



## SPARK AND CANNON

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THE HONOURABLE RICHARD CHESTERMAN AO RFD QC, Commissioner

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IN THE MATTER OF THE COMMISSIONS INQUIRY ACT 1950

COMMISSIONS OF INQUIRY ORDER (No. 1) 2012

QUEENSLAND HEALTH PAYROLL SYSTEM COMMISSION OF INQUIRY

BRISBANE

..DATE 6/05/2013

Continued from 3/05/13

DAY 26

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THE COMMISSION COMMENCED AT 10.04 AM

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COMMISSIONER: Mr Horton, good morning.

MR HORTON: Good morning, Mr Commissioner. The first witness today is Mr John Douglas Gower, and I call him.

**GOWER, JOHN DOUGLAS** sworn:

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MR HORTON: You are John Douglas Gower. Is that correct?  
---I am.

You've prepared a statement for the purpose of this inquiry signed on 2 May, comprising 42 paragraphs. Is that right?  
---Sorry, I didn't hear the last bit.

Comprising 42 paragraphs. Is that correct?---I believe so.  
Yes.

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Do you have a copy there with you?---I don't have it with me, no.

All right. We'll hopefully get one. I'll hand you a copy. I think, Mr Gower, you've made some handwritten changes to this statement since signing it. Is that correct?---That's correct. Yes.

And they appear at paragraph 26?---That's correct. Yes.

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Yes. The statement of those changes made to it is true and correct to the best of your knowledge and belief?---Yes, it is. Yes, they are.

I tender the statement of Mr Gower.

COMMISSIONER: Yes. Mr Gower's statement will be exhibit 106.

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ADMITTED AND MARKED: "EXHIBIT 106"

MR HORTON: Mr Gower, you were deputy program director between November 2007 and March 2009. Is that correct?  
---That's correct. Yes.

You later replaced, I think, Mr Paul Hickey, as project director in mid-2009?---In March 2009, I did, yes.

That came about, I think, as part of a change request 184 - is that right - which affected the governance structure of the project?---My recollection is, yes, 184 formalised the change, although I did take over the role earlier than in March 2009.

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Then you left the project, I think, in January 2010? 1  
---That's correct. Yes.

But I think you make the point in paragraph 41 of your statement that really you were on leave all of December? ---That's correct, yes. I came back. I was away for December 2009 and I was back in Brisbane for about a week or so in January 2010.

Yes. You had no involvement in the project after the go live date in March 2010?---That's correct. 10

You mention in your statement being involved in a statement of work called Statement of Work Number 4?---Yes.

Which was, I think, called the Go Forward?---Forward planning I think it was called.

Forward planning?---Yes.

That involved, I think, among other things, IBM giving the fixed price which might apply to statements of work to be completed after the interim solution, in effect?---That's correct. Yes. So statement of work 4 forward planning was to take the standard offer that CorpTech had previously produced and provide it to IBM and we would then - the forward planning exercise was to work with the agencies, the departments, to develop a revised, refined standard offer and fixed prices and the roll-out schedule for those agencies for the whole of government solution. 20 30

Yes. Were you involved in the change then from what was a best estimate into a fixed price for those works?---My team were, yes. Yes, part of the exercise was to convert the effort that was derived as a result of the requirements gathering into fixed price statements of work.

Yes. I think as part of those services to be provided was mentioned some additional services which IBM was going to include. Is that right?---As my memory serves me, there was an increase specifically around the agency requirements, so the various departments through the workshops we conducted with them during forward planning as a result of those requirements gathering workshops, the agency specific requirements were far in excess of what had been captured previously by CorpTech in the standard offer. 40

So specifically then you're talking about additional services. Is that right?---Additional services as well as requirements. So from an additional services point of view, if my memory is correct, one of the additional services was that CorpTech, I believe, asked IBM to include as part of their estimates upgrade of the finance SAP solution as part of the whole of government which wasn't previously part of the standard offer so I would call that an additional - - - 50

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We might be speaking of different things?---Sorry. 1

Can I show you a document to check whether we are?---Sure.

Might the witness please be shown exhibit 75B, which is Mr James Brown's second statement?

Mr Gower, just in a general sense, this statement deals with SOW 4 and Mr Brown's involvement in it. Attached to it are some presentations which seem to have been given in August and October 2008 about, in effect, the go forward strategy?---Sure, yes. 10

So if you turn to attachment 1, is it readily - - -?---Is that at the back of the statement, is it?

It is. Behind the text of his statement. Do you see it starts, "SOW4-forward planning fixed price statements of work"?---Okay, yes. 20

Just familiarise yourself as you need to with that. You've seen that document before?---I'm sure at the time, yes.

Yes?---Yes.

Then it's page 22 that I wanted to ask you about, which is the additional services component. Do you see there, "During the forward planning phase, improvements were identified for the program." What improvements were they? ---I can't say for sure, but I am looking at the next page, 23, which is what, I think, is listing the additional services so I - that may be what it's referring to - - - 30

Yes?---- - - but I don't recall.

