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COMPULSORY  
EXAMINATION

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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC  
COMMISSIONER

COMPULSORY EXAMINATION

OPERATION GERDA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 22 JUNE, 2018

AT 9.00AM

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

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

THE COMMISSIONER: This is a continuation of the compulsory examination of Daryl McCreadie. I propose to make some directions as I did on the last occasion. Pursuant to section 31A of the Independent Commission Against Corruption Act 1988, I direct that the following persons may be present at this compulsory examination – Commission officers, including transcription staff; the witness, Mr McCreadie; and Mr Watson, his legal representative.

10 I also propose to make a direction under section 112 of the Independent Commission Against Corruption Act 1988. Being satisfied that it is necessary and desirable in the public interest to do so, I direct pursuant to section 112 of the Independent Commission Against Corruption Act, that the evidence given by this witness, the contents of any exhibits tendered, the contents of any documents shown to the witness, any information that might enable the witness to be identified and the fact that the witness has given evidence today shall not be published or otherwise communicated to anyone except by Commission officers for statutory purposes or pursuant to further order of the Commission.

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**BEING SATISFIED THAT IT IS NECESSARY AND DESIRABLE IN THE PUBLIC INTEREST TO DO SO, I DIRECT PURSUANT TO SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, THAT THE EVIDENCE GIVEN BY THIS WITNESS, THE CONTENTS OF ANY EXHIBITS TENDERED, THE CONTENTS OF ANY DOCUMENTS SHOWN TO THE WITNESS, ANY INFORMATION THAT MIGHT ENABLE THE WITNESS TO BE IDENTIFIED AND THE FACT THAT THE WITNESS HAS GIVEN EVIDENCE TODAY SHALL NOT BE PUBLISHED OR**  
30 **OTHERWISE COMMUNICATED TO ANYONE EXCEPT BY COMMISSION OFFICERS FOR STATUTORY PURPOSES OR PURSUANT TO FURTHER ORDER OF THE COMMISSION.**

THE COMMISSIONER: We might have the witness sworn again, I think. I propose to make a further section 38 declaration too, Ms Hook.

<DARYL SCOTT McCREADIE, sworn

[9.12am]

THE COMMISSIONER: Now, you might recall on the last occasion, I made a section 38 declaration to give you some protection.---Yes, sir.

10 And I'll just remind you that although your answers can't be used against you in any civil proceedings or criminal proceedings, there are, sorry, there is an exception that you can be prosecuted for an offence under the ICAC Act on the basis of that evidence and, most importantly, the offence of giving false or misleading evidence for which the penalty can be imprisonment for up to five years. So, I'll just remind you of that. So, it's very important for you to answer all questions truthfully.

20 Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by him during the course of his evidence at this compulsory examination are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular given or document or thing produced.

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

THE COMMISSIONER: Yes, Ms Hook.

40 MS HOOK: Thank you, Commissioner. Mr McCreadie, since the last occasion you were here, has anything changed with your employment status?---Significantly.

Can you tell us?---Yes, certainly. Not long after I was here last time, I've resigned from my previous job, my previous employer and I've taken steps to get a new job out of the security industry completely.

So, resigned from SNP?---Yes.

And have you taken steps that have led you to employment or are you still looking?---No, no. I've secured casual employment. I've got an exam next Wednesday, and all things going well with that exam I can begin work.

And can you tell us whereabouts that is?---Yes, it's with a, it's a company called Swetha International. The role is called protection officer, so it's a, a safety lookout role, working on the railways.

10 And when you say, "Safety lookout," is it WHS-related? What, what sort of work is it?---It's work health and safety related. It's to, basically the role of the protection officer is to make sure that people or equipment don't get struck by rail traffic.

Okay. Mr McCreadie, on the last occasion, you told the Commission that you had known Tommy Sirour from the time SNP signed him up to be a subcontractor with that organisation.---Yes.

20 And you said that was about 2014. Is it possible it was earlier than that? ---Yes, it is.

Who signed Tommy Sirour up as a subcontractor for SNP at the University of Sydney. Was that you?---I was told to use him at the University of Sydney. We---

Who told you?---A person by the name of Laurie Bewes.

Laurie Bewes, can you spell that for us?---Surname?

30 Yes, please.---B-e-w-e-s.

And what was his role?---Branch manager, Sydney branch manager.

At where?---SNP Security.

40 And did he tell you why to use Tommy Sirour?---We were having problems with our other contractor that was there at the time, a company called IPS. There was some behavioural issues, so we used S International as a, how do you say it? As a bit of pressure for them to, to lift the performance of their staff. We sort of said, we had formal meetings with IPS in our office outlining some of the issues, some of the behavioural issues we were having with the, the guards and what grief that was causing us and we said to them that you know, if they had a security officer removed from working at Sydney University, we would put in a security officer from S International and vice versa. If S International where to have an officer removed, we would put an IPS officer back in.

So you had two subcontractors on the books at the same time then?---For a little while, yes.

Do you recall how long that overlap happened for?---Maybe about, maybe about four months.

And whenabouts was this, do you remember?---About, it was either late 2012 or 2013.

So, is it the fact that you met and dealt with Tommy Sirour late 2012-2013? Do you think that more accords with what happened?---Sorry, I - - -

10

You told us on the last occasion you met him in 2014 when he was signed up for the - for subcontracting work at University of Sydney. --- Yep.

Do you think it was round 2012 and 2013 that in fact that happened?---Yes, I think it was earlier.

Okay. And it was you who was told to sign him up by Laurie Bewes?---I didn't sign their organisation up.

20 But you who negotiated for him to come on board?---No.

So, what was your role, if any, in bringing him on?---I didn't bring his company in to SNP Security.

So, did you introduce him to University of Sydney work?---Yes.

30 And how did that happen?---I was, I guess, Laurie had said to use SIG down at Sydney Uni. I'd approached the customer to say, look, we may need to change our contractor because of the behavioural issues and the complaints that were coming through. We had a series of serious complaints about how the guards were conducting themselves and it wasn't shining a good light on SNP. So, we thought we'd better have someone, just in case it got worse.

40 And what sort of behavioural issues and complaints were they?---There was a, the ones that were documented were, a guard was found asleep in a patrol car on day shift in quite a prominent place within the university grounds. So that person was, you know, removed from working there immediately. There were issues around the attitude of some of the guards, not, not following procedures, being rude to members of the public and the, so we, we'd sort of given them warnings, I guess you'd say. We, we gave IPS formal warnings that they had to speak to their staff and they had to turn this behaviour around, otherwise they'd risk losing work. The final straw, there was a graduation ceremony where the university chancellor came in, in her vehicle, she was Dr Bashir, she was also state governor at the time, so she wasn't in a university vehicle. I think she was being driven in by an undercover police officer, and when the undercover police officer asked to come through the, the barricade where the, this particular guard was stationed, the guard swore at him and, and was rather unpleasant. So, that

was the, that was the kneejerk that caused us to remove IPS as a contractor completely and pick up the slack with using S International.

And was it you who needed to do the work to bring S International onto University of Sydney campus for use, was it you who negotiated with Mr Sirour to get his firm to subcontract permanently?

---There was no negotiation because they were, they were signed up as a, as a supplier.

- 10 Okay.---Rosters had given the green light for us to use them, it was just a case of when. When that changeover occurred some of the guards were approached to come on the books with SNP direct, some left and some signed across to S International.

And was it you who approached those guards?---Yes.

Did Tommy Sirour or SIG ever give gifts to SNP staff, like travel or accommodation or spending money?---Yes.

- 20 And did you ever receive gifts from Tommy Sirour or SIG?---Yes, I did.

Can you tell us what they were?---Yes. I was given some flights, just domestic flights down to Melbourne for my family and I, and, and a camera lens for my camera.

Do you remember when you went to Melbourne?---Maybe late, late 2013.

Did you have flights to Perth in June 2013?---I can't remember if that was 2013 or 2012.

30

Were they also paid for by SIG?---I don't believe so.

Why were you given flights to Melbourne for you and your family?---I believe it was because they picked up some work at University of Sydney that was obviously quite good for them.

- 40 And why you, why did they give it to you, this gift if you like?---I guess it was to, I guess it was to, I don't know, I guess to make sure that I looked after them in terms of, you know, helping to manage their staff, making sure that you know, they got, you know, a good amount of business in return.

So were there strings attached to these flights?---No, there were no strings attached. There was certainly, there was certainly some pressure put on by Tommy over the years for me to, to give him more work, but as I said you know, I couldn't, at the end of the day it was between Rosters and the branch manager or the people above me as to who worked where.

But just going back to the flights to Melbourne at the end of 2013.---Yes.

How did it come to be offered to you, that family holiday, if you like?---I think I'd mentioned that I was going on holiday and he said that he had a family member that owned a travel agency, which I later found out to be false.

10 So he said he had a family member who owned a travel agency and?  
---And he said, "I can get you some cheap flights." And he said, "Don't worry about paying for them, just, you know, have it as a gift from me to you to say thank you."

And was the flights that were paid for or was it accommodation as well?  
---From my memory I believe we booked and paid the accommodation from our, from our own account.

