

STATEMENT OF BROOKE ANNETTE FREEMAN

Name	Brooke Annette Freeman
Address	IBM Centre, Level 5, 348 Edward St, Brisbane, QLD 4000
Occupation	Business Development Executive
Date	29 May 2013

I, Brooke Freeman, state that:

1. I have previously given a statement to the Queensland Health Payroll System Commission of Inquiry dated 15 April 2013.

Statement of Sally O'Carroll

2. I have been shown a statement provided to the Commission by Ms Sally O'Carroll dated 10 May 2013, and which, I am advised by Ashurst, was provided to that firm on Friday, 24 May 2013. Ms O'Carroll incorrectly refers to me as an accountant at paragraph 2.
3. I recall discussions with Ms O'Carroll regarding pricing. I do not recall precisely when those discussions occurred, but the timeframe of early to mid-December 2008 referred to in Ms O'Carroll's statement is likely.
4. I do have a clear recollection of spending time with Ms O'Carroll among other representatives of CorpTech after IBM had completed the forward planning work.
5. In at least one meeting I explained to Ms O'Carroll the way in which IBM's go-forward pricing was broken down, and how it compared to the best estimate provided in IBM's tender response. I told her that IBM's pricing included work for additional services that were not part of our tender response. Additional service items had originally been a responsibility of the Government and as a result of the forward planning work were now being priced to be performed by IBM. I explained that for each additional service offered by IBM there should be a corresponding decrease in Government effort, however I had not been part of the Government's pricing team so could not show her that detail. Ms O'Carroll made comments to me in the course of that explanation that she did not understand why CorpTech's costs were so high if they were only managing IBM. I told Ms O'Carroll that IBM was not responsible for developing CorpTech's estimate of the cost of their work so it was difficult for me to comment on whether those costs were over-stated.
6. I have no recollection of making the statements to the effect that Ms O'Carroll alleges in paragraphs 9 and 11 of her statement and I am confident I did not make those statements. Statements of this nature are, in the first place, inconsistent with my role on the SSS Program and my understanding of how Government contracts work. Further, they are inconsistent with the way I relate to clients generally. In particular:

- a. I know very well that Government projects are strictly budgeted according to an annual estimating process for allocating funds. I know this as a result of my involvement in public sector in the IT industry, including participating in many Government tendering processes where the budget is a key factor in evaluations.
- b. I understood that as part of the contract, the Government had no obligation to accept our revised Statements of Work when we converted Statements of Scope to Statements of Work. I also understood that the obligation to demonstrate the reason for the increase lay with IBM. I also understood that there were provisions in the contract to protect the Government from being committed to increasing the project budget, including the ability to bring in independent assessors in relation to higher costs. In addition, the contract had clauses that allowed the Government to terminate for convenience, which meant that we knew future work was never certain.
- c. I recall making statements to other IBM staff working on developing resource estimates during the pricing exercise (associated with turning best estimates into fixed prices) to the effect that there was a budget in place for the project, and IBM would need to ensure that it could justify any increase in price from the best estimates it had previously provided.
- d. Finally, when I worked at Accenture, the Government did pull out of doing the OneSchool Program with Accenture. This is one example of where I had seen the Government pull out of a Program, contrary to the statement Ms O'Carroll says I made in paragraph 11 of her statement.

Evidence of Christopher Bird

7. I have also been shown an extract of the transcript of evidence given before the Commission by Mr Christopher Bird on 22 April 2013.
8. In his evidence, Mr Bird suggested that after the forward planning work, I said words to him to the effect that CorpTech should "go back and ask for more money to continue" the project. He suggested that "they" were surprised that CorpTech "would just kill the project" (Transcript day 18, page 18-93 L 15-60). I have no recollection of making that statement and, for the same reasons I have identified above, I am confident that I did not make that statement.

Signed: *B Freeman*

Date: *29/5/2013*

Witness: *Brian Bell*
Brian Bell