what the requirements were to be provided to me, then, yes.

This is for a job that never actually started?---A construction job, correct, yes.

20 So \$32,950 worth of work, just to make this perfectly clear, is 173 hours of work which is 22 close enough to full days of work. Do you understand that?---Yes.

Are you seriously suggesting that SAFF Projects did 22 full days of work on the Gunnedah Courthouse project where not a single bit of construction was done?---I can't justify how they set out their invoices, that I can't do. You have to ask them obviously. But from what I received in terms of the documentation and the requirements for that I believe, yes, at the time, I believe that was a justifiable payment.

30 THE COMMISSIONER: Does that, does that mean that those, that those documents would realistically take a qualified person 22 full days to prepare?---Ah, I don't know the extent of hours but it could take a while to prepare, yes.

Well, well, look – when you talk about project management to be blunt, we're talking about someone managing a project, aren't we?---Yes.

40 And the project that they are managing is the construction, isn't it?---At the end of the day, that's – that was the intent.

So when there's no construction actually carried out they're not managing that, are they?---Not that component of it, no.

No. So all of this comes down to the preparation of documents?---Pretty much, yes.

And am I right in assuming that throughout all of this process at Gunnedah and at Tamworth - - -

MR BRADY: Cowra.

THE COMMISSIONER: Cowra, sorry. Gunnedah and Cowra, am I right in assuming that you were effectively doing the same work in relation to Ms Fayrouz, namely you were doing the heavy lifting, she was taking notes and things of that nature, you were providing her with the material that was
10 required to go into the report and you were correcting the reports and the minutes as and when they were provided to you? In other words what you described earlier on as grunt work. Was that happening throughout this entire process?---Ah, the bulk of it, yes.

Right.

MR BRADY: Can I take you to 1730. See that bill for \$92,950 or with GST \$36,245?---Ah, yes.

20 To you from SAFF Projects?---Yes.

In relation to Gunnedah?---Yes.

Preparation of contract documents?---Yes.

Now assuming on what the Commissioner's just asked you, you were assisting significantly with the preparation of those contract documents, right?---Ah, I provided the information to be incorporated into it, yes.

30 How does that justify paying \$32,950?---That was just one component that was being part of that like the preparation of contract documents. There was a number of other things, I don't know why they haven't listed it that's - I can't answer that question. But there was a substantive amount of work that was done like preparatory work.

THE COMMISSIONER: Well can you tell us what it was other than the preparation of contract documents?---Yes. Ah, there was - I'm speaking from memory in terms of the Gunnedah. There was a little outhouse that was right, adjacent to where the main entrance is to Gunnedah. Where that
40 needed to be reviewed in terms of how we can tie it back it into the building with regards to it. So I instructed Fay to look at some systems that needed to be - that could be incorporated in that respect. There was a massive tree -
- -

Another tree, we're talking about a different tree are we?---No, no, it's the same. I'm sorry it's the same.

MR BRADY: No, it's the same tree. All right. So a tree.

THE COMMISSIONER: Same tree?---Yeah. Same tree. There was a tree that needed a lot of investigation in regards to it. If it could be removed or if it had to be moved or and the likes.

That would consist of Ms Fayrouz ringing a licensed tree surgeon somewhere in the Gunnedah district and getting them to come and have a look at the tree?---Possible, yes, possible. I don't, I don't recall if it did happen or - - -

10

Well that's what she would have to do?---Yeah. That's - at the end of the day - - -

That's about it, isn't it?---Yeah. As part of that whole process, yes.

Right?---Yes, I agree. There was a further, like a toilet block that was just outside of the, the building. I don't - - -

20

MR BRADY: So that's different than the outhouse?---Different than the outhouse, yes. And there had to be - like I suggested methodologies in terms of one obviously disability access for, into the courthouse as well as into that toilet block. A review of their bench, ah, the counter, the main counter. Not where the Magistrate sits, sorry, in regards to disability access with that respect I instructed her to review if there was an opportunity for us to touch that timber in that respect. There was also - there was other things that I can't recall, sorry.

30

Does that sound to you like 22 days of full-time work?---With all the reports and everything that I received I didn't look at the 22 days or whatever it was.