What about spending money, did you get anything else from Mr Sirour?  
---Maybe about \$400.

20 Do you have a recollection whether it was \$400 or - - -?---Again as I explained in the last meeting, it started off I'd get, you know, a couple of hundred dollars here and there as, you know, kind of a weekly, you know, thanks for the business. It was - - -

THE COMMISSIONER: I think you told us \$500 a week, wasn't it?---It started off at a lesser amount and it was - - -

30 Well, I think you said 400 and then it went to 500.---Yeah. It was infrequent. And then about three years ago it sort of pretty much became every week.

MS HOOK: And this is in cash from Tommy directly to you?---It started off that way but then I believe, please, I might be hazy with, with exact dates and things like that, but I believe about three years ago it went from, you know, him handing it to me to me collecting it from his office.

And did Tommy Sirour or SIG organise and pay for other trips away for you and your family over the years?---No, no. We, we paid for our family holidays out of our, out of our bank account.

40 Did he give you other gifts over the years?---Other than money, no.

You went on a trip with your 2IC, Emir Balicevic, earlier this year to New Zealand.---Yes.

Who paid for that?---Emir paid for himself and I paid for me.

Do you think Tommy Sirour was giving you the regular cash payments to thank you for being part of the false time sheet scheme at Sydney University?---Those regular payments, no.

So the regular payments you, you stand by your evidence given on the last occasion that they were for obtaining work for Mr Sirour?---Yes, yep. That, that weekly, as I said before, that weekly figure was a, was a, was a standard weekly figure. If there was something that I, I had worked or that I had claimed that wasn't covered, that's when the amount was higher.

10

THE COMMISSIONER: So did that include exaggerating the number of guards which might be required for a particular job?---Yes. So I would have to go into the office, and this is where everything changed, I would have to go into the office and sign to collect the money, so there would be, there would be evidence there of me going in and signing for it.

MS HOOK: Did any - Sorry, Commissioner.

20 THE COMMISSIONER: I'm sorry. I shouldn't have stepped in. And I think you said on the last occasion that was at Mascot and then later at, was it Rockdale or - - -?---Yes.

Yes.

MS HOOK: Did anyone at SNP ever comment on or question the amount of ad hoc extras that were being claimed by SIG?---Not to my knowledge.

30 Do you think anyone at SNP could have been aware that the amount of ad hoc extras that were being claimed were not justified?---I don't know. I pretty much lost all contact, not all contact, I'd basically shut myself off from the office when I started working at the university.

40 Can you explain that a bit more to us? How did you shut yourself off from your employer?---From the time I started with SNP I was employed as an account manager and I was based out of our head office which was originally in Homebush and then it moved to West Ryde, and then I'd sort of gotten sick of doing that as a job and I was thinking about moving on, I was just waiting to get to my 10 years' service. I'd gotten to that milestone and then a few months later an opportunity came just with a new contract being signed between SNP and Sydney Uni. Such was the nature of the work I was able to be based at the University of Sydney and give up, you know, most of the other sites that I was looking after. So I guess in a way that removed me from the, from the head office environment and I was pretty much alone at Sydney Uni.

Did you report to somebody though at SNP?---Yeah, always.

And did they have oversight of your day-to-day work?---Probably not. It changed so often, we had a high turnover in head office, so I think people just thought, oh, well, you know, Sydney Uni's, you know, tracking along just nicely, you know, we'll focus on our other areas where there's trouble or where there's issues.

10 So were audits ever done by SNP on the SNP operations at the university?  
---They would have, I know we had Work Health and Safety audits on our Safe Work Method Statements, there was an external audit by KPMG, but in terms of them coming in and actually auditing, you know, the job that we were doing, no one actually came out.

So SNP didn't really have an understanding of what was going on at the University of Sydney. Is that fair to say?---I'd say that's fair to say.

20 So the buck stopped with you, so to speak, in terms of the SNP contract?  
---Well, no, I mean I reported up to a, they called the position different, different names over the years but essentially above me there was a branch manager and also the operations team, national operations, so I would have reported in to both those, both those areas.

And when you reported in, what were you reporting in?---Just reporting in things like, you know, if there were any issues on-site, repairs needed to the vehicles, just general day-to-day items.

So can you tell us who held those positions at SNP, the branch manager and the national operations manager, I think you said?---Yep. From roughly what time, because it changed?

30 I think we might take the time that we're looking at to be 2013 to this year, if you can.---Okay. I think back in 2013 our, our branch manager was Laurie Bewes, then after Laurie left I think for about a year, about a year and a half it was, it sort of fell to Ken Jenkins, who was our national business development manager, after Ken our national GM at the time I think sort of took the reins, that was Craig Miller, then during Craig's time Stef Zarikos became that branch manager, which would have been about, about mid-2017, could have been earlier. I'm, like I say, there was a fair bit of turnover. In our national operations it went from, it went from being  
40 branch, branch-by-branch model, so we had an office in Newcastle, Canberra, Melbourne, Brisbane, they did their own rostering, and then at some point in, some point in 2015 they moved it to more centralised national, national model and the head of that was Peter Papagiannis.

And would any of those people you've just named ever get down to the nitty-gritty detail of seeing invoices for instance for what was being claimed by SNP and SIG in terms of ad hoc extras, would they see that level of detail or did that stop with you?---Well, there would have been invoices

from SIG to SNP, so that was just handled by the operations team, I didn't see or sign off on any of those invoices.

All right. We might come to that in a minute.---Yep.

What about SNP's invoices --- Yep

To Sydney University.---Yep.

10 Would the people you've mentioned see those?---Ah, they would have helped to, to put the information in to bill those, those invoices, then the invoice, the contract invoice was the contract invoice.

Ah hmm.---That was just automatically generated and sent out. The ad hoc invoices, I would have to go through those because there were certain things where the university didn't have a, an account code or a purchase order and they had, under the contract invoice they had a pool, they had a pool of hours to accommodate those shifts and then there would be things that we had to take out of the invoice because they were an SNP cost, so things like  
20 going to get cars serviced or rostering someone to go and pick up a bus that had been in for repair or something like that was not a chargeable item to the uni.

But the invoices in relation to ad hoc extras would be dealt with in house. Is that, is that right? It would be dealt with at the University of Sydney?---  
Yes.

Okay. And so is it the case that nobody ever questioned you about the size of those ad hoc extra invoices?---No, no one ever, no one ever, I can't, I  
30 can't recall anyone ever saying, you know, are the, you know, are we right for this amount of money.

You agree that there were regular situations when the number of guards requested were not provided, but you or others signed under false names and claimed payment for those hours.---Yes.

Did the University of Sydney or Dennis Smith or anyone else ever question the lack of guards on campus, did they ever see that there weren't enough guards for what had been requested?---No.  
40

Do you know if it was known to them that there weren't enough guards or there weren't the guards that had been requested, do you know if anybody knew that situation at the University of Sydney?---I don't know.

Were you ever asked about the number of guards that were turning up for a job, that it didn't look quite right numbers-wise?---Not that I can recall, no.

Who did you report to at SNP?---At which time, sorry?

All right. If that's changed - - -?---Sorry, it changed through all those, all those people.

Okay. So your direct reports over the 2013 to 2018 period, who did you directly report to?---Okay. I directly reported to first off Laurie Bewes.

10 Ah hmm.---And then when Laurie, when Laurie left our general manager at the time was Kevin Peters, he sort of oversaw all our contracts and we answered to Kevin on a fortnightly basis.

20 Ah hmm.---Then Kevin got Ken Jenkins to, to sort of field that role. Ken had, jeez, when did Ken do that, I think it would have been about 2015, because I think Ken resigned, I think Ken resigned early 2016 and then we were reporting to Craig Miller. He could have resigned earlier, I don't know exact dates, but then for a while there I was reporting straight to Craig Miller who was the national general manager for protective services, and then, and then he asked that we report to Stef Zarikos as a, look, I don't know if Stef was formally made branch manager or whether they just called him senior account manager, I don't know what his exact job title was, but I reported to Stef there for a while, and then Stef, Stef resigned and then the last manager I had was Phil Tansey.

30 And how long did you have Phil Tansey for as a manager?---Actually, sorry, in between Stef and Phil was a lady by the name of Robyn, so between Ken leaving and Stef coming into the job, there was a lady taken out of the airport contract called Robyn Wanza. So she was only seconded for, for a short term. She wanted to go back to the airport. So, yeah, I believe it would have been Ken, Robyn, Stef and then from Stef leaving and Phil starting, it was maybe two or three months, I think about that.

Do you remember when Phil Tansey started?---I think, I think he started in October or November, 2017.

And is he still there at SNP?---No.

When did he leave?---May.

40 May this year?---Yes.

Do you know why he left?---I don't think he enjoyed, I don't think he enjoyed working at SNP but the official line that we were all told from the managing director, was that he resigned for health reasons.

Did Phil Tansey ever ask you questions about the amounts SIG were charging for the additional work?---No.

