

INDEPENDENT COMMISSION AGAINST CORRUPTION**STATEMENT IN THE MATTER OF: Operation Gerda****PLACE: University of Sydney****NAME: Greg Robinson****ADDRESS: The University of Sydney, NSW 2006****OCCUPATION: Director of Campus Infrastructure Services****DATE: 29 January 2019****States: -**

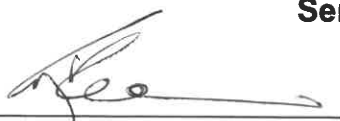
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1. This statement made by me accurately sets out the evidence which I would be prepared, if necessary, to give in Court as a witness. The statement is true to the best of my knowledge and belief, and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything that I know to be false or do not believe to be true.
 2. I am 56 years of age.
 3. My professional background and qualifications are:
 - Bachelor of Engineering Civil,
 - Executive Master of Business Administration,
 - Fellow Australian Institute of Company Directors, and
 - Fellow Australian Property Industry.

Organisational arrangements

4. My role at the University entails looking after the existing building assets of the University and constructing and refurbishing new assets, this includes developing master plans and obtaining development approvals. I manage many different

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campus services including facilities management, protective services, grounds maintenance and cleaning services.

5. Nine staff members currently report to me directly: Divisional Manager Infrastructure Delivery, Divisional Manager Corporate Services, Divisional Manager Property and Development, Deputy Director Strategy, Deputy Director Relationship Manager, Administration Manager, Divisional Manager Design Engineering and Planning, Deputy Director Campus Services and an Executive Officer.
6. I report directly to Stephen Phillips, Vice-Principal of Operations.
7. Previously, Steve Sullivan was in the role of Divisional Manager Facility Management Services, which included responsibility for security. This meant that the structure in regard to security services went from myself to Steve Sullivan and from him to the then Head of Security Morgan Andrews and Security Operations Manager Dennis Smith. Now it goes from myself to Ben Hoyle (Deputy Director Campus Services) to Simon Hardman (Head of Security). The Security Operations Manager, Dennis Smith, reports directly to Simon Hardman.
8. The position of Deputy Director Campus Services was created in July 2017 (acted in for 6 months by an experienced Executive in Stuart Nevison) and provides a more senior and experienced layer of management whilst the span remains the same. This position looks after security but also includes all other areas of facilities management.

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9. In early 2017, I put in place internal boards across most of my divisions. The boards operate informally (ie; not part of the formal University Governance framework) and are chaired by experienced independents. The Campus Services Board includes the area of Campus Security. The internal boards conduct deep dives into areas reporting to Ben ie; the different areas facilities management, security, grounds and gardens, and client services in a rotation. You could expect that Campus Security would be required to come along and do a presentation (deep dive) on their area on a particular topic of focus such as Emergency preparedness or anti-terrorism prevention plans at least twice a year. Campus Security also provide metrics on a monthly basis via a metrics/KPI dashboard report, which are about one page in length. These reports cover issues of concern that campus security have identified but include specific metrics on incidents occurring on campus and response times.

Procurement process

10. The procurement process is defined through our policies and overseen by the Chief Procurement Officer (CPO) and their team. CIS had an embedded procurement specialist allocated by the CPO to undertake tendering for services within the business. As part of this procurement process, a Tender Evaluation Committee reviews tenders. At the conclusion of their work, they produce a report which is uploaded onto tender evaluation software. The software then sends an automatic email out to the Tender Review Board. As a member of the Tender

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Review Board I would get an email alert. I would open the report and then go through the document and look at the recommendations. If I had any concerns, I would go back to the Tender Evaluation Committee with those concerns. If I didn't have any concerns I would click approve and my approval would go through. The current 2018/19 Campus Services procurement process is being tightly managed with a stronger governance structure overseeing the evaluation process and decision making as part of our continuous improvements and key learning from the previous process.