Does that sound to you like 22 days of full-time work?---From me speaking from experience and everything like that, it could've been but I don't know. A months' worth of work could've been done in that. I don't know.

It just straight forward, isn't it, Mr Andjic?---Again Mr Brady, no, it's not.

40

THE COMMISSIONER: On the basis that it's essentially four weeks full-time work it's close to, well somewhere between eight and \$9,000 a week, isn't it?---If that's what it calculates, I'll agree to that, yes.

And you don't think that that was excessive for the works that you've just described?---Ah, no. No.

MR BRADY: And that's another bill that you got signed off on a payment voucher, didn't you?---More than likely, yes.

Why?---Probably the timing in terms of when it was sitting in the month or the financial year or the likes to get it fast tracked into the system.

Well did you have a purchase order for that at all?---I don't recall.

10 Wouldn't that be something that you should do, get a purchase order for the works?---Not necessarily. It doesn't mean just there's a project there that we had to do a purchase order at the time. The protocol didn't say that you distinctly had to do a purchase order. So that's why probably that voucher was undertaken.

Because you got Mr Murphy to sign off on that voucher, didn't you?---I don't know who signed off on it but if that's the person, yes.

Well let me take you to 1731. Do you see that?---Yes.

20 Now, did Mr Murphy raise with you at some stage his difficulty in signing off on works done where he didn't have any idea about the project?---I don't recall if he did or didn't.

Well surely you would recall if someone said to you look, I have some real concern about signing off on this when I haven't done it?---Um, I don't recall any conversation like that, if he did or didn't. I, I just don't recall.

All right. Did Mr Murphy say that to you and you said look, just sign it?---I don't recall if I did or didn't. I, I can't answer that question, sorry.

30 Well surely that would have raised a red flag with you if someone's saying to you I don't know that I should be doing this?---Um, not necessarily because it was common practice.

Well, if it was common practice surely you would remember if someone arched up against it and said I don't want to do this even though it's common practice?---I don't recall if he did or didn't. I just, I, I can't recall that, sorry.

40 Did Mr Ingram have a problem with signing off on things like this?---I don't recall anyone, if they did or didn't. I just didn't, if, I don't have any memory of it in that respect, sorry.

Well - - -

THE COMMISSIONER: If either of them did express that concern, assuming that they did that - - -?---Yeah.

- - - would that have caused you to go elsewhere? For example, you know, would you say - - -?---Possibly, yes.

Would you say look, all right then, don't worry about it. I'll take it to someone else?---Yeah, I would, probably I would have done.

You wouldn't make someone sign something when they were uncomfortable doing it would you?---Oh no, definitely not.

Definitely not?---If they, if they said, if they've said no they don't want to do it I would say okay, fair enough, I'll take it to someone else.

10 You wouldn't have pressed them?---Yes.

All right.

MR BRADY: But you don't have any idea whether or not either of those two said no?---I can't recall.

How many times did you get Mr Murphy to sign off on SAFF or Triton projects?---I don't know the exact figure.

20 A figure of about 12 times - - -?---I don't, I, I don't know.

- - - ring a bell?---Figures, I won't know. Sorry.

How about Mr Ingram?---Ah, I don't know.

Was it in fact just the once?---I don't, I don't recall.

30 Was it the once because he told you that he wasn't going to do it again?---No. I don't recall that conversation coming about that I'm never going to do it again. Maybe he said to me um, I'm not comfortable doing it and then I went to the, another person like, like I suggested before.

See, did you get them to sign off on it in order that you didn't have to go up the chain to get someone to authorise your signing off on it?---No, not really. No.

40 What do you mean not really?---No. It's, it was common practice to get that, to do things like this um, in respect to how it was being signed off and getting through. So it didn't dawn on me or, to do it that way. If the project was being done by Capital Works I'll sign off on it because I had the financial delegations. I'll get someone else to sign off on that behalf that the works were being done. And that was not just me, that was across the board.

Did Mr Murphy raise with you the fact that you should get your manager to sign off them?---I don't recall a conversation of that.