Did you ever bring to his attention large monthly invoices for ad hoc services in the order of \$100 to 200,000?---I had mentioned to him when he came out to the university because he wanted to know, you know, what the scope of works were and I said to him, you know, it's, you know, "It's quite a lot of work." It can fluctuate, you know, dramatically depending what's happening and what isn't happening at the university.

10 Did you give him a range of figures for the amount of work expected on a monthly basis?---For a, for a long time there, I think our average, average ad hoc invoice at the uni was about \$100,000 you know, 100 to 120, again, depending on, depending on what jobs came up.

So, that's 100 to 120 of what was actually claimed, is that right? Or what was actually required?---Sorry, I don't understand the - - -

So the invoices for ad hoc extra often – I think you've said on the last occasion, you agreed that this was the case – were made up of hours that weren't necessarily worked?---Yes.

20 So when you're talking about an average invoice of around \$100 to 120,000 --- Yep

--- is that of legitimate work or of work that's claimed illegitimately as well? ---Oh look, I would, I would believe that the bulk of those invoices were actual work conducted.

30 Were you ever concerned about the extent of the ad hoc services being claimed on a monthly basis, the size of the invoices being put through on a monthly basis?---Was I concerned? No, some of it was quite, how do you explain it? Some of it was quite regular. So, you know, shifts at the Fisher Library were, were quite regular. They were almost like, like a fixed roster.

40 Can you talk to us about the Fisher Library issue there? Why is that an ad hoc extra rather than part of the ordinary contract?---When we tendered for services back in 2015, the Fisher Library only opened certain days, sorry, certain hours. It was open seven days a week but it, primarily during the week it was 8 o'clock in the morning until about 10 o'clock at night and then in 2016, I think 2016 in, in July, the Fisher Library started to open 24 hours a day. So the requirement for that changed, and for whatever reason the university didn't incorporate those additional hours into the, into the actual guarding contract. They just left them as a, as a separate - - -

So they were deemed ad hoc extra but they were so regular that they were effectively part of the main --- Yeah

--- service that you provided. How many guards were usually there at Fisher?---After hours?

Yes.---When outside of the, outside of the normal advertised opening hours, three guards.

And were there always the correct number of guards there?---As far as I'm aware, yes.

Is that something that you were meant to be aware of?---Look, at 10 o'clock at night, I wouldn't have a clue what's going on but I always believed that the three guards were turning up.

10

For the out-of-hours shifts?---Yes.

Do you remember the SNP security site manager, Aaron Lucas, who occupied the role before you?---Yes.

Are you able to tell us when he left SNP and what happened?---I think he left, he had a lot of personal issues. I think he left in August, 2015.

20

And when you say personal issues, what do you mean?---Marital problems.

And, and that meant that he resigned or - - -?---He, well I guess the circumstances about him not working at the University of Sydney, he had, he had an incident at work between him and another staff member which got quite confrontational. The other staff member thought that Aaron was going to, to punch him and Aaron, he walked away from that incident and he, 'cause I remember him calling me and saying, "Look, I've done something I shouldn't have. I've, I've blown up when I should have kept my cool. I want to take a couple of weeks' leave." So, we gave him a couple of weeks' leave and it was during that period of time that the university said, "Look, he's on a couple of weeks' leave, it's probably best that he doesn't come back if his behaviour's going to be like that.

30

And when you say the university said, who at the university said?---Well, Dennis had, had said to me that you know, his behaviour was a bit, well, not a bit, it was unacceptable.

And you had been managing him, is that right?---Yes, I was his manager for a while, well I, I employed him.

40

And then did you take over his role when he left?---Sort of. I still had all my other accounts, all my other customers that I was seeing. So, so I tried to call into the university, you know, at least three times a week whilst still, you know, running around and, and looking after other, you know, other guards, other sites.

Did you become more a full-time site manager once he left?---Once the, once it was made official that the contract had been awarded to SNP, that's when I more or less stayed at, at Sydney Uni from, I think from about

October, 2015, September-October, 2015. So, yeah, so, and I still had other, other customers to go and visit.

Did Aaron Lucas know anything about the time sheets being completed falsely?---At that stage, no. There wouldn't have been, shouldn't have been.

In 2015?---Yeah.

10 So when do you say that that practice began?---I believe it was at some point in 2016 where I was approached, there was a job that was put on, on a weekend and I was approached by Emir, you know, who said, look, we could, you know, we could, you know, charge, charge for, you know, a certain number of guards and claim a couple of hours for ourselves. So that was the first I knew of it.

It, it was something that was proposed to you by Emir Balicevac?---Yes.

20 Do you remember whenabouts in 2016, early?---Look, I'm, I'm guessing, I'm guessing early 2016.

And was he just talking about you and him doing that?---Yes.

And what made you agree to that?---I guess I was, I was swayed by greed.

30 And did you start doing it straightaway?---I was uncomfortable with it, I did it the one time, I, I did it on that occasion and I don't know, I didn't feel right with it, but then later I covered a few, I actually covered a few shifts, actually did the work and claimed for them, but then there were other times when, you know, I'd, I'd sort of gotten, gotten greedy and had claimed for, for shifts that weren't worked, that weren't covered.

THE COMMISSIONER: Well, you did that regularly, didn't you?---I started doing it regularly, yes.

Yes.---But as for the – I'm sorry, I can't remember the exact date but I believe it was, it was early 2016.

40 MS HOOK: Was there an event or a shift that you can recall that it was associated with?---Yeah, it would have been a, it would have been a power shutdown.

A power shutdown?---A power shutdown.

And just talk us through what that is.---So that's where, it could be Energy Australia, it could be a project team, come on-site, shut power to a building or a group of buildings and we have to post guards to, to look after those buildings or to prevent unauthorised access.

And you recall that that was the first time you made a false claim?---Yes.

And can you tell us what you falsely claimed?---I think, I think I falsely claimed about 60 hours' worth of work. It ran over a, over a weekend and I, I think it was about 60 hours' worth of work.

And Emir Balicevac did the same?---Yes.

10 And how did you put in those false claims, how, what did it look like, how did you do it?---Names were put on a, on a sign-on sheet, the, all our sign-on sheets were sent to Rosters, so Rosters would input the names into the, into the rostering program which would generate, obviously they'd use that information to generate the invoices to the university, and a copy of the names that we had claimed to be were given to SIG.

And what names, do you remember what names you used?---I don't remember all of them, but I, I do remember on occasion using the name Lincoln Nock.

20 And do you know what name Emir chose to use?---No, I can't recall.

And why did you use the name Lincoln Nock?---It was just a, it was a guard that I knew.

A guard who was employed to work at the University of Sydney?  
---Casually.

Did he know his name was being used by you?---I don't think so.

30 And did anyone at Rostering know that the names you were putting up were not right?---I don't think so.

THE COMMISSIONER: Who was, who was in charge of rostering?---At the time it was Peter Papagiannis.

Ah hmm.---But it could be any one of two or three other rostering clerks that would, that would input the, the time sheets into the, into the rostering system.

40 And who were they?---For Sydney rosters I think it was, I think it was Troy Swadling.

Ah hmm.---Dominic Giodini, Matthew Chicato - - -

Ah hmm.--- - - - for, for a little while, but then Shane Moxham more recently.

Thank you.

MS HOOK: And did anyone in Rostering ever come to realise what was happening?---I don't know.

After that first time that you and Emir did that and it worked, do you recall how soon after you tried another time?---I don't know. It, it may have been, it may have been a month later.

10 You don't recall whether there was a particular event or incident that was connected with that false claim, the next one?---The next one, no.

And eventually - - -

MR WATSON: If I could be excused for a moment?

THE COMMISSIONER: No, of course. Are you okay? No.

MR WATSON: I've had a tickly throat recently. Pardon me.

20 MS HOOK: Will we take an adjournment or press on?

THE COMMISSIONER: Would you like us to stop?

MR WATSON: Could I, just for a moment, please?

MS HOOK: Certainly.

THE COMMISSIONER: I'll just adjourn briefly and - - -

30

**SHORT ADJOURNMENT**

**[9.56am]**

THE COMMISSIONER: Are we okay?

MR WATSON: I hope so.

MS HOOK: Mr McCreadie, we were talking about the next time that you and Emir decided to make a false claim --- Yes

40

And maybe you can remember whether it was associated with any particular event or incident?---I can't pick a particular, but I'm, I'm of the belief it would have been within about a month.

And did it get more regular after that?---Yes.

And can you tell us how regular?---Again, there was some weeks where there'd be nothing and then there's be successive weeks where it was quite regular.

And what made you decide to do it? What, what made you decide this is the right time to make these claims or I'll leave it this week?---If we, if we chose to – how do I explain it? If we chose to leave it, it was because that either we wouldn't be able to, we wouldn't be able to cover it that we would need, we would - - -

10

Sorry, sorry you wouldn't be able to cover it?---Yes, we wouldn't be able to cover it because, cause like I said, some of the shifts – you know, for example, someone needed a bus to transport dignitaries to and from the airport or take people on a tour around the university – you know, we could, we could cover that and actually do the job and, and claim the hours for having done that job but there were, there were some shifts where, there were some shifts where it was really just an hour's job but we had to charge for four hours, so we would get one of the patrol officers to go and perform the task and we would claim the hours for that.