Yes. I guess I'm more interested in the improvements. So page 23 seems to set out some services, but I'm wondering what improvements had been identified in the program?---I honestly can't remember. I'm sorry. 40

Do you know what gaps there were before? If you look at the third dot point on page 22, there's a recommendation to fill some gaps. What were - - -?---I don't - - -

Sorry. What were the gaps?---Yes, again, I might have it wrong here, but I believe it's referring to the additional services on the next page that they were gaps in the original standard offer and IBM were proposing to provide additional services to address those gaps, for example, testing and training, relief support. I can't remember for sure, but I'm just drawing conclusions from those slides. 50

Thank you. Just put that aside if you would?---Sure.

I think you make it quite clear in your statement that you weren't involved in the exercise, as such, of scoping this project at the outset?---The QHIC project?

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Yes?---Yes, that's correct.

But in your capacity as deputy project director and as project director, you, it seems from your statement, had occasion to consider whether things were inside or outside scope. Is that correct?---Sorry, I didn't quite understand the question. Sorry.

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Redrawing the distinction between these two things, you say you didn't scope this project initially?---That's correct, yes. 1

And you weren't involved in the scoping exercise for it? ---That's right.

But in the course of being the deputy program director or the project director, you would have had occasion to consider whether things you were doing were in scope or out of scope?---From March 2009 onwards, yes, once I joined the QHIC project, yes. 10

And not, you say, before March 2009?---No.

Even from March 2009, there seemed to be continuing debates between the parties about what was in and what was out of scope. Is that right?---That's fair, yes. That's correct

Were you involved in advising on or preparing any of the change requests which were made on the basis of what was said to be missed requirements?---No. I'll say "not directly." What I will elaborate, if I could, is that if there were items that arose in the course of the project they may need to be escalated to the board. That may result in the executive, if you like, Mr Doak and others having those contractual conversations, but I wasn't involved in any of the contractual conversations. 20

Continuing on the same topic, you mention at paragraph 26 of your statement, the one that I think that you've made alterations to, that when you joined the project you understood that IBM was using an internal requirement traceability matrix to trace requirements through design build and system test?---That's correct, yes. 30

When you prepared your statement, that's not something which you were aware of?---I think it's the case of this is a number of years ago and reviewing documentation over the last week, the last few days, I did recall that Mark Dymock, the test lead, was using an internal RTM. I think the way I expressed originally, paragraph 26 gave the indication there wasn't one in existence so that's why I thought I needed to clarify that. 40

Perhaps you weren't aware of one being in existence at the time. Is that correct?---No, I was aware.

But you would have recalled it if you'd been using it, surely?---It was being used throughout 2008, and when I joined in March 2009 it was being used, it was just the way I expressed it there that gave the indication that there wasn't one being used. 50

It would be a fairly critical document in a project such as this. Is that right?---I've been asked that question, whether it's a vital document or not. There are projects where I've run that haven't necessarily had the need for an RTM, but I think in a project of this nature, giving the changing in requirements, I think it's something that is a very useful tool.

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It's a bit more than a useful tool, isn't it? It's fairly essential to have something like a requirements traceability matrix set in stone, isn't it, and agreed between the parties at an early stage of a complex project such as this?---That would be my preference to do it that way, yes.

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Have you ever been in a large, complex project such as the QHIC project that didn't have an agreed requirements traceability matrix?---No.

Did it shock you when you joined in March 2009 in the capacity that you did, when you began that role, that there was no agreed requirements traceability matrix?---I was surprised that the parties didn't agree it. My understanding from the IBM, they were using it, it was a known document, it's just that the parties, being CorpTech and Queensland Health, because I believe it wasn't a formal deliverable and that's why I believed that they did not, at that point, acknowledge it.

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By "they", who do you mean?---Sorry, Queensland Health and CorpTech.

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It would have rung alarm bells in your mind that one side of this complex project is working off a document which the other side has implicitly or expressly disowned?---Yes, it was.

Can I show you a document, please, to see if you recognise it? It's exhibit 105. Do you recognise that document? ---Yeah, I believe I do. Yes.

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What do you recognise it as being?---I believe it is the RTM that was being used.

And by that you mean the one used, to your knowledge, before March 2009?---That I can't say, it's a very detailed spreadsheet which I haven't seen for many years so I obviously can't give you an accurate answer to that one.

You seem to suggest in your statement that you thought it would be useful to have an agreed such document?---Yes.

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Did you end up with an agreed one?---No.

And did you end up drafting or preparing a requirements traceability matrix which was different from the one which I'd shown you?---No, I believe it was this but it was with more information in it. When CorpTech and Queensland Health did participate in providing some information into the RTM so the RTM would have been expanded upon, but I don't think it would have fundamentally changed in its structure.

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You said, "When they did participate in providing information to the RTM," I understood from the answer you said to me you weren't involved in scoping this project? ---That's right. If I can clarify? So once I had joined the project in March 2009, so I requested that the parties work together to review and agree the RTM. It was at that point that I asked that Queensland Health and CorpTech participate in that.

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Did they do that, to your knowledge?---Somewhat. It wasn't to the extent that I would have liked, and the RTM wasn't the work product that I would have liked it to have become and it wasn't used in the way that I wished it to have been used.

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COMMISSIONER: Mr Horton, I'm not quite sure I've got this right. Is that exhibit 105 your work, did you produce that?---I didn't produce it. I don't know whether this is the RTM that was produced prior to my involvement or after my involvement, so it's a bit difficult for me to answer that, Commissioner, I'm sorry.