Because that's what should happen isn't it?---Yeah, look, technically yes.
Yes.

When you say technically that's what should happen isn't it?---That's the whole process that should happen but it didn't happen that way in the organisation, no.

Just before I move on to Tamworth I've just forgotten to put something to you in relation to Cessnock. Let me just go to that if I can.

10

THE COMMISSIONER: While you're doing that, Mr Brady, I'm conscious of the fact that we haven't taken a morning tea adjournment but I was hopeful that we could conclude with Mr Andjic before Mr Silver has some problems tomorrow. Is that something that's likely to happen before lunchtime, Mr Brady?

MR BRADY: Hmm---

THE COMMISSIONER: Sorry, I don't want to hold you to it but - - -

20

MR BRADY: Not likely to be before lunch.

THE COMMISSIONER: All right, well I think we'll press on. We'll press and take the luncheon adjournment at quarter to 1.00.

MR BRADY: Particularly when I've lost my spot.

THE COMMISSIONER: I'm sorry. I probably did that to you.

30 MR BRADY: No, no. It's a, it's, not at all, Commissioner. 1493. 1492, is it. No, it should be 1493. Oh, maybe 1492. Try 1492. Yep, that's great. Now, do you see that minute meeting for SAFF projects?---Yes.

On 30 May, 2013 in relation to Cessnock Courthouse?---Yes.

You've got Fayrouz who is senior project manager?---Yes.

Did you ever have a difficulty with that title?---No.

40 Why not?---I, that's the person's name. My name's weird as well so - - -

THE COMMISSIONER: No. He's referring to the title senior project manager?---Oh sorry, I thought the names. I apologise, Mr Brady. Um, no I didn't even, you know, it didn't even dawn on me to be honest.

Well why not?---Oh, I, I don't know. I just, I don't like, I don't know. I honestly don't know.

Did you think look, really, that's ever so slightly misleading?---No. I, I, I didn't even, it didn't even register on my radar to be honest.

Didn't give you the slightest moment that she was calling herself a senior project manager when you knew she had no project management experience?---No.

On documents that were then being given to the Department?---No.

10 On documents that were being signed off by the Department?---No.

What about the fact that she was signing off as Fay Rouze?---No.

Not a moments concern that that was the case?---No.

It wasn't to try and avoid was it the fact that people might realise that she was related to Fatima?---I - - -

20 That she was using the name Fay Rouze?---I don't know. Yeah um, you ask that question to her and to her husband. So I can't answer it on their behalf, sorry.

Well what do you think?---Me? I, I didn't care to be honest.

Why not?---I just didn't. I just, it, from my perspective is I just, as long as the work is done if it's done by Joe Blogs or Fayrouz or Anthony Jasmin Andjic I don't, as long as it's done that's, that's what I, that's the way I took it as.

30 But it's not a question of whether or not it's being done by Fayrouz, it's whether or not she's using a false name - - -?---I - - -

With her representations with the Department isn't it?---I, I, I didn't even consider that to be honest, Mr Brady.

How did that not cross your mind, I wonder why she's using a false name?--
-I didn't even consider it, like I said.

40 Now, it indicates that you were there on 30 May, 2013, a meeting at 10.30am, right?---I believe so, yes.

You can see that, Anthony Andjic, Director Capital Works?---Yes.

The idea behind these meetings is to indicate who was there?---Yes.

And, sorry, minutes to indicate who was there and what work was done, right?---Um, I believe so, yes.

Were you at a meeting at Cessnock Courthouse on 30 May, 2013 at 10.30am?---I don't recall. I - - -

THE COMMISSIONER: Bearing in mind that you've given evidence to the effect that you would check the documents submitted by Ms Fayrouz and correct them where necessary does it follow that you would have checked these minutes as well?---Commissioner, with respect to meeting minutes I don't really read them, I just do the action items that are associated with me so - - -

10

Well, I accept that?---Yeah.

But I'm just asking does it follow that you would have checked these minutes amongst all of the documents that you check that came to you from SAFF Projects?---Possibly, yes.

All right.

20

MR BRADY: Do you see down the right-hand side there's – sorry, underneath the introduction it then has item, business, owner, action and date. Do you see that?---Yes.