20

So when you say you had to charge for four hours, that was a requirement of the contract, was it?---Yes.

So minimum four hour blocks?---Minimum four hour blocks. There were a lot of jobs that came through where people gave us like a job request and gave us an account code to pay for that job. There were lots of those that were really just opening a door or coming along and closing a door for five minutes. We'd still perform the job, but I'd record in the comments that, you know, no charge to the account code for that work. So, yes, we would claim for, for some jobs but other jobs, no, you couldn't, couldn't justify you know, charging four hours for someone to come along and lock maybe two or three doors. So, we would record that in the, in the service request.

30

I'm talking about the, the claims you made for work you didn't do and I'm talking about how regularly that became something you and Emir were involved in doing --- Yep

And your decision about when it was a good time to make those false claims, if you like. --- Yep

40

So, can we turn our minds to that?---I, I guess it was, I guess it was based on, I mean it was based on greed but, but also you know, could we get away with it. I think that's the - - -

What would help you get away with it?---I guess maybe the, the time, the time of the job or the, the location of the job. That would, that would be sort of the main, the main criteria.

So, when you say the time of the job, say it was a night shift, would that be better?---If it was early, early evening.

Why would that be better?---Not as many people around, we, we'd have the, the lockup guards come in at stated times through the evening to do the lockup of campus and sometimes if there was a small job we could, we could tack on those extra duties to the, to the lockup.

But claim - - -?---But claim, we'd claim those hours.

10

Claim those hours. And when there weren't as many people around, does that mean there weren't as many people to observe that there weren't enough people on shift, is that what you mean?---No. University's open 24 hours a day. You know, it's, it's quite, quite a busy place right up until about 10 o'clock at night. Essentially, most of our, most of our, most of our ad hoc work was you know, predominantly early morning to sort of mid evening.

20

And would you and Emir discuss beforehand that this was a job you were going to make a claim over that was incorrect, or how would you organise it between the two of you?---Yeah, we'd talk about it first before we did it.

And you'd talk about it on the phone or how would you do it?---Yeah, we'd either, we'd either text it to each other or talk to each other on the phone. We'd go for a walk on campus and discuss it on campus.

30

And would you wait for a request for service to come in before deciding to do it or would you, what was the impetus if you like for, for deciding to do a particular shift in this way?---I think if the, if the service request came in and we had a look at the job and we thought it was, it was easy to cover, then we'd decide to, to cover it.

And did you make certain that other people couldn't hear your conversations about what you were planning to do?---Yeah.

So, you took steps to, to make sure nobody knew what was happening? ---Yep.

40

And it was just you and Emir for a while - - -?---Yes.

- - - involved in this? Did other people come on board over time?---To claim work that wasn't worked?

Yes.---I had a gut feeling that was the case but also I knew some of our guards were working extra shifts to get extra money.

So, when you say you had a gut feeling that was happening, did you know whether that was happening?---I knew on one or two occasions, a couple of

four hours shifts that were, that were claimed and given to another, that were given to a team leader for, for four hours' pay, but she had made sure that the task was done, if that makes any sense.

THE COMMISSIONER: No, it doesn't.---Sorry. I don't know the, I don't recall the particular job but say, for argument's sake, it was to go along and lockup an auditorium, after a, after an event. So, we'd ask the team leader to cover it and whilst she was on shift, and that she could claim that four hours.

10

MS HOOK: Okay. Isn't that a claim that she was entitled to make if she was on a shift?---No, because she was already being paid for her shift.

Okay --- So, it was during - - -

THE COMMISSIONER: Who was that?---Amyna Huda.

MS HOOK: And did that happen more, on more than once occasion?---I think, I think with Amyna, it was maybe only twice.

20

Did any of the other guards or team leaders start doing what you and Emir were doing and falsely claiming for shifts they hadn't worked?---That I, that I don't know. Like I say, I was aware that guards had signed on as other people but had turned up to do the shift so that they could get the overtime.

So you don't know of anybody else involved in making false time sheet claims?---Well, the only, well the only other person that helped us was Frank Lu.

30

And how did he help you?---Well, he was the rostering person for SIG.

And how did he help you?---If we wanted to claim something, then we would, we would tell Frank.

You would tell him what?---What we, what we wanted to claim.

THE COMMISSIONER: Falsely claim.---Falsely claim.

Yes.

40

MS HOOK: And you'd tell him in advance or you'd tell him afterwards, how would you do it?---We would tell him, most of the time we would say, "Here's a request for this shift, Emir and I are going to cover it."

And what would he do?---I guess he would, he would either fix up the time sheet or, you know, he would, he would say, okay, you know, go ahead.

Would he ever give you names to use?---He did on a couple of occasions.

Would you give him names you intended to use?---Yes, I had.

And would you do that by email or by phone?---Oh, could have been by phone, could have been by email.

And when did he start helping you and Emir?---At some point, at some point in 2016.

10 Do you have any idea when?---I don't know the exact date. I'd say maybe, maybe mid to late-2016.

And what did he get out of it?---I don't know.

Did he make any claims himself?---Again I, I don't know what he, he could have claimed anything and I wouldn't have known.

20 Did he ever do guarding work that – did he ever assist on guard shifts with you and Emir, did he ever do that sort of work?---To help us

Yes --- claim for something? Yes, I think we would have had things on his shift that he's covered for us and that we received, we received money for that.

But you're unaware of what he received or what he claimed?---That's right.

Any other guards or team leaders involved in this?---In terms of covering or getting money for shifts that weren't actually worked?

30 Yes, that's right.---I don't know. I do know that we had guards that were doing their, doing their set roster but then to get additional overtime where they probably wouldn't be allowed to do overtime, they would come in and work under a different name.

Can you give us the names of those guards?---Yeah. I believe, I believe Aymyna Huda would have been one, Gol Amiri, George Boutros and I think Mina Boutros.

40 So you were aware that this was happening, Mr McCreadie?---Yes.

Did you do anything about it?---I had spoken to, I had spoken to Gol when I found out how many shifts he'd done, he'd done quite a number of successive shifts in a row, not back-to-back, but consecutive days, and I said to him that I was concerned that he was trying to work too much and I didn't want him to, to burn out or, you know, suffer from fatigue and, you know, I asked him to, to pull back and not do as much work.

And do you know which names they used to work under?---No, I don't.

But you know that they worked under false names?---Yes.

Do you know who the false names belonged to, which guards they belonged to?---The, the names that I can, that I can think off the top of my head would be Lincoln Nock and Oliveria Bejatovic, but as for, as for who used what name, I wouldn't, I wouldn't know.

10 And do you remember when this would have started, this practice?---Oh, probably, probably at some, probably at some time in, in 2016, early 2016 I believe.

And did Frank Lu help these guards to do this as well?---Yes.

20 So he knew this was happening?---He would have. I think I said in the previous, the, the previous session that Frank pretty much did all the rostering for the, for us at the university, and when I say us, for me, for SNP, you know, if someone called in sick they'd just contact Frank direct and say, hey, such and such has pulled out of night shift or day shift, can you, can you organise coverage, and he would go ahead and organise coverage.

So these guards who were working extra shifts and using false names in order to cover that fact - - -?---Yes.

- - - were they ever involved in claiming for work they didn't do, do you know?---Not that I can pinpoint.

30 Okay. Did you do your own time sheet or submit your own hours claimed, or did you get somebody else to do it for you?---I didn't have a time sheet. I was on, I was on salary, so yeah, I, I, I was just on salary.

So how did you put in the claim for the hours you were working additionally?---Oh, I would sign on the, the time sheet or, you know, most of the time that was taken care of.

You'd sign on the time sheet but not as Daryl McCreadie?---No.

40 So how would the money you were claiming be allocated to you?  
---Frank would tell SIG what shift and what hours to be paid to me.

THE COMMISSIONER: Who calculated the number of hours?---(No Audible Reply)

I mean if Balicevac and you were doing this at least, but who was it who would - - -?---So if - - -

- - - work out the figure that would be falsely claimed in terms of hours?

---It got to the point where I didn't even know how, I'd just turn up to SIG, sign for the money and go. I lost all interest. There would be, obviously there would be shifts, if we worked the shift and covered the shift we'd ask what name to use or Frank would say, look, leave it, leave it with me, I'll fix the time sheet up, but in terms of keeping track of, of what hours, I never kept track.

10 MS HOOK: Did you let Emir do that for you?---I let him do that for me and, you know, Frank was running the rosters for me, so, you know, it was less work for me to do so I just allowed Frank to, to run with the, the rostering. Even our own Rosters people, if someone pulled out of a shift they wouldn't, you know, ring me and say, hey, Daz, you know, such and such has called in for day shift, called in sick for day shift tomorrow, can you organise coverage, they'd mainly just go straight to SIG and say, you know, this guard's pulled out sick, can you organise coverage and, and advise who's covering.

20 So over the 2016-17-18 period, who's on rostering, who, who is it, is it just Frank Lu or is it other people as well?---No, 90, 90 per cent, 90 per cent would have been Frank, unless we had a specific job where the customer wanted a specific guard to do that task, then I would get involved, and that was mainly, before you ask, it was mainly things around senate meetings, they would ask for one of our guards in particular and same with graduations, they would ask for the same guard to be present because she was that good at the job.