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What did you do, you took one that was being used by IBM, did you, and expanded on it?---That's correct. We took the existing RTM. That's exactly right.

MR HORTON: When the expanded TRM was brought into existence, did the parties come to any agreement about its force or completeness?---I'll say no, and if I can elaborate?

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Yes?---So the QHIC board prior to UAT 4, I don't know when, but the QHIC board did set a direction that the RTM was to be an IBM tool, and Queensland Health and CorpTech stated that they did not believe that it represented their full requirements and that Queensland Health and CorpTech had the right to raise additional requirements during user acceptance testing. To answer, no, it wasn't an agreed - the tool wasn't agreed, its usage, in the way that I would typically use an RTM.

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Yes, because you want to know at this stage of a project, in a general sense, what requirements are in and what are out?---Well, I think the IBM team were very clear about what was in and what was out. What I was saying was, "We now need to lock this down, we need to lock the



requirements," because requirements were continuing to be changed and raised. To my mind, you need to lock the requirements, you cannot continue to go into testing and have the testers raise additional requirements and think that we can continue to maintain the schedule for the project.

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COMMISSIONER: That makes sense, but why on earth did you move to testing before you'd got agreement on scope?---I requested that it was a condition that UAT 4 entry criteria, that this RTM be agreed by the parties. There was a point where the parties, Queensland Health and CorpTech, were not prepared to accept that. As I said before, the QHIC board made a directive and I think it was probably the most pragmatic outcome that could be achieved at the time. I agree with you, Commissioner, that my preference was not to go into UAT and it was why I stressed the point consistently week after week, probably to the annoyance of many people, that I wanted this RTM in place and locked down and agreed before going into the next round of UAT.

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Whether the basis of the agreement was the RTM or some other document, how did it come about that as late as the middle of 2009 there were still disagreements about scope? ---It's very difficult for me to answer that because when I joined in March 2009 that situation you're describing was in existence so I don't know why. I honestly don't know why the parties were still - in March 2009 still disputing and disagreeing about scope.

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You said the board's decision in the circumstances was a pragmatic one. What was the decision?---It was the - and I think it's in one of the board minutes - the RTM is an IBM tool, and I might get this wrong, but the RTM is to be used - it's an IBM tool and what it was used - and any requirements that were raised during UAT that were not in the RTM, CorpTech Queensland Health asked IBM to look at those requirements and if we could accommodate those in our schedule we would do so. If we couldn't accommodate those new requirements that weren't in the RTM in our schedule then we would escalate those to the board for consideration. That's why I think it's not what I would prefer as an RTM method, but to be honest, it was better than what was there before.

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MR HORTON: Speaking in a very general sense, but as a principle of project management proceeding without an agreed RTM into user acceptance testing is something that would be highly inadvisable?---I would not do it.

Can I just pause on this topic and ask you a few questions about the ramifications of not having an agreed RTM. One reason one has an RTM is that so when defects are thrown up, if defects are thrown up in user acceptance testing, you can trace the requirement back to something which was or was not to be included within the project scope?---Slightly different. You can trace the - yes, right, the defect or the requirement back to the RTM just to determine whether it was in scope. That's correct.

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So we know that in the course of the project, and fairly late, that there's a difference emerge between IBM and the state parties, I'll call them for a moment, about whether IBM was obliged to fix all defects - - -?---Yes.

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- - - and I use that word in a very global way?---We use the word "issues" in the end to - - -

Okay. Issues; or whether - and this was IBM's view - it was obliged only to fix those issues which meant that a net pay would be affected?---No, slightly different there. My understanding, my recollection, is that the question around net pay was around prioritising those issues that needed to be resolved to enter UAT 4. My understanding is that, albeit that was the approach that was taken to enter UAT 4,

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IBM did not relinquish its responsibilities to resolve the other non-net pay sev 2 defects at some stage on the project. 1

Yes, because severity 2 defects, for example, had been defined in the master test plan and the UAT plan to include as one of the criteria whether pay would be affected?  
---That's right. Yes, I believe that was the case.

When we see IBM talked about net pay in terms of severity 2 defects, and I think Mr Doak did. Mr Doak contended that that was the responsibility which IBM should have, at least in the immediate sense that you've spoken of?---That was requested. I don't recall who raised the question of net pay, as in, "Let's focus on net pay." I think it was Queensland Health and, again, a pragmatic view, it's moving into UAT 4, the most important focus should be on those items that were affecting net pay but, yes, we were asked to focus on those items affecting net pay. 10

Yes. I want to suggest to you that it's an IBM-initiated idea to focus on net pay?---I don't recall that. 20

When Mr Doak uses the words "net pay" - sorry, when we see used the words "net pay" what components of the pay is it referring to? Is it just the weekly or fortnightly wage one receives?---Yes, it would. So anything that's like an allowance, a deduction, et cetera - anything that's affecting net pay. If I answer it in another way, what it doesn't include is items like the interface to the finance system, so the posting of the salary costs to the general ledger; not that that needs to be resolved, but it wouldn't - it's not deemed to be net pay. 30

Would it include or not include superannuation?---Probably - I don't think so. Superannuation is normally a payment after net pay so I'm answering you now as a theoretical. I can't remember - - -

I understand. Would it include or not include leave accrual?---Again, it would typically not because leave accrual doesn't impact someone's net pay. 40

But all those things, superannuation, leave accrual and, as you've said, the integration with finance are all things which had to occur for the system to function after go live. Is that right?---That's correct.