Introduction AA?---Yes.

That's supposed to refer to you obviously?---Yes.

30

Does that mean you were there?---I presume so, yes. If, if, if it says that I was there then I presume I was there, yes. I don't recall the exact date but if it says I was there more than likely I was there.

Because these minutes are then coming to the Department, right?---Will be coming to the Department, yes.

And forming part of the records of the business?---Yes.

40

All right. So no doubt you would at least check to make sure that if it says that you were there that you actually were there?---At the time I probably said yep, I did that. Now, at this moment, I don't recall being on that date but I know I was there on a number of occasions.

All right. Do you see that the owner of the information has you at the introduction and then has Fayrouz for communication strategy concerns? ---Yes.

Correspondence with council and police. Have registrar and senior registrar been briefed accordingly. Walked around and revised scope of works with AA and SA?---Yes.

Program of work. Revised program has now been developed therefore another program needs to be issued. Do you see that?---Yes, yes.

All associated with Fayrouz?---Yes.

Fayrouz with no experience of project management at all?---Like I said, I probably gave her instructions of, you know, what needs to be done and the likes and handed that piece of paper through to her and she co-ordinated accordingly.

10

So in fact we could have just put – she could have just put AA down for all of those really couldn't she?---No, not really because owner meaning who needs to undertake those works.

I see. That same day – would Your Honour – Commissioner, excuse me if I may.

THE COMMISSIONER: Yes.

20 MR BRADY: On 30 May, 2013 in the morning were you at Parramatta?---I don't know if I was or wasn't.

Well, according to this of course which goes on the records you were in Cessnock at 10.30am, right?---Possibly, yes.

How far from Parramatta to Cessnock?---Oh, an hour and a half maybe. I'm not sure.

30 All right. So one could assume that you were there at 10.30am. An hour and a half before and an hour and a half later at least you wouldn't be in Parramatta, right?---I don't, I don't know. I don't recall. Yeah, but if that's, that's what it presumes, yes.

Right. Let me just take you if I can to 1542. That's your telephone number, the one in blue highlight on that page isn't it?---I believe so, yes.

What do you mean you believe so?---Yes, it's my phone number.

See 30 May, 2013?---Yes.

40

11.15am?---Yes.

Do you see there's a call from your phone?---Yes.

From Parramatta Law Courts?---Yes.

That's you isn't it?---I – yes.

How are you at Parramatta Law Courts at 11.15am on 30 May, 2013 if you're supposedly at Cessnock Courthouse at 10.30am that same day?
---Probably the date was wrong on the meeting minutes maybe. If we look at that possible. I don't know. I - - -

How do you get meeting minute dates wrong?---I don't know. Like, like I said, I don't review the, the date, the minutes in detail.

10 THE COMMISSIONER: Well, the other explanation is that you weren't at Cessnock at all on that day and - - -?---Possibly, yeah.

And that you weren't there when that meeting took place?---I was there when a meeting took place definitely, yes.

Well, when a - - -?---I don't know the dates.

When a meeting took place?---Yes.

20 What I'm putting to you is that one explanation is that on the day, namely 30 May, 2013 when Ms Fay Rouze and Mr Chacra were there - - -?---Yes.

- - - you were not there?---On the 30th based on this, yes, that's, that's - - -

Notwithstanding that, the minutes reflect the fact that you were there - - -?
---Based - yeah.

- - - and so the minutes have to be fraudulent don't they?---The minutes are wrong, yes.

30 MR BRADY: Well, it's beyond wrong because they've actually then indicated various owners for projects including you, right?---Yes.

So again, they're fraudulent aren't they?---No, not necessarily. Like I said, it might have been on the site that the date was confused. I don't know. I, I, I can't answer that question.

Well, it indicates that Mr Chacra was there as well doesn't it?---Yeah, but based on this he wasn't.

40 You mean based on the telephone records?---Yes.

So was the whole minute a fraud?---I don't know if it's a fraud but it might have been inconsistent with the timings.

THE COMMISSIONER: Sorry, I don't know what that means. It has to be inconsistent with the date?---With the date, sorry. With the date, yeah.