Who's that?---Lina Chami.

30 And when you say they would ask, who is it who's asking?---We would get the graduations team email Dennis and say, look, we've got a, you know, particular graduation happening, you know, this Friday, it would be nice to see Lina on the front door of the Great Hall, senate meetings, they were just a given, the senate, the university senate always loved to see Lina present on the front door at their meetings, so we would, we would obviously look at her roster or she would know in advance, because sometimes the senate members would contact her directly and say, oh, Lina, are you able to come in and cover the senate meeting for us, so yeah.

40 Do you remember when it was that you sort of gave up caring how many hours were being claimed on your behalf?---Probably I came despondent probably about May-June last year.

You became despondent?---Yeah, I just, I just, I was just over, over working for SNP, I was over, over the university.

But you were still collecting money, still going, turning up and collecting cash- -?---Yes.

- - - for yourself? And when you say you became despondent, does that mean you didn't care one way or the other what was being claimed in your name?---I just felt, I mean obviously I felt trapped. I mean, every week I was going into an office and signing a piece of paper and collecting money that I knew at some stage could, or probably would be used against me – if not by my own employer, by SIG. I was going through some, some personal issues myself and you know, I just, I'd, I'd pretty much just rock up to work for a paycheque. I just you know, the environment, working for SNP, yeah, I was just over it.

10

So, did you leave Emir pretty much to run that scheme on behalf of both of you, is that a fair way of putting it?---I'd say that's a fair way of putting it.

Can I show Mr McCreadie the folder of documents.

THE COMMISSIONER: Yes, sure. I take it at this time you were, while this scheme was going on, you were getting your salary from, or your wages from SNP?---Yes

20 You were getting \$400, then \$500 from Tommy?---Yes.

And then you were getting the falsely claimed hours?---Yes.

Thank you. Yes.

MS HOOK: Mr McCreadie, if you could turn to the last tab, tab 4, this is a time sheet document sent from Emir to Lyn at SIG, cc'ing you in on 26 August at 10.12. And if we turn over to the actual time sheet and down the bottom we see a split in hours, 52 and a half to Emir, 52 and a half to you,  
30 and Frank 10.---Yes.

That 10 hours for Frank, would that be a claim that he would put in for being part of this scheme, do you think? Or you don't know?---Look, it could have been, it could have been something that, it could have been something that Frank had claimed or it could have been something that he's worked but claimed under a, under a different name.

Is this a pretty standard way for it to have been done, in your view?---it was done like that a few times but I think, I think it got to the point where Emir  
40 would talk to Frank or, or Frank would already know what to put in.

So it became automatic?---Just Frank would go ahead and manage it.

THE COMMISSIONER: But where we see, "Daryl, 52.5 hours," they're hours you didn't work, aren't they?---Yes, that's correct.

MS HOOK: Would you say that was a pretty standard weekly claim for extra hours for you around this time?---Not that many.

So this is a big one?---That would be, that would be quite a, quite a big one.

At a guess, what would be an ordinary or normal claim on a weekly basis for you, can you say that?---I guess it, it would fluctuate. You know, some, some weeks I'd go in to the SIG office and there'd just be the, the \$400 or, or \$500, some weeks it would be \$600, some weeks it would be \$800, some weeks it would be, you know, \$540. Like, it would be all over the place.

- 10 But you didn't keep tabs on what was actually going on, is that your evidence?---I wouldn't keep, for myself I wouldn't keep a, a running order. At times, at times, I did, I did try to, to calculate what I, what I was wanting to claim that week but a lot of the time yeah, it was mainly just either verbal or, or via text message or something.

- If you turn over in your folder, Mr McCreadie, to the next time sheet, it's the same day but it's half an hour earlier and it's sent from Emir to Lyn and this time you're not cc'd into this email but you are discussed in this email and Emir's telling Lyn to keep the email between him, her and Frank and  
20 says he'll be sending a new time sheet, including Daryl. If you turn over and see what's actually claimed there, you can see that Emir is claiming now 100.5 hours, you 52.5, Frank 50 and Ben 10. That's on the same day but half an hour earlier than the one I just took you to. What do you think is happening here?---Obviously the guys are claiming for more than I knew.

Okay.

- THE COMMISSIONER: Who is Ben?---Ben was a, Ben was a team leader that left, he was a, he was a team leader that was employed by SIG but he  
30 had left, I think Ben left about, I think some time in 2017.

What was his surname?---Pfitzner.

How do you spell that?---P-f-i-t-z-n-e-r.

Thank you.

MS HOOK: Does that surprise you, Mr McCreadie?---It certainly does.

- 40 So you didn't know that Ben was involved at all?---I thought maybe Ben was again working additional hours but, yeah, I didn't know that.

This wasn't a one-off, so I ask you to turn to the next time sheet which is from 31 October, 2016. And again, it's Emir to Lyn at SIG cc'ing you in and if you turn over, you'll see the split is 77 hours to Emir, 77 to you ---  
Yep

--- and then there's another time sheet behind that, sent roughly half an hour earlier from Emir to Lyn, not cc'ing you in this time and if you turn over to the split in the claim, Emir is claiming 505 hours.---Shit.

So, does that take you by surprise.---It certainly does.

How could you have been doing 77 hours, extra on top of your normal job?

---I wouldn't have 77 hours on top of my normal job.

10 And Emir, of course, would not have been able to do 505 hours on top of his?---No.

THE COMMISSIONER: What, they must have been allocating a, an hourly rate for you in this scheme. Do you know what it was?---\$20 an hour.

So, by my calculations, that comes out at \$1,540 and the earlier one that you were shown 50 something hours is over \$1,000 as well. So, does that accord with your recollection, you'd be getting amounts as large as that?

---On occasion, yes but not - - -

20

Not all the time?---Not all the time, no.

Thank you.---Yeah.

I think on the last occasion you told us you were a bit surprised or you didn't believe the amount of money that had been mentioned in your summons and it was \$27,000 a month - - -?---Yeah.

- - - that had been claimed. This might be some explanation for that.

30

---Yeah.

Yeah.---Far out.

MS HOOK: Mr McCreadie, on the last occasion, and we've discussed it again today, you told us about a regular payment from Mr Sirour to you of about 400 moving up to \$500 a week cash.---Yes.

You're also getting money from SIG for the extra hours that you either were claiming to have worked falsely or that you had worked, on top of your ordinary duties?---Yes.

40

We've got some financial records relating to you that are in the folder in front of you, analysed in front of you under tab 3 that I'd like to take you through. The first table relate to cash deposits into your account at various branches of the CBA. Have a look at these, and are you able to tell us whether these cash deposits were the money you received from SIG that you went and collected from the office?---Yes, I would believe they would be.

Did you always deposit the cash that you collected from SIG?---A lot of the time, yes. Well, sometimes yes, sometimes no. I'd, you know, obviously I'd, I'd spend it.

So there was a bit that you didn't put back into the bank?---Yes.

And what did you do with that money?---I would have, you know, spent it on food at the university, buying alcohol, just, you know, general spending.

- 10 So if you look at these cash deposits, Mr McCreadie, they wouldn't be all of the money that you got from SIG in this period, because you didn't deposit all of that cash.---Yes.

Are you able to tell us how regularly you deposited all of the money?---It would just depend. I mean sometimes I wouldn't, sometimes I wouldn't go into the SIG office on a weekly basis, sometimes, you know, I'd go in on a fortnightly basis. I'd deposit the money mainly so that I could make payments on my, on my car, so that I could do a BPAY on the car.

- 20 But otherwise you'd keep the cash - - -?---Yes.

- - - for your own expenses. Can you turn over the page, Mr McCreadie, and this table here shows payments from TAFE payroll. You look surprised?---That's probably my, it's probably my wife's wage.

What does she do?---She's a TAFE teacher.

- 30 Okay. So you can say that from looking at these, that, that's likely?---Yeah, she's, she's, she's employed casually as a teacher.

Okay --- During the period she was working, well, she has been working from, for both Shellharbour and Wollongong TAFE.

Okay.---We have a joint bank account.

Sure. If you turn over the page, Mr McCreadie, we've got payments through cheque deposits into your account, and these are line-marking transactions.---Yes.

- 40 Is that the extent – looking, looking at these sums do you think that's the extent of the payment you would have got for line-marking for the period listed here? ---Yes. I – sorry, I just wanted to add that I declared that income as well

.

So have you got records of the income, that would be tax records that you have of the income derived from line-marking?---Yes.

And I think you spoke to us about the university being aware of that work on the last occasion?---Yes.

Okay. Mr McCreadie, have you ever done work at the Wollongong University?---What do you mean by work?

Have you ever done any of a similar sort of work to what you do at the University of Sydney, have you ever done that at Wollongong University?  
---No.

10

Have you ever had any association with Wollongong University?---As the account manager, yes.

And were you involved in doing extra work at Wollongong University, claiming for work that you hadn't done in a similar way?---No.