That is, if they were not being done by someone after go live, the system, you would say, isn't functioning properly?---That's correct. I would agree with that. 50

In this case the solution was one which was to be interim and minimal. Are you familiar with those terms?---Yes, yes, familiar.

To your knowledge how was the difference between a non-minimal system and a minimal sense given expression in the project that you were concerned with from March 2009?---I believe it goes back to the requirements. So the requirements that were provided were focused on minimal, purely around payment and not the extra functionality, if you like, around more detailed costing and more detailed integration of that nature.

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Was there a document besides the RTM which one would look to, in your position, decide what was in and out of scope? ---I would look to - I believe the scope definition document was one document that would provide a view as to the scope.

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Yes. Did either the RTM or the QHIC scope definition expressly exclude from scope things like leave accrual, superannuation?---I don't believe it did, no.

Because if things like that were excluded, one would have to ask, even if the project had been limited in that way, whether the result would still be a system which functioned even at a basic level of, I'll use the word again, functionality?---I suppose it depends on what the scope was, but I suppose if I come back to an earlier point, the focus on net pay defects on entry to UAT 4 wasn't to say that other non-net pay defects weren't to be resolved. It was that there were a lot of new requirements being raised and I know you said IBM initiated the net pay discussion, I don't recall that, but the conversation at the time was that IBM focus on net pay defects, not to remove anything else or do anything else, but focus on net pay defects so that we can get those resolved for UAT 4.

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My point to you is really this, I think, that when one has that focus, you enter UAT with a system having - I'll use your word again - issues, albeit not issues which might affect net pay?---That's if those other issues weren't resolved before going into UAT. Yes.

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Yes. In fact, I think those issues did exist going into UAT, even the ones you've described, even net pay issues? ---Some did, yes.

Yes?---Yes.

And then that meant that in UAT, one was dealing not only with issues which might affect their pay, but ones which might affect pay that's not met?---Yes, yes.

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And that meant then that before go live, even after the scope as defined in the QHIC scope definition and the RTM, IBM still had to deliver a system which didn't have issues that affected even non-net pay. Is that your understanding?---It was. I suppose if I could elaborate a bit more, if I could.

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Yes?---The question - the reason net pay became a focal point was in my view was that the requirements that were being raised were such that we had a lot of issues that were listed that were not in the RTM originally and there needed to be a pragmatic view taken as to what can get done in the time available.

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Yes?---So I suppose it was never my intent to deliver a solution that anyone would deem to be - what did you use there before, suboptimal solution if I can use it that way, but there needed to be a view taken as to the requirements being raised were new and changed and prioritization needed to occur on those.

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Yes. Do the most important fixes or work first?---Yes. And workarounds and others could accommodate some of those other items that were not addressed through a system - - -

Yes. Now, in a project management sense having said that there would be a prioritization for at least net pay severity 2 issues - - -?---Mm'hm.

- - - they ought to all have been resolved before entering into UAT. Is that my understanding?---Not necessarily. I mean, UAT, there were various cycles that run within UAT, it's not like another five-day exercise so if my memory serves me right, there was also - I think it was called a drop schedule as in to when the defects were dropped against which cycle of UAT, so if I give a theoretical example, you hire someone right through to when they terminate. You're not going to test terminations in the first week of UAT, so if there were a defect relating to terminations, you wouldn't necessarily need to have that addressed in week 1. You would if it were a higher defect.

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Yes. So UAT phase four - - -?---Yes.

- - - seemed to throw up a large number of what were identified as defects?---They were classed as defects but again, I make the point that it was still my view that - and we were identifying that through the RTM that these defects, albeit they were attributed to IBM to fix, they were not defects in the system, they were new requirements.

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Okay. Let's focus on that for a minute. So one might have a defect arise in UAT which is something which is not found on the RTM and which apart from something else going horribly long is something you can conclude is a new or missed requirement?---That's correct, yes.

But defects might be thrown up, mightn't they, in UAT which might be new or missed but which are fundamental to the system working not suboptimally after go live?---That's correct but the point that I make there is that if it's determined, if a tester determines in the test in UAT that a particular allowance is not working as they believe it should be, so an allowance should be paid double time or whatever the case may be, the point - the issue here is that on many occasions albeit that allowance is required and should be there because it pays people, that allowance had not been previously identified and - or it had been identified but not that the requirement had changed.

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Yes?---So I for one don't - I never was of the view that these issues that are affecting the pay should be ignored, but they needed to be considered in light that they were probably -a lot of them were new or changed.

And there were issues which were thrown up in the fourth phase of user acceptance testing - - -?---In the fourth - sorry, I didn't - - -

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There were issues thrown up in the fourth phase of user acceptance testing which were of that kind, weren't they; by that I mean perhaps you're missed but in any event, it's necessary to be done for the system to work not suboptimally after go live?---They were - IBM were requested to fix those because yes, they - Queensland Health said - and for whatever reason they weren't there, Queensland Health said, "IBM, we request that you fix this, please."