MR BRADY: Are you saying, for example, that Fayrouz just simply might have got the date wrong?---Maybe, yes.

Is that just another example of incompetence that we've been talking about through the course of this morning?---Well, like I said, I didn't go through it with a fine-tooth comb so probably it is incompetent on my part.

Well, it has to be amazingly incompetent on her part that she's written down the wrong date of a meeting that apparently the three of you went to at
10 Cessnock doesn't it?---I, I can't answer for her, sorry.

Well, so you end up no doubt paying SAFF and Triton for the work they've done including this supposed meeting - - -?---Yes.

- - - on 30 May, 2013?---Yes.

Is that another example of just not checking to see whether or not they had actually done the work?---No, that's not true. Like I said, I can't, I, I can't answer in regards to the date itself. Probably inconsistencies in terms of
20 when it was done or by mistake, I can't answer that.

So do you say that meeting took place. It just might not have been on 30 May at 10.30am as set out within the minute meetings?---Possible, yes. I, I don't know.

Can I take you to East Maitland, 1689. Now, that's a - minutes of a meeting that supposedly took place on 17 April, 2013. Do you see that?
---Yes.

30 The time 11.40?---Yes.

With you, right?---Yes.

Anthony Dyke?---Yes.

And Fayrouz. Do you see that?---Yes.

Was she actually at that meeting?---I don't recall. I can't recall if she was or she wasn't. I don't know the dates.
40

Well, why - - -

THE COMMISSIONER: Mr Andjic, I'm just, sorry, I'm just struggling with why you would have cast your eye over these minutes presumably reasonably contemporaneously with the actual meeting, in other words, after the meeting occurred the minutes were typed up and then they were submitted to you within a relatively short period of time?---Yes.

If someone was represented as being at the meeting when they weren't there or if there was some other major problem with what was recorded on the minutes you'd cause it to be corrected wouldn't you?---Yeah, I possibly should have if that's the case if they weren't there. I probably just didn't bother. I took notes, maybe if I was there and took notes, gave it to her in that respect.

10 No, no, no, no, please, it was a very simple question. If the minutes did, if the minutes reflected something that had occurred that didn't occur or if the minutes reflected someone in attendance who wasn't in attendance you would have caused Ms Fayrouz to correct the minutes wouldn't you?---I should have, yes.

What, are you saying that if – are you saying it's possible that you didn't cause her to correct the minutes?---Yes.

Well, what was the purpose of her providing the minutes as an accurate record of the meetings then if nobody was going to correct them?---Yeah.

20 They could have said anything at all?---Well, yes, the action items, I just focussed on the action items but yeah, they could have said anything at all.

MR BRADY: So how, if you don't know whether or not Fayrouz was there, is she doing the meeting minutes?---Possibly through me, I wrote the meeting minutes maybe, I don't know, the bulk of the times I write my notes and then hand it over to a project manager to write meeting minutes and, and the likes um, yeah, it's, that normally what happens.

30 You see, aren't SAFF charging the taxpayer for this?---Possibly.

Well, it's not possibly, they are, aren't they?---Yes, they're charging.

Well, why don't you make sure they actually did the work?---I should have, yes.

You didn't make sure they actually did the work because this was all part of the plan to defraud the New South Wales Government wasn't it?---It's not a plan, Mr Brady, sorry.

40 Well, was this a fraud?---It's probably untruth so I, I don't know if it's a fraud.

You see, Fayrouz - - -

THE COMMISSIONER: I think it's being put to you that it's a fraudulent document, Mr Andjic?---If she wasn't there well, yeah, it's, it's – that may be the case.

MR BRADY: Well, does that now cause you some grave concern about the amounts of money that you paid over to these people on behalf of the Government?---Prior to this it caused me grave concern.

Sorry?---Prior to this as part of this whole investigation, yes.

Who got the job for the construction work for East Maitland?---It was Triton.

- 10 How did they get the job for the construction work for East Maitland?
---Essentially it was because they were working at Cessnock and we varied East Maitland as part of that to do it through economies of scale and the likes.