Okay. I need to turn now back to the issue of invoices for the ad hoc services and your role in the processing and approving of those invoices.  
---Yep.

20

And can I ask you to talk us through the process for the issuing of invoices and the authorising of those invoices for ad hoc services.---Yeah, sure. Our, our invoices were a monthly invoice but in arrears, so for example everything worked in January was invoiced in, the January invoice would be issued around about the middle of February by the time our, our billing team closed off the month and then issued the draft invoice. I'd then have to go through the draft invoice and check to see that, you know, the comments had the right account code or the right description of services. If there was something there such as a, such as a protest or a broken door where there was, there was not going to be an account code, that was out of Dennis's budget. We would have to take, we would have to take those shifts out of the invoice and accrue them against what they called the, the work order. So we would take those shifts out. We would also take out any shifts such as where, you know, I'd rostered someone to go and get a vehicle serviced or go and pick up a car from a, from a smash repairer or something like that. That was an SNP cost, a non-chargeable item. So I would make those notations, send it back to our billing officers and ask them to issue the invoice to the university.

30

40

So your billing officers at SNP, that's at head office?---At head office.

Would they the ones who issued you the draft invoice?---Yes.

And what information did they have to fill the draft invoice, how did they do that, how did they compile the draft invoice?---They got the, they would have gotten the information out of the Microster system.

Can you explain the Microster system to us?---It's a, I've, I've never used it, but it's a, it's a rostering, it's a rostering program, so they would create like a customer or they'd create a site so any shifts worked would be put in under that site and then billing would take that information and, and construct the invoice from that information.

So who inputted the data into Microster?---It would have been any number of people in the, in the national operations room at SNP head office.

- 10 And what would they have used to input that data, what's the data they used to put into Microster?---For the, for the ad hoc shifts it would have been, would have been a, would have been a sheet, what we called a request for service or an RFS. So we would write out that it was, you know, it was University of Sydney, what the shift time was, you know, one guard by this, this date, blah, blah, blah, and then we'd put billing information, account code, whatever the account code was, guard for security escort, or whatever the, whatever the job was.

- 20 So was it you who created the RFS?---It was either myself or Emir.

And the RFS that you created was based on Sydney University's RFS. Is that right?---Most of them were based on University of Sydney's service requests.

Service requests.---Yes.

Okay. So the process is, a service request - - -?---A service request would come into Archibus, that's their, their program.

- 30 Can you spell that for me?---A-r-c-h-i-b-u-s.

Ah hmm. So a person could lodge for a job to be conducted in Archibus. That would come to, well, the guarding request would come to everybody in the, in the security team. So Dennis would see them, I could see them, Emir could see them, Duane could see them, and within those requests it would have the details what they wanted to be performed.

- 40 And can I ask, is that something that was consistently followed, is that the way that you got your jobs?---Most of them. There would still be people that would email them to us and we would try to get them to put the jobs into Archibus, but then you know, we'd, we'd say, look, if you don't have time to put it in Archibus we still need the account code so that we can go ahead and organise the job to be done.

So the account codes are coming from the requestor?---The requestor, yes.

Is there ever a situation where you determine the account code?---No.

So the service request comes through Archibus most of the time - - -?  
---Yep.

- - - to the security team.---Yep.

And then you and Emir create the RFS?---Yeah, we would use that information, so I guess to, to confirm back to the requestor that, you know, we'd received the job and that we'd organised it. We would, we would put in the comments, you know, guard organised as requested. Sometimes  
10 people asked for a quote so we'd put a quote in there just so that they knew budget-wise what it was going to cost. So from there we would take the account code, on our internal document, which is the RFS document, the SNP document, we would write out what the shift was, what it was for and the account code so that when we sent that RFS into head office, the guys in Rosters could enter the details into Microster and then at the end of the month the SNP billing team could then extract that information to, to just put together a draft invoice.

So the RFS documents, they're emailed to SNP?---Yes, scanned and  
20 emailed.

Scanned and emailed. Okay. And the confirmation of receipt of a service request and sometimes a quote, would that be emailed back to the requestor or is that entered back into Archibus?---Entered back into Archibus.

Okay.---So once we, once we approved a job, which is confirming, the person would, the system would generate an email to say your request has been approved, and then once we had confirmation that, you know, it was rostered or programmed to be done, we could close the job and then the  
30 person would get an email to say your request has been completed.

All right. And so in the middle of the month, is this right, you would get back a draft invoice from SNP?---For the previous month, yes.

For the previous month. And was it your job to check?---Yes.

And what were you checking for?---I was just checking to make sure that, you know, on, rather than having separate invoices for each and every job, we had a consolidated invoice, that's what the ad hoc invoice was, so I'd be  
40 skimming through that just to make sure that in the comments that it had, that it had the right description of the job and the account code. Sometimes the guys would just put in the RFS number, they'd, they'd put, when they entered the job they'd put RFS 1234 requested by Daryl McCreadie. I would then have to go back and look up RFS 1234 and see what the job was.

And what would you look up, where would you get those, where would you get that data?---We had a folder where we kept all our, all our RFS copies

so that if there was something that didn't make sense on the invoice I could go to the folder, look up the RFS and see what the job was so that I could then write on the sheet, you know, change comment to account code such and such requested by, you know, John Smith for, for, I don't know, graduation or, or whatever the job was.

10 Did you keep hard copies only of RFS requests or did you keep them electronically as well?---Mainly, I, I, I tried to keep both electronic and, and hard copies but it was sort of double handling. Because we would always scan, we would always scan the RFS and send it through to the office, we'd figured, okay, it's been emailed, so there's an electronic copy there, and then we'd hole-punch the hard copy and keep it in the folder so that it was there if we, if we ever needed to look back on it.

Okay. Can you turn to tab 2 of the folder in front of you, Mr McCreadie, and this tab contains some communications around a draft invoice from September 2016.

20 THE COMMISSIONER: This is behind tab 2, is it?

MS HOOK: Yes, that's right. It's email chains basically from 17 October, 2016 to 20 October, 2016, sending you the draft invoice for September, the month before. I think you've probably talked us through the process that's going on here of the draft being sent to you for checking.---Yes.

THE COMMISSIONER: Which one are we looking at? Because there's one addressed to Dennis Smith but copied to Mr McCreadie and then there's  
- - -

30 MS HOOK: Yes. So it's an email chain, Commissioner, and it starts at the back - - -

THE COMMISSIONER: Oh, I'm sorry .

MS HOOK: - - - on the 17<sup>th</sup> and comes up to the - - -

THE COMMISSIONER: Yes, of course. Thank you.

40 MS HOOK: So it seems that SNP is sending both you and Emir the draft for September 2016.---Yep.

Did he have a role in checking the draft invoice as well?---Not really, no. I showed him, as a matter of training I showed him how to do it, but yeah, it was mainly me.

Okay. So there's no particular reason that he is a recipient of this email from SNP as well?---No, I think Sunny's just, you know, copied, copied him in.

Why does Dennis, and I'm presuming it's Dennis Smith, have to check the draft invoice, what's his role there?---I think, well, I think originally I think you'd find the intent is that Sunny would sent it to me just to, just to check, make the changes, send it back, and then she could email it to Dennis for checking and payment.

10 So, Dennis would always get the finalised invoice or would he get a draft as well?---He would get, sometimes I'd send him the, the draft with the changes and anything that was deducted from their work order. We kept a spread sheet of all the jobs that were allocated. He had a certain amount of hours per annum that were kind of like a prepaid, prepaid budget, if that makes any sense.

This is under the main contract?---Yes.

So, a sort of bucket of - - -?---Like a slush fund.

20 Yes. And does that mean that he could take some of the ad hoc work and pay for it out of the main contract, is that what you're saying or something different?---No, no. He would, he would have to, from time to time, he would have to cover, like I keep referring back to, say there was a door that was broken that couldn't be secured and we had to put a guard on it overnight, the payment for that wouldn't come from the faculty or from a project manager, that would be for Dennis to pay out of his budget. So, he wouldn't give us an account code to cover that shift. What he would say is, "Okay, it's a broken door, it's 12 hours, take it out of the, take it out of the work order." So, we would, we would keep track over the year, you know, how many, how many hours. We'd do it on a month-to-month basis and we  
30 would always update Dennis to let him know how many hours he had left in that, in that fund. Quite often you know, we'd get to December and they'd run out of hours and we'd have to carry the hours over to the, to the following year, if he couldn't get more money to, to raise for extra invoices.

Okay. Can I ask you to look at, in this email chain, 18 October, 2016 email from you back to Sunny. You say that there were a couple of changes requested. Can you see that?---Yes.

40 Can you talk us through what these changes are, what they mean and why they were requested?---Okay. The, the invoice for the College of Arts protest, at \$81,000, Dennis wouldn't have had enough money in that slush fund to, pay for that amount of guarding. So, they wanted that to be taken out as a, and issued as a separate invoice so that they could pay that separately.