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Yes. And again, not asking you to make a choice between what is right and wrong in terms of a contractual sense, but the idea being that if the system goes live and an allowance is wrong that that will result in someone's pay - not just net pay perhaps but pay being wrong?---It would unless there is an appropriate and well managed workaround that was in place that could accommodate that.

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Yes, that's right. So if this is the case, then ones goes into go live with known issues but with each being able to be dealt with a workaround or other plan for its management?---Correct, yes.

And were you involved in this case in advising or drafting the management plan which ultimately took effect?---No. That was predominantly led by Queensland Health with the assistance of - I think it was Mark Dymock, my test lead. It was done predominantly in the December period.

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Yes, and it's a bit late for you, isn't it, because you're on leave on December, you say?---That's right.

And then leave in January?---Yeah.

Okay. Can I take you a document please on this issue if I could have your assistance. Volume 8, please, Ms Associate.

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I'm just going to take you to the master test plan, I think you might be familiar with it. Page 291-1, Mr Gower, it should be a page number that appears in red?---291?

291-1. Are you familiar with that - - -?---I've got it, sorry.

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Yes. Are you familiar with the document?---I believe I am.

Yes. Page 13 of that 291 series I wanted to ask you about. Under the heading QH Interim and Payroll and Rostering Solution, the first dot point there, was it, "This solution will be based upon the Department of Housing solution." Is that right?---That's right, yes.

And that it would provide rectification for a number of existing defects and functionality gaps in the standard offer?---Yes.

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And then over the page, the first dot point, "Build functionality to the minimum level acceptable for Queensland Health to continue basic HR payroll operations." Do you think the document is stating things correctly when it says that?---I believe so, yes.

Yes. Now, to your knowledge, would those principles or those statements ones which arose from what the QHIC scope definition had stated?---I believe so, yes.

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Now, can I take you please to volume 9. You were talking about I think, Mr Gower, some pragmatic decisions that were made along the way and page 81 of that bundle, please. Now, this is a leading I think of the project audit for which you were present?---Yes.

And page 82 in the middle of the page, it might be highlighted in the document itself, Mr Gower, it was agreed by the board?---To disregard all language?

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Yes?---Yeah.

Now, is that an example of one of the pragmatic decisions that was made about the identification of defects and the classification of them in terms of their severity?---I believe it was. I think the reference there is the third example being buckets. I think there was a previous discussion or meeting where Mr Doak was referring to bucket 1, bucket 2, I can't remember exactly why but I think given the ongoing discussions around defects, requirements, et cetera, the board said let's just focus on what is required and what is necessary.

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And when it goes on to say in that paragraph, in the second sentence, "We'll now refer to things as a go live problem or resolution is not necessary prior to go live," that seems to be disregarding entirely the criteria earlier set for entry and exit to UAT. Is that a correct understanding?---This is 12 May, so UAT 4 was late August. At the time, obviously that comment was made, I wouldn't say it was disregarding it. 1

It was trying to avoid, wasn't it, the difficulty of having to arrive at a landing on things which had proved intractable as between the parties?---That's fair, and I think the RTM and the somewhat reluctance for the parties to agree that too, there was a need to take a more pragmatic view as to, "CorpTech, Queensland Health, this is what we require. IBM, can you do it for us, can you fit it in the schedule?" 10

There's a lack of rigor, though, isn't there, in approaching a project on that basis, isn't there, that things will just be decided by a project directorate as things go?---This is why my preference, my strong preference, was to have the RTM locked down. 20

Yes, I understand?---And I think that from a project management point of view, you can't planned the unplanned. If Queensland Health and CorpTech continued to raise new and changed requirements, you can't estimate for that.

When you say "new and changing requirements," though, you seem to include in that perhaps being advised of different award requirements or difference allowance types, for example, as a new requirement. Is that correct?---That would be correct, new or varied. 30

I understand, but really I'm talking about the first time. The rule might have existed for some time but this is the first time that IBM has learned of the rule?---When you say "the rule existed for some time," I don't know what you mean. 40

The pay rule or allowance rule in an award or something of that kind?---In the LATTICE system, you mean?

No, what I'm asking is this: you're rolling out the new system, the new system is going to have to pay people. You have to answer audibly otherwise the microphone can't pick up you agree with me. You nodded with your head but you didn't say yes?---Sorry, can you repeat the question? Sorry. 50

You're building the new system - - -?---Yes.

- - - the new system has to pay people - - -?---That's correct, yes.



- - - and it pays according to the rules which you plug in which come from the awards?---It comes from the requirements, yes. 1

Yes, that's the distinction I want to draw here. You're saying if Queensland Health hasn't told you of a requirement, the fact that it nevertheless exists in reality in an award is beside the point, Queensland Health needs to communicate the detail of the award to you as a requirement?---That's correct. 10

So that if something existed in an award but wasn't communicated to you by Queensland Health, the system wouldn't take what the award set into account?---That's correct, nobody's aware of that.

The requirements is the way you're saying that it comes to IBM's attention what it needs to do?---Correct, yes.

You mentioned earlier in a board meeting about the requirements traceability matrix?---Yes. 20

I just was going to ask you if you can identify for - - -? ---I think it was in July.

Page 209-5 of that bundle, Mr Gower, might be the one. It's 30 June 2009?---Okay.