Sorry, how did they get the job for East Maitland?---Because they were working at Cessnock which was in close proximity of East Maitland it was decided that the use of the contractor at Cessnock and East Maitland for economies of scale because they were already on the, on the books and the like so we just continued on with that, using them.

20

Already on the books and the like?---Yes.

What in the world does that mean?---Basically they were already engaged so, and because the amount of works that were going to be undertaken at East Maitland were, was not comprehensive in terms of what was originally supposed to be done and we had to do it as a fast track so there was extenuating circumstances to deliver that accordingly so that's why we used Triton.

- 30 What was the fast track?---Ah, a whole bunch of money was being allocated to do East Maitland as a major works. That got changed during the course of about a month or so and the moneys were then transferred to Maitland for major works that were going to be undertaken there for roofing but in order for us to do some works because promises were made not by us, by me or whoever it might be with the registrar that some works needs to be done there we done those works to keep the locals happy so to speak.

You mean you decided to appoint Triton?---Through an extenuating circumstances, yes.

40

Did you decide to appoint Triton?---It was, it was suggested, yes, I suggested it.

What do you mean you suggested it?---I approached my manager, Jamie or, at the, at the time and said to him look, do you want us to do some works at East Maitland, he said yes, I said I've got the contractor at Cessnock, is it okay if we use them.

Right. You say do you that Jamie Maslen signed off on doing a direct negotiation with Triton to perform the works at East Maitland?---Yes.

No doubt about that you say?---From, from memory, yes.

Well, from memory yes, is that putting some sort of qualification on it?
---That's my qualification, yes. I remember quite clearly that it was done that way.

10 Right. So you say do you that you approached Jamie Maslen and told him you wanted to use Triton to do the job at East Maitland on a direct negotiation basis and he said okay?---Yes.

Did you tell him when you were doing that that you were getting SAFF to project manage it?---I believe I did.

So you also told him that SAFF was project managing this job at East Maitland?---I believe I did, yes.

20 And did you tell him that SAFF and Triton was owned by the same person?
---Initially when I did Cessnock, yes, so that was part of that process so he knew of it and I didn't reiterate it.

So you told him, did you, that SAFF and Triton were owned by the same person during the Cessnock job?---I, I believe I did, yes.

And you then told him that you wanted to give a direct negotiated contract to Triton at East Maitland and that SAFF and Triton who is owned by the same person were going to be working as project manager and as
30 construction company?---Yes.

And he said okay?---Yeah, from memory, yes.

Well, you added - - -?---Yes.

- - - the qualification yes?---Sorry, yes.

Are you serious?---Yes.

40 One of the aspects of the procurement policies in relation to courthouses is that it's important to have separate project managers and construction companies isn't it?---There is separation, there should be, yes.

And the importance of having the separation between project manager and construction company is because of the specialised nature of courthouses and the complex stakeholder interactions, right?---Possibly, yes.

Well, let me take you to it if I can. 465. Now this is the Capital Works Construction Related Services, do you see this?---Yes.

There can be absolutely no doubt that this applies to you, right?---I believe so, yes.

Well, what's the believe, does it or doesn't it?---Is that the Department's one? I can't recall if that's the Department of Attorney-General's or not, yes, then yes, yes.

10

Can I go over the page, you see the project delivery methodology down the bottom?---Yes.

“Several project delivery methodology is available depending on a number of criteria including project size, complexity, risk profile and performance requirements.”?---Yes.

“These include but are not limited to traditional,” do you see that?---Yes.

20

“Separate project managers, separate designers, separate contractors,” do you see that?---Yes.

Now can I go over the page, “DGAG,” that's your department?---Correct.

“Default project methodology, delivery methodology is the traditional method,” do you see that?---Yes.

“Due to the specialised nature of courthouses and our complex stakeholder interactions.”?---Correct.

30

That is you should have a separate project manager and a separate construction company, right?---Separate, yeah, two separate entities.

Right. SAFF and Triton were owned by the same person, right?---Correct.

They weren't separate were they?---The two components were separate yes, they were. But technically, no.

40

Not technically. Substantially they were not separate were they?---They were owned by the one person, yes.