Why would Dennis even have tried to pay for a protest out of the slush fund in the main contract? Why wouldn't that just be a straight-out ad hoc extra?---He wouldn't have, they, they wouldn't have that much money

sitting in their, in their budget to pay for that. He would have had to have gone to, he would have had to have gone to one of the, not the finance directors, one of the facilities directors to ask for the money to pay for that. So, he would have needed something to take and say, "Hey, I need to pay for all the protest guarding.

10 THE COMMISSIONER: Buy why wouldn't that be included in the main invoice that went to the university?---Because they, he wouldn't have the budget to pay for that. He, they, they run a very tight budget. He would have X amount of dollars to, allocated to pay for the contract but not much else. So, all the, all the ad hoc rosters that came in with the account codes, it would go back to the request, the person that made the request to pay for that, that wasn't coming out of Dennis' budget, if that makes any sense.

I'm not sure.

MS HOOK: It doesn't make sense to me, Mr McCreadie, but I may be failing to understand how these things are budgeted for.---Yeah.

20 My understanding was that a protest would be an ad hoc extra.---Yes.

And that you would be charging the University of Sydney for it as an ad hoc extra?---Yep.

30 So, I don't know why you would need to go back to Dennis Smith to see if it could fit within his budget.---Some of the, some of the protests that we would, that we would deduct against his work order, were maybe for you know, two guards, four hours, so, eight hours' worth of work. The Sydney College of Arts protest was a, was a student occupation of a building where you know, on days where they would hold rallies, you know, we could have up to, to 10 or 15 guards present. And certainly at the height of the student occupation, which ran for about 60-odd days, we would have three or four guards around the clock because they'd barricaded doors, they were, they were, essentially they were occupying a building that they shouldn't have been. So that volume of work, Dennis wouldn't have had, he wouldn't have had enough money in his security budget to, to accommodate that. He would have needed to have gone to his manager and said, "Hey," you know, "This is costing a hell of a lot more than what I've got money to pay for it." And that's where they would have needed a separate invoice to show either  
40 the director of the facilities to the vice chancellor's office, to approve the money.

Did Dennis Smith have a slush fund, if you like, for ad hoc extras, is that what you're telling me?---A small, a very, very small one. On the, on the contract invoice, there's a, if you go through the guarding component, there's a, there's a thing there called, I can't recall off the top of my head but it's, it's 2,250 hours annually, divide that by 12 and that's what's invoiced monthly. So that 2,250 hours would not have had enough money to pay for

the, for the, for the SCA protest. It would have wiped out his budget in one hit.

Sure, okay ---So he would have needed to take that money out as a separate invoice to go and ask for the money to pay for it.

THE COMMISSIONER: Did he get, did he get copies of all the invoices issued under this contract?---Yes.

10 Whether that came out of his slush fund or not?---Yes.

MS HOOK: And the next change that's made, can you just talk us quickly through that? It relates to 223 hours for graduation.---So, it's for a, it's for graduation. Some of, some of the, some of the graduations costs were born by the Graduations Department, they would pay, they would give us an account code and pay for some of the guarding. Some of the guarding, Dennis would supply out of his, his ad hoc budget, but sometimes we would have some graduations – like honorary recipients and, and other, other grad services – that were, you know, perhaps sensitive, where we would have to  
20 put additional guards in. I'm just trying to think if that was the one for, I'm just trying to think if that was the one for John Howard. I'm just, I'm just taking a guess. When John Howard received his honorary doctorate from the University of Sydney, we probably had about 300-400 protestors on campus. So, for that graduation ceremony, we would have had additional, more than what, what a standard grad ceremony would, would require. So, that's, that's why I'd be saying you know, something along the line of, "I'm just waiting to, to find out where the money's going to come from to, to pay for that."

30 Okay. Can you look at the email from yourself to Sunny on 19 October, 2016, where you suggest the changes that need to be made.---Sorry, which one am I, which part am I looking at? The 19<sup>th</sup>?

19 October, 2016 at 9.16 in the morning.---Oh, "John Howard degree program."

Okay. So, that accords with your memory of - - -?---Of what it was, yeah.

40 Of what it was. And then you say, "It's a lot of money for ad hoc, dot, dot, dot, dot", at the bottom of your email to Sunny.---Well, for a, for a graduation ceremony, yeah, it is.

Did you mean it was too much to claim for ad hoc?---No. No, no, no. The, at around, at around that time, at around that time with the, the SCA protests plus John Howard's honorary doctorate or, or whatever it was, those were exceptionally busy times.

You didn't have to do something to the invoice to make it look more legitimate?---No. No. it would have, it would have just been waiting for the right information to, or the right account code. I think Dennis was probably waiting to see if venues would pay for the additional guarding or whether Graduations would issue the, the, the account code to pay for it but that holdup, holds up the rest of the invoice.

Okay --- So, that, I think that's the, the angle of that comment.

10 All right. Just take you to the email above, which is 19 October, 2016 at 9.46 from you to Sunny. You, you say you'd used RFS 78702 to account for the 108 hours. --- Yep.

So, I think you explained to us the process there but just again, you've gone back to an RFS and what have you done, what are you doing to account for the 108 hours?---Okay, so, okay, so what I've done is, I've sort of done it, I've had to create an RFS so that we could track the job. So RFS 78702 would be in that, that work order spreadsheet to show that there were 108 hours deducted from the budget and what they were for. So, it's a way of  
20 being able to keep track of what the job was and then I've commented that I'd alerted Dennis to the fact that he now has 246 hours left on the work order until 31 December. So, that's sort of saying, the university would essentially ask for more work that what it would actually be able to pay for. They'd normally run out by about the beginning or mid-December and we would have to carry over whatever hours in to the next year. They, they ran on a calendar year, not on a financial year.

Okay. So, once you were content with the draft invoice, --- yep

30 --- would you send it back to SNP?---Yep. I'd send it back to Sunny and ask her to, to issue the, the finalised invoice to Dennis for checking and payment.

So, was Dennis the person who always checked the final invoices?---Yeah. From, from the university, he would take it, he'd look over the invoice and then sign off and submit it for payment.

And did he ever ask you questions about the invoices that he was receiving from SNP?---No. He'd, he'd mainly ask you know, where there were you  
40 know, jobs like this that came in. He'd mainly ask to make sure it got invoiced to the right department and not coming out of his budget. There were some things where some project managers would request guards and say, "Look, that's a, that's a Dennis Smith cost," and I'd turn to Dennis and say, "Oh, look, we've got to put the guards on for this job but they're saying you've got to pay for it." And then you know, I, I'd sort of escalate it to him, to either chase the project manager for an account code or say, "No, no, we've got to wear that one."

Was he your boss at the uni?---Yeah, he was my line manager at the university.

And what was his role?---Security operations.

And in relation to contract management, what was, what did he do?---I guess he'd, he'd overlook out KPIs, if there were any service issues, he would flag them with me to resolve. I guess that was kind of in lieu of not having a security manager there for, for quite some time.

10

And how would he know whether KPIs or service issues were arising? How would he know that he needed to flag these issues with you?---Sometimes people would complain, they'd write an email to Dennis or they may write and email to campus assist or to the vice chancellor's office and they'd say, oh you know, "I was on campus this day," blah, blah, blah. "I had this interaction with one of the guards," you know, "I'm not happy." You know, they'd put in a, a complaint and then Dennis would say, "Okay, we need to sit down and go through the complaint and see if it's you know, if, if there's anything to it or whether it's just someone you know, making a, a mountain out of a molehill.

20

And did that happen regularly or was it on a rare occasion? How often did that happen?---We had a lot of vexatious complaints you know, levelled at staff. I mean I had, I certainly had complaints where people were unhappy with my conduct or how I handled a situation and I had to you know, explain myself.

Did he have a role in relation to the invoicing and billing for ad hoc extras, was that something he needed to have oversight of?---In terms of?

30

Final authorisation, final approval?---Yes, he would have.

He would have or he did?---Like I say, we would, we would get the, we would get the invoice to a stage where we can submit it. Billing would either sent it to me and I'd send it to Dennis or they'd just send it straight to Dennis and it was there for him to, to check and if he was happy with it, he'd sign off and submit it for payment.

Was he ever not happy with it because it was too much or didn't look right?  
---No.

40

THE COMMISSIONER: Can I just raise something with you that's been concerning me about that. The, the amount of falsely, the amount falsely claimed by SIG and ultimately paid by the university was very, very substantial, and it seems to me unlikely that no one within the university had any inkling of what was going on, and I have to say that it also seems to me that somebody like Dennis Smith must have had some inkling about what

was going on. What's your understanding in relation to Smith?---No, I don't think so.

Why do you say that?---Look, Dennis would just sort of, he'd, he'd, he'd come in to work, he'd never, he'd never ask questions about, you know, shifts or who's on and things like that. I don't think he would have known.

10 Did you have any understanding at all of whether he met with Tommy?---I think I had introduced Dennis to Tommy on one occasion and that was only just to say, that was only while we were discussing staffing and it was for me, just out of courtesy to say, "Oh, by the way, Dennis, this is our supplier." So, I believe it was only the, only the one time that he would have met him. We did the same thing when we had IPS as a supplier. Just out of courtesy, we'd given the university a copy of their master licence, their insurances and then just sat down and introduced them, just so that they could put a, put face to a name.