Does that look like the meeting you referred to?---Yes. No, I think it was a subsequent meeting. 30

No, I'll take you to another one in a moment - - -?---Okay, all right.

- - - which is 2 July.

COMMISSIONER: Mr Horton, before you leave this one, where is the reference to the RTM?

MR HORTON: The heading on 209-5 concerns the requirements traceability matrix. 40

COMMISSIONER: Yes, thank you.

MR HORTON: And then it says at the second paragraph, "John's team," that's your team, Mr Gower, "is currently continuing to work through the document to have it finalised and agreed"?---That's correct.

Before going into UAT end to end?---That's correct, yes. 50

Just help for a minute, which phase of UAT was - - -?---UAT end to end I think was also called "UAT 4".

Thank you. Just to make it complicated. And then would you turn to page 235, please.

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GOWER, J.D. XN

And then 237 I think, Mr Gower, might be the reference to the requirements traceability matrix. Can you see there the paragraph - - -?---Sorry, what was it, 237?

1

Yes, 237, it's the second full paragraph beginning, "Margaret questioned"?---Okay, yes.

And then just read to yourself or familiarise yourself with the rest of the page, which seems to deal with that same topic. So the last paragraph there, for example, Mr Gower, on page 237, Mr Shea, Adrian Shea, suggested that your team continue to work on mapping the requirements and Queensland Health will look at the amount of time their resources can assist. Is that your understanding of where things stood as at that date?---I believe it was, yes.

10

And was there, after that time to your recollection, any further landing reached about the requirements baseline? They're talking about the same thing, aren't they, when they use the term "requirements baseline"?---I don't like to use the word "baseline" because it means it can forever change, I like to use the word "locked".

20

Okay. The RTM?---Yes.

The locked RTM?---Yes.

To your knowledge, after this time was it ever locked? ---No. You may be taking me there but there is a board meeting where it stipulates the use of the RTM, and I thought it was July, I could be wrong.

30

Thank you. We'll just find this Mr Gower. 29 July, page 322, I think. Yes, 322, please?---Yes, that's it.

The middle of the page, "The RTM is an IBM document used to facilitate UAT and decision making." Again, you have to answer audibly?---Sorry, I was waiting, I thought that was a question. Yes, that's what the document states, that's not what I wanted the RTM to be but that's what the directive was.

40

And you'd said at this meeting, did you, that you wanted it to be an agreed document between the parties?---Yes.

And that was opposed or rejected, was it?---It wasn't. My suggestion wasn't taken up, no.

And then it's used in the next row below, it says, "The RTM will be used by IBM to assess defects found in UAT"? ---That's correct.

50

The immediate difficulty being that IBM would be using a document to assess defects and potentially at least the other side of the contract equation, the state would be

working off something different or arriving at its own view about what constituted defects. Is that right?---The other party, the other side?

1

The other side of your project, not IBM's side?---Sure. I was going to say were not really working off anything at all, in a sense, because they were raising requirements that weren't related back to any, to my mind, in my view, anything like an RTM.

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Yes. So immediately that arises, this situation arises, where IBM only is working off the RTM, there's a situation of almost inevitable conflict going to arise in respect of issues which are identified in the UAT?---Yes. I think when you say, "IBM working off the RTM," it was a case of if a requirement was raised in UAT, yes, IBM would work off the RTM to determine that, but, yes, then those actions would be taken that are in the paragraph above PPP3.

1

In UAT we see many issues identified, but we do also see many of those issues apparently being accepted by IBM as defects in the formal sense. Is that correct?---No. I never accepted them as defects. I accepted them as the customer, CorpTech and Queensland Health, as the agency requesting that we resolve those.

10

Yes?---So I never accepted them as in the true sense of a systems functionality defect that had been incorrectly coded.

20

Yes. But nevertheless, there seems to be defects identified as being assigned to IBM?---Yes.

And then IBM resolving or seeking to resolve those IBM open defects, they were called?---Which is what the direction was from the board. They're basically saying: IBM, we acknowledge the fact that these may or may not be new requirements, but we're asking you to accommodate them if you can in your schedule.

30

Yes. Some of those defects, and I'm using the term now in the formal sense, some of those defects were resolved by way of change requests, IBM being paid to fix them?---There were. I think - there were. I think that may have been - yes, is the simple answer. I think it may have been early in the piece, but I think some of them were, yes.

Yes. Some of them you say IBM just did. Is that correct? ---Most of them IBM just did, yes.

40

The ones that IBM did, were they ones which were likely to affect the accuracy of someone's pay?---I would say typically and, again, this was where, albeit the parties didn't agree on the RTM, the formality of it, if you like, but people like Janette Jones and others would regularly prioritise the defects and say, "IBM we request that you focus on these."

Yes?---So you would assume that they were predominantly impacting net pay, but some of them may not.

50

Thank you. I turn to the topic of Workbrain. Do you know much about that part of this solution?---I'm not a technical expert in Workbrain.

Neither am I?---Okay.

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GOWER, J.D. XN

Can I ask you a couple of questions and if I'm asking you things which you think are beyond your knowledge then please let me know?---Okay. 1

You recall in this solution that IBM had proposed using Workbrain for the awards interpretation function?---Yes.