11. Generally, the composition of the Tender Review Board varies. It typically includes people such as me who have nothing to do with the process but who are in a line responsibility role. The Tender Review Board would typically consist of 3-4 people and include people from the finance area, the Chief Procurement Officer and myself.
12. As part of my role on the Tender Review Board it would be unusual for me not to have a briefing session with somebody such as, in the case of the SNP contract, Kevin Duffy (Operations Manager), or Srinath Vitanage (Senior Procurement Specialist).
13. After the Tender Review Board approves a decision, a paper is prepared for me as the author with a recommendation for approval that goes to the Finance and Audit Committee. In the past, we would have provided more detail to the Finance and Audit Committee, whereas in the present situation, we are being asked to limit the amount of material that is going to those groups and to provide a much deeper

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synopsis to them. The Finance and Audit Committee's philosophy is not to do management's job but is the governance group for major spends over \$10M in value.

14. The main focus of Finance and Audit Committee is the financial impacts on the bottom line of the University's finances. That is really what that Committee's terms of reference and governance is about. It is not to deep dive into the procurement and its scope so they would not for instance say, "This is a security contract, talk to us about why line marking would be in the scope."

2014/15 Tender process for the security services contract

15. In hindsight, when I look at the composition of the Tender Evaluation Committee for the security services contract, I would think twice about whether or not I have got enough independence and expertise coming from outside of the University to be able to evaluate the tender.
16. Something I'm focusing on at the moment is how do I get the right level of both independence and expertise. If I shut out the people with the technical expertise that I've got within the University from the tender evaluation process, then what I miss out on is important stuff, but if I let them in they can potentially be the dominant voice, in which case I have to be careful about getting the objectivity that is needed.
17. I look at the technical composition on the Tender Evaluation Committee for the security services contract, I don't think it was too bad. It would have been really good in hindsight, however, had I had someone for example like the head of

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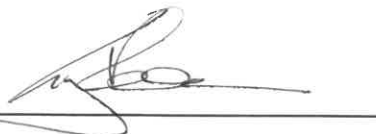
security from Melbourne Crown Casino, who could have come in and potentially sat on the Committee. He consulted to us in 2017 through his company, Business Olympian, on anti-terrorism advice. This type of advisor had they been known to me at the time and available would have given me a different perspective and some additional independence across the tender.

18. In hindsight, I don't believe I had been provided in any briefing enough information about the security services contract. It wasn't clear to me for example that the scope of fixed time being locked in was 2800 hours and this would mean that the great bulk of the services which we ended up needing were under surge guarding arrangements. So we've started looking at that and saying, well going forward, do we need potentially a more legal or contract management mindset in the tender procurement process that can extract out those key commercial terms on the basis of materiality, these being issues that the procurement team mightn't see. But if I was asking the lawyer to prepare the contract and I was asking them to give me the sign off sheet on the contract, which they always do, I would have expected that materiality in their summary, on this occasion to the best of my recollection this was not provided.

19. I would have expected that Dennis Smith's role in the tender process would be considered a given as one of the initial steps in establishing the Tender Evaluation Committee and the absence/unavailability of Morgan Andrews. I would have expected in the procurement process that Srinath Vitange and others would have looked at the declarations of interest, and they would have established whether or

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not Dennis Smith should or shouldn't play a role in the tender process, and if he had a conflict, how was that being proposed to be managed. I would also have thought the probity advisor to that process would also be very focused on issues of conflicts. I stress that I don't want to lose the home-grown expertise in the process, but I don't want that expertise to come in as the dominant voice, so it needs to have balance.

20. What I know of our processes is that nothing leaves the tender room that would allow Dennis Smith to be sitting at his desk with tenders open and up on screens or having hard copies of tenders lying around on his desk from other proponents. In terms of going through the process that should have been in place, we have a limited access secure room. All the documents go in there prior to opening of tenders. The expectation is that people who are on the Tender Evaluation Committee, they go in, they get access to the documents, they read the documents within the room, and that's what I'm assuming took place. I'm not the person controlling that process, but that's my experience and understanding of our standard protocol. You don't get documents floating around outside in various areas, particularly given the sensitivity of a tender. The documents shouldn't have left the room and I have no evidence to say they have.

Expenditure under the 2015 Security services contract with SNP

21. The agreed scope of the services that are being provided under the security services contract are very prescriptive. The contract scope is a certain number of guards doing a certain number of duties on a certain number of hours, a certain number of

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controllers in the control room, a certain number of people doing various roles, the provision of buses, line marking, and rates around the line marking, et cetera.