20 But Dennis Smith, if, if there had been a desire to terminate the services of SIG, Dennis Smith would have been somebody who would have had the power to influence that decision, wouldn't he?---Yes, he could have.

Yeah, and you were being paid u to \$500 a week to in a sense make sure that SIG continued to do the work?---Yes.

Do you have any knowledge of whether or not Mr Dennis Smith received any benefit at all from Tommy or SIG?---No.

Okay. Sorry.

30 MS HOOK: Mr McCreadie, did Mr Sirour ever get a cut of the extra hours that you and others were claiming and that were paid for by Sydney University?---Oh, look, I guess he, he would have, I mean it was his company.

40 Do you know if he did?---I don't know if he, if he, what he got out of his own company. You know, if I, if I was, if I was paid anything extra I was paid \$20. His hourly rate to SNP for a majority of the time was 24.80 so his company would have gotten \$4.80 per hour. I think, I think that went up to about 27 or 28 late last year, but again I never saw invoices from our contractors to SNP head office, I just knew from being an account manager, obviously we were told what they were paying the subcontractors.

So the only invoices you really saw in relation to ad hoc extras, would it be fair to say, are the draft invoices that came from SNP to you to check?  
---Yes.

Okay. In terms of your day-to-day role as site manager - - -?---Ah hmm.

- - - how did you satisfy yourself or did you satisfy yourself that guards were on shift and performing their duties properly?---Look, I'd go by, you know, if we'd received any complaints, if I was, if I was on campus or, you know, I'd call in at the control room just to say g'day to the guys, ask if there were any issues, you know, I'd sort of go by that.

10 Did you have responsibilities that were measureable, say KPIs for instance, that required you to do checks on a regular basis around various points on campus to make sure that things were working as they should?---I didn't have a personal KPI, but I think from memory there was a, there was a KPI in there that was, even the university I think recognised it as, as unattainable and it was something around checking, checking all, all buildings, all doors, you know, X amount of times within a 24-hour period, and given the number of doors and buildings and that on campus and on the remote campuses and the guards that were there to do that, it was just a, it was a KPI that was not, not, not sensible, it wasn't achievable.

20 So was there an achievable or sensible KPI that required checking whether there were sufficient guards on duty at any one time?---Not that I can think of off the top of my head.

Were there KPIs that you were aware of and that you were required to achieve in terms of monitoring and checking guarding services were being provided properly?---Again I, I can't picture the KPI, I can't picture the KPI sheet without seeing it.

30 Are you aware of any checks being carried out by Sydney University or yourself as to whether guards were doing what they were meant to be doing?---Yeah, the, they would look at, they would look at things like phone records, you know, alarm records.

Who's they?---Dennis and Duane.

And Duane, is that Duane Ledford?---Yes.

What's his role?---Security risk coordinator.

40 And how often would those checks be done, do you know?---I think they were supposed to be done monthly. So they'd take a sample, have a look at, you know, such and such an alarm was generated, how long did it take for the control room operator to acknowledge the alarm and when was the alarm cleared or when did the guard attend and clear the alarm.

And were you ever questioned about non-compliance with those requirements or were you ever asked questions about - - -?---Look, on, on occasion there would be, there would be an incident where, you know, an alarm, an alarm's gone off and just on, on face value it seems that it's taken the guard a long time or a longer time than usual to go and attend, and we'd

have to look into it and see, you know, what the circumstances were behind it. A lot of the time it was a, you know, it was a door that was regularly pushed open by someone wanting to go for a cigarette or, you know, if it was a faulty door that had been already reported, then, you know, we'd obviously report back and say, oh, look, it was a faulty door, the team knew it was a faulty door, so that's why it took them a little bit longer to get back to it, 'cause they were held up with another incident.

10 And were any of those checks actually recorded or documented and your reports back recorded or documented?---Look, only if either myself or Emir had responded to an email.

So there was nothing formal, there was not a formal monthly process whereby checking was done by Dennis and Duane and you were required to respond?---No.

As the contract manager, you were that as well as the site manager, I understand?---Yep.

20 Did you have a role in relation to meeting the KPIs?---Yeah.

What was that role?---Just to make sure that, you know, our KPIs were, were being met, that if you know, there were issues with the KPIs that I'd try and, you know, undertake, undertake measures to try and, to try and resolve any issues.

30 Did you have a responsibility to report on them?---There would be more, there would be more items that the university would come to me and say, hey, can you come back to us on, on this.

And the university, is that shorthand for Dennis?---No, no, it would be, it could either come from Dennis, it could come from Duane or it could come from Brett Tamasauskas who's - - -

And what was, what was his role?---Electronic systems manager.

Where were the attendance sheets kept for guards to sign in?---They were in the control room.

40 And did the guards sign on and off when they arrived for the shift or did they have to come back to the control room to sign off?---Oh, look, some guards, it's the nature of the industry, some guards will, will come on shift, sign on and off and go about their, their job, some would sign on, go out, end of shift, come back in and sign off. Some of the guys would definitely have to sign off before going home because they would go to, in the afternoons or in the early mornings they would go to a, to a remote campus and they would finish their shift from there and go home.

Was there a rule or a protocol or a process that you required in terms of sign on/sign off?---I can't recall a, I can't recall an internal procedure.

Was Dennis Smith provided with the attendance sheets?---We didn't provide them to him, but by the same token they could walk into the control room and, and see the, the sign-on sheet sitting on the table.

Did he ever ask to see them?---Not that I'm aware of, no.

10 Are you aware of whether there was ever a reconciliation between the additional hours that were requested by the university for special events, ad hoc events, and the hours that were being claimed, has anybody ever married up to your knowledge what the university was asking for and what's actually been claimed as an ad hoc extra?---Not that I can think of, no.

Was anybody's responsibility to check whether there was a reconciliation between the services that were being requested by the university and the services that were being claimed for as done by SNP? Whose responsibility would that have been?---Look, I'm, I'm guessing that would have either  
20 fallen under the security manager or for Dennis to make sure that those shifts were being fulfilled.

And the security manager?---Security manager was, for, for a long time the security manager was Morgan, Morgan Andrews, but, jeez, he, he had, he had such a, he had such a bad time in his personal life that he was often not at the university or was quite ineffective in his role. So what would happen is, to leave Morgan alone to, to look after his family, people within the university and within management in the, in the campus and infrastructure  
30 services team would automatically go to Dennis for, for what should have been Morgan's job, they would go to Dennis and say, hey, can you, can you look at this and, and run with this, we don't want to bother Morgan, you know, he's having a hard time. I'm guessing the next question is, what were the issues with Morgan.

Well, you can tell us if you, if you would like?--

40

So yeah, so yeah, I guess to give Morgan a bit of breathing space people would automatically migrate to Dennis and say, hey, look, we want to leave Morgan alone, understandably, so you know, more and more, more and more work would be dumped on, on Dennis to achieve, which you know, ultimately, you know, you ask any of the people that work for the university direct and they would all say that, you know, there's just not enough, compared to other departments within the university or within the

infrastructure and services team, just way too much placed on, on too few people to achieve.

Mr McCreadie, during protests and other high-risk situations, were there always a full complement of guards on shift, to your knowledge?---Yes.

Were false hour claims ever made in those situations?---Not that I'm aware of.

10 I don't have anything further, Commissioner for Mr McCreadie.

THE COMMISSIONER: Mr McCreadie, is there anything else you know that you consider might assist the Commission with its investigation?

---Jeez, I, I can't think off the top of my head.

Okay. That's all right.---But if I, if I did go away and think of something would I have the opportunity to come forward?

20 Of course, of course.---Okay and that's, I'm not trying to cover anything up, I'm just trying to think.

No, that's okay, that's okay. I mean it's a question out of the blue and I understand if that might be the case, but I do ask you if you do think of matters in the future that you think might be relevant and we should know, I'd very much appreciate it if you, through your solicitor, just let us know. ---Yep.

30 Make our job a little bit easier as well. Mr Watson, do you have any questions?

MR WATSON: No, thank you, Commissioner.

THE COMMISSIONER: Is there any reason why Mr McCreadie shouldn't be released from his summons?

MS HOOK: No, Commissioner.

40 THE COMMISSIONER: No. I'm releasing you from your summons, which means you're free to go, and that summons no longer binds you. So that's where we stand.---Okay. Thank you.

All right. Thanks for your assistance.---No worries.

We'll adjourn.

MS HOOK: Oh, Commissioner, just before - - -

THE COMMISSIONER: Oh, tender.

MS HOOK: I need to tender the folder.

THE COMMISSIONER: Yes. Sorry.

MS HOOK: I seek to tender the folder of documents from today's compulsory examination.

10 THE COMMISSIONER: Okay. We'll mark those Exhibit 15.

**#EXH-015 – BUNDLE OF DOCUMENTS TITLED COMPULSORY EXAMINATION 22 JUNE 2018**

THE COMMISSIONER: Thank you.

20 **THE WITNESS EXCUSED** [11.27am]

**AT 11.27AM THE MATTER WAS ADJOURNED ACCORDINGLY**  
[11.27am]