That was thought and said by IBM to deliver some cost and time savings in the solution being delivered?---I'm not aware of the rationale - the original rationale for it. 10

Yes. Let's say likely to deliver savings of some kind. Did you have people who were specialists in Workbrain as a product working underneath you and reporting to you?---Yes. They were part of the team.

Were they IBM people or had they been brought in from Infor, the vendor of Workbrain?---I believe they were Infor.

Yes?---I don't - I could be wrong, I have to say, I have to put it out there, that I don't know whether they - I think they were Infor. 20

Do you have any knowledge who from Infor and how many resources were working on the project before March 2009? ---No, I don't.

So your knowledge will only be after the event?---That's correct. Yes. 30

Were you aware of any view from those working for you on the project or did you form the view yourself that the specialist Workbrain resources had been brought in too late on the project?---I'm not aware of that, no.

Had you been able to form any view after you became involved from March 2009 whether the Workbrain part of the solution build had been experiencing difficulty?---I certainly didn't form a view that the Workbrain component of the solution was troubled. 40

The Workbrain function to be fulfilled in the solution required lots of extensions to it. Is that right?---When you mean extensions - - -

Configurations to be added on to the standard Workbrain product?---I honestly can't answer that, actually.

Okay?---I think that would have been something that would have been - if I had been involved in the design and build phase, I would be able to answer you on that. I'm sorry. 50

Was there any design and build still going on with respect to Workbrain after March 2009?---My understanding was there

was no design and build going on other than those design and build activities to resolve requirements and other changes that were coming out throughout 2009. 1

Yes, but do you know for sure whether those design and build changes going on in Workbrain were in response to new requirements or not?---That was my understanding. Sorry. Let me rephrase that. That's my recollection.

Yes?---But I couldn't say to you for sure. 10

Yes. How would you at the time have known what was being done on Workbrain in response to new requirements as opposed to delivering the original solution?---IBM's internal RTM tool would have determined that.

Internal, sorry?---The RTM, so the requirements traceability matrix, not only is a tool to be used in testing, but it also is a tool that enables the team to trace requirements through to functional designs, technical designs. 20

Yes?---If there were changes in code, changes in designs and build, that would have been captured in version control.

I won't trouble you any more about Workbrain?---Okay.

Can I ask you just before I finish, though, were you involved in the scalability testing concerning Workbrain? ---I believe there was a scalability test in 2008. So the answer to that question is no, I wasn't involved in that. I believe - - - 30

Yes. I'm sorry?---Sorry. I was going to say I believe there was a further test that was conducted in 2009.

Yes?---I wasn't personally involved in it, but it was part of the overall team. 40

Can I show you a document please. It's the Workbrain scalability assessment test completion report. Does this look to you to be the results of the 2008 scalability test which Workbrain underwent?---I can assume that from the signatures and the dates on the front page. Yes.

Yes. Do you recall seeing it at the time?---I beg your pardon?

Do you recall seeing it when you were in the project in 2009?---I may have. I don't recall seeing it, given probably I joined five, six, seven months later. 50

Yes. The thing I wanted to direct your attention to was towards the end on page 13 on the heading Conclusions? ---I'm sorry, on 13?

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GOWER, J.D. XN

Sorry?---On page 13, was it?

1

Yes?---Okay.

Under the heading Conclusions. Then it says, "Online criteria" - but 3000 concurrent users. Was that your understanding of the level of scalability which had to be reached initially for Workbrain?---Not necessarily and I'll explain that. There was, again, one of the areas of dispute, items of dispute that I - when I joined was around the actual numbers that needed to be achieved. I think it was the 600 versus the 3000, I think was what was being discussed.

10

I'm just going to ask you about that, if you don't mind?  
---Sure.

Can I tender that Workbrain scalability test,  
Mr Commissioner.

20

COMMISSIONER: Yes. The Workbrain scalability assessment is 107.

ADMITTED AND MARKED: "EXHIBIT 107"

MR HORTON: Thank you.

Do you still have volume 9 there, Mr Gower?---I do.

Could you turn please to page 322?---322?

30

Yes. I'm sorry back to page - - -?---Yes, I've got that.

40

50

Now, in this document, you will see the first row, "IBM had a question of - issue of Workbrain scalability," and then it says 600 was as agreed as the number to go live. On what basis was the 600 number arrived at, do you know?---I don't know. To be truthful, I don't know. 1

Were you present for any of the discussion about that? You seemed to be there, mentioned?---I was there - sorry, to answer your question, "How was 600 arrived as the number," I don't know. 10

Yes. And why the decrease from 3000 in the scalability assessment to 600?---I don't know.

Thank you. May I ask you this, Mr Gower, about the systems test. You would have been involved - is that right - in your various roles?---Well, system test had completed prior to UAT 1 so it was actually something that was conducted in 2008. 20

Yes. Yes. Can I show you a document, please; exhibit 102. Now, this is the system test and SIT completion report? ---Yes.

April 2009, so it was something short of being brought into existence in your period as - - -?---I think it was in existence or it was brought in existence after I started, though I noticed it had been in construction for some time.

Were you involved in - I better ask you of that page ii, the second sheet of the document - - -?---Yes . 30

- - - there's reference in the revision history to a KJ Ross audit there under version 0.6?---Mm'hm.