There's no way you could possibly describe them as being separate is there?---Um, the works that they were being done were separate like, project management and construction but as an entity, no.

Right. And you say that you were okay with that for both Cessnock and East Maitland?---Yes.

And you say do you that Jamie Maslen also said no problems whatsoever that the same person is involved in both?---Correct.

All right. Now, the Tamworth job - - -?---Yes.

- - - Triton also got that didn't they?---They did.

There was a tender for that wasn't there?---Correct.

10 Did you set up a tender evaluation committee?---I did.

Who was on it?---Um, from memory it was, I believe um, Alex Cheung and Hannan Le and myself.

They were actually on the tender evaluation committee?---Ah, they were, yes.

You actually met with those two people on a committee to consider the tenders for Tamworth?---Correct.

20

No doubt about that?---Um, like I said from memory they're the people that I believe they were on there, yes.

When was it?---I don't recall the timing, sorry.

What role did Alex Cheung and Hannan Le have in that tender evaluation committee?---They helped in terms of um, going through the whole tender process, evaluating the tenderers um, putting a like, their thoughts and comments in regards to it.

30

No doubt over a number of hours?---It would have been, yes.

Right. You see, there was never a tender evaluation committee meeting for the Tamworth project was there?---There was, definitely.

And if there was definitely can you say that it was definitely Alex Cheung and Hannan Le?---There was an email that I sent through to them prior to um, the tender evaluation committee that was done and that highlighted to them that this is the tender evaluation committee, or report, or whatever it might be in regards to our meeting.

40

So what - - -

THE COMMISSIONER: Sorry, that was - I'm sorry?---Sorry. Yeah.

You see, that was not responsive to the question. We're not talking about whether or not there were emails?---Oh, okay.

Can you put the question again please, Mr Brady?---Sorry, yeah.

MR BRADY: Yes. You say definitely the meeting was held?---Yes.

And what I'm asking you is this. You can therefore definitely say that it was Alex Cheung and Hannan Le you say that were on the committee?---Correct.

10 Why in the world when I asked that question in the first place did you start talking about an email that was sent through to them?---I was just going through the processes, sorry.

Or was that because you know there's an email sent and you were trying to justify the fact that you say that they were on it?---I know there was an email sent, yes.

You see, there was never a meeting of this tender evaluation committee was there?---There definitely was a meeting.

20 Who wrote the report?---Ah, probably I did.

Right. Then who approved the contract?---The contract would have been approved by the delegating authority which was, I believe either Kerry Marshall or Jamie. I don't know the exact, when it was done, the tender, sorry.

Right. You say that someone else signed off on it, not you?---Correct.

30 Having reviewed your report?---Correct.

Because the two bidders who bid other than Triton were substantially under the bid for Triton weren't they?---Correct.

In fact, almost half?---I don't know the exact figure.

Well Triton ended up giving you a figure of, didn't they, almost 80,000? ---Possible.

40 \$78,205, right?---Yes. If you say so. I don't know.

And the other two came in at around about \$40,000 a piece, didn't they? ---They were lower, yes.

Well substantially lower, weren't they?---Yes.

The other two were on the pre-approved list?---I don't believe they were.

Why not?---Because of the value of the project. I believe there was a conversation between myself and Department of Finance and Services relating to the project asking for a list and they said, “No, with the value and the risk just ring whoever you need to, locals, builders, whatever you need to do to get it done”.

Well how did you get a hold of the other two companies?---Ah, Yellow Pages.

10 Seriously?---Yes, seriously.

You rang the Yellow Pages for people to - - -?---No. I didn't ring. I used the Yellow Pages to, yeah, so - - -

Sorry. You used the Yellow Pages to get a couple of building companies?--
-Yes.

And asking them if they want to tender?---Correct.

20 On what basis did you pick them out of the Yellow Pages, was it the best ad?---Probably. The biggest ad, it had pictures on it. I don't know.

THE COMMISSIONER: Should we leave it there, Mr Brady. We'll take the luncheon adjournment. We'll resume at quarter to 2.00. Thank you.

LUNCHEON ADJOURNMENT

[12.46pm]