22. The University has a higher budget for security services than the contracted amount. The University budget is based on historical expenditure. Effectively, each year as you would expect in an organisation like ours, there's an efficiency dividend expected. My teams role is to continue to try and lean out the security services, particularly in the scope that SNP had, and to try and manage their contract at less than CPI.
23. What I do not have control over in terms of expenditure is the adhoc incidents that occur, for example a protest where the University has to bring in some additional security for that protest. It is difficult to forecast such events. There is, however, an overall budget that tries to cover off such expenditure. Typically, there is the base contract, and then there is agreed extra services that are provided during the month. The contract contains a provision for expected adhoc hours for guarding services.
24. Different areas of the University are allocated set hours for additional security work. Once an area exceeds these hours they can request additional hours and they are expected to cover these costs. In effect, it becomes a user pays system particularly when it relates to out of standard working hours needs.
25. Adhoc services should be accounted for and I would expect an invoice to be provided to the University. There should be effectively an ability to account for any extra guarding services that has been requested.

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26. There is a clear set of delegations right throughout Campus Infrastructure Services in terms of what staff can sign off. Typically, the delegations are low. The operation of delegations is typically cumulative in that the total of all additive commitments. So the expenditure amount is regarded as the cumulative value of adhoc services as opposed to each transaction being regarded at an individual level. After the award of a major tender and the FAC approval it is normal to create a purchase order for the contract sum in line with the approved annual budget that sets the total funds available for the delegate to approve and manage the contract to.

Risks involved in contracting security services

27. In regard to security contracting, the performance of contractor duties is a risk always. Particularly with security, because you don't know what you've got with the individual guard until something occurs and they are responding. For me, that's one of the big risks, if there is a wrong response by one of the guards.
28. There is also a risk that there is an expectation that a guard is supposed to be somewhere and respond, and they're not and something happens. That then comes down to response time, it is the only measure I've got to be able to know whether or not guards are on call. I regularly look at response times and they are pretty good as reported to me at the campus services board in the CSU metrics.
29. Fatigue worries me. If somebody is being asked to effectively react in a situation, if they're 16 hours into a day, it's a very different guard that's going to respond than somebody who's 8 hours into their day, and we have not in my understanding

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contracted for guards to be doing those type of hours nor do I believe is that allowable under their award.

30. In a civilian situation that is controllable (based on my experience in the military), why would we be even asking somebody to be working 16 hours continuously when you're expecting them to be able to respond in a crisis? I've got to be guided by the relevant industrial award and applicable enterprise agreements, and I've got to be guided by what is good practice. Good practice (governed by the relevant industrial award and applicable enterprise agreements) is where people have established that a guard doing more than this sort of number of hours in a row without a shift relief is too much.

SNP Contract Compliance Review conducted by KPMG

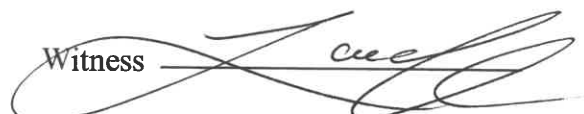
31. The first time I saw the July 2016 KPMG report was after the current investigation into security guarding services.
32. I have checked my diary and emails and there are no records of any meetings or conversations taking place with me regarding the report. I am extremely frustrated about this given the content of the report that I now have had the opportunity to read.
33. The KPMG report should have come to me. I should have been the one who wrote to SNP saying that we've got this CIS audit report that says this and requiring that they show course. I would then expect that SNP's response would be to me, not to Dennis Smith or Steve Sullivan, and that it would be a formal response under the contract. I would have given them a breach notice had that report come to me.

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34. Having read the SNP response letter, I think it was a very poor response to the report given the gravity of the issues that were raised in the audit. I think there is a judgement error if somebody has closed that out thinking the SNP response allowed them to close that audit off.

Assurance frameworks

35. It is a good idea to require tenderers to give evidence of an assurance framework that they have in place.

36. In a best practice conversation, I would also expect tenderers to show that they have got an assurance framework in place to make sure that subcontractors are also complying and doing everything properly.

37. What my expectation would be is that you would not give SNP permission to subcontract unless SNP could demonstrate the maturity and appropriateness of SIG, in this case, or Multiworks, or whomever.

38. I would also expect the University to have a framework in place, to make sure that companies such as SNP are delivering as they should be.

39. An assurance framework involves simple things like making sure that the sign in, sign out processes are in place and that people have got radios that are GPS tracked, and all the things that we know are the current industry practices. We have got to use technology smarter and do all those things including physical verification by way of bio-metrics.

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40. In hindsight, I don't think that the Campus Security Unit had a satisfactory existing assurance process. We have now been able to do some of the things that you would expect. We are going to the level of using technology to have people do thumbprint (bio-metric) sign-on, and using radios to GPS track, so we know where each guard is at any point in time.

41. If it emerged that relevant industrial awards or enterprise agreements were being breached by contractors, that would be a major concern to me (as was demonstrated with actions taken with Menzies a cleaning contractor dismissed for this type of conduct. As far as I'm concerned, it's not legal. The University is in a situation where we work in a highly unionised workforce and we respect the unions and their role, and we are advocates for ensuring that people are paid correctly. It would be really duplicitous of us to then turn around and say that we're an institution that would be prepared to sit back and watch workers get disadvantaged.

Line marking

42. I would have been concerned had I been aware that Daryl McCreadie was undertaking the line marking services under the SNP contract. I would not have tolerated this.

43. I would expect a contractor such as SNP to be right on top of secondary employment issues for their staff let alone requiring expertise to undertake the activity.

Contract audits

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44. Campus Infrastructure Services conducts regular audits of the contracts that we've put in place. These audits have nothing to do with a program of work of Internal Audit and are intended to be a second line of control/defence on the contract outcomes whilst Internal Audits being a third. Although in hindsight, one of the things we recognise is why wouldn't we have been giving those compliance reports that we were doing inside Campus Infrastructure Services back into Internal Audit? There's no reason why we shouldn't have been. We've now got to the situation where it's a given that we should let the Internal Audit team know about any of the compliance work or auditing that we conduct to provide assurances for us.

Creating a safer community for all sexual harassment and assault on campus

45. I do not think that recommendation 4 from the report, *Creating a safer community for all: sexual harassment and assault on campus (2016)*, was implemented. This recommendation concerned a review of the Campus Security Unit with a view to strengthening security and safety measures on campus. I had no knowledge of this recommendation.
46. I think it's pretty clear that you would expect that somebody would be accountable for ensuring that the report recommendations were followed. If the senior executive group had said that they wanted a review conducted and it was ignored, this would be out of character and inappropriate.
47. Whether or not you call it a response to that report or not, but around that time, the threat level in Australia increased. As a result, one of the things that I oversaw was a review of effectively our preparedness under safety and security to be able

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to respond to terror incidents. This gave me an opportunity to test where we were at and to look at things such as the way that we're guarding, the way that we're using CCTV and what is considered best practice. A report was prepared in response to terrorism by Business Olympian Group and the other issues were covered in verbal briefings.

Contractors and Contractor Margins

48. We try to be on the alert and make sure that contractors are not paying cash and doing all other sorts of things that are notorious in the industry. The main area of vigilance and concern I had was with cleaning contractors where I was getting anonymous tip offs from 2012 onwards about visa issues, cash in hand, and non-award payments which were being reported by me to internal audit.

49. What is a decent margin is a difficult question. I regularly look at contractors who will contract to us on one or two percent. That is their business model in which they chose to just do volume. There are others where their expectation is four to five percent or higher. My role is to endeavour to get value for money from the market and that includes pushing for the optimum outcome.

50. The investigations have uncovered issues that have shocked me. During 2018, and moving forward, I am supporting Ben Hoyle as part of my leadership team in CIS in driving the transformation of our campus services and our contract management regime. The current procurement process for 32 service lines in Campus Services will introduce a much tighter KPI management approach to our contract management, along with a quality assurance regime. This will be fully

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implemented with the conclusion of the “transition in” period for the new contractors. Dennis Smith has also resigned and we are preparing to recruit his position which is currently filled by an acting manager.

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