24 April. Did you recall seeing a copy of a formal audit report from KJ Ross about that time?---I have to say no, I don't actually recall seeing an audit report.

Yes. Can I show you a document - sorry, which is not an exhibit. Now, for your benefit of your knowledge, Mr Gower, we have asked KJ Ross whether it has a copy of that audit report and this is the only document which to date it can find which approaches an audit report, and you will see on the first page, "Audit of draft QHIC system tested SIT completion report, 24 April 2009"?---Mm'hm. 40

Do you ever recall seeing a document if not like this then something which might have been a formalized version of it? ---I don't recall seeing it. 50

Yes?---I don't.

Do you recall seeing a KJ Ross audit done in March 2009, 17 March 2009?---I don't believe. I mean, I don't recall, sorry, I would rather say no, I don't recall.

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GOWER, J.D. XN



The reason I ask you this is that the March KJ Ross report seemed to suggest that system testing exit criteria had not been met. Do you have a recollection of that?---No, I don't.

1

Who would reports of this kind have gone to which dealt with whether systems testing had been - had passed a KJ Ross audit?---It would have most likely gone to Mark Dymock, the test lead and again, I'm just looking at the dates to work out the timing of it because I think we were in - if I call it transition, it may have been Mr Hickey, it may have been Mr Doak.

10

Yes?---But I'm speculating there.

Yes. So it doesn't seem like you're knowledgeable about these documents that I'm asking about?---No, I'm - they don't look familiar, I'm sorry.

Yes. I will tender, Mr Commissioner, the KJ Ross draft document which is the manner in which it has been provided to us.

20

THE COMMISSIONER: Yes. The KJ Ross audited draft QHIC system test and SIT completion report will be exhibit 108.

ADMITTED AND MARKED: "EXHIBIT 108"

THE COMMISSIONER: Mr Gower, what was your role in April May of 2009?---I beg your pardon, Mr Commissioner?

30

What was your role in April May 2009?---I was the project manager for the Queensland Health project.

Is there some reason that reports like this wouldn't come to your attention?---In theory no, Mr Commissioner, but I'm just answering the question, I don't recall seeing that.

You don't recall, all right?---Yes.

40

But ordinarily, would they have come to you?---Ordinarily I would have received these types of reports, that's correct, yes.

Thank you, Mr Gower. That's the evidence-in-chief of Mr Gower, Mr Commissioner.

THE COMMISSIONER: Mr Ferrett?

MR FERRETT: Thank you.

50

Can I just dwell on the matrix document for a moment. Do you still have that with you?---No, I don't.

You will remember telling Mr Horton that there was - as you now recall an internal document if we can put it that way and then the one that you prepared?---Sure. 1

Yes. As I understand what you were saying, you expanded on the existing document. Is that right?---Expanded by asking CorpTech and Queensland Health if there were any other requirements which hadn't been captured originally, yes, to please get those in there as well. 10

All right. So it was a process of amending rather than creating a new document. Is that right?---Yes.

THE COMMISSIONER: Who in particular did you speak to in Queensland Health about having input into the matrix?---It would be through the directorate, the project directorate and the project board. So Tony Price, Janette Jones and the directorate, and then Adrian Shea and Tony on the board. 20

Did you raise this topic at the meetings of the directorate and the board?---Yes, yes.

MR FERRETT: How far into your appointment - your second appointment if I can put it that way is it before you start talking about an agreed after hearing the (indistinct) if I can put it that way?---Probably five weeks.

Okay. So that's in sort of May, April?---I would say probably - I would probably say April I think was when I started to raise that. 30

All right. And how long after that before you start working on this amended document?---When I say "we", how long before Queensland Health and CorpTech began to participate in that, I would say probably two months or something of that nature.

All right. Just looking at that document, do you have it there?---I've got it here, yes. 40

If you can just take the top A4 pages off it. I see in the top left-hand corner it refers to - it says in very small type I think key references, you have got QHIC scope definition 21 February 2008, QHIC scope definition et cetera et cetera as amended by CR184, dated 30 June 2009. Can you see that?---I can, yes.

Does that help you in remembering whether this is your document or the internal document?---Document - I suppose to answer your question, document executed as part of CR184 dated 30 June 2009, so I would think that this document would be post that date. 50

Well, indeed - - -?---But I don't know. I don't know whether this is the final document.

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GOWER, J.D. XXN

All right. Just focusing on the internal document for a moment and I realise that we're a significant remove in time now. As it has been used internally, is it a dynamic document or is a foxed proposition?---Dynamic, so as you - as a - if a function design for any reason needs to change, it would be version controlled and reflected in here. It's version controlled as opposed to - I don't like to use the word "dynamic", it gives the impression that it's forever changing.

1

Would it be better to say that there is more than one version of it as changes as required?---That would be - yes.

10

All right. Thank you. I'm just turning to your statement. Do you have your statement handy?---I do, yes.

Paragraph 26 where you start talking about your view of the utility if I can put it that way - - -?---The what, sorry?

20

The utility of a requirement in the traceability matrix? ---Okay, sure.

I just want to be clear; are you aware at the point that you start taking this view that there is already an IBM internal document in place?---Yes.

All right. And you have a clear recollection of that?---I do.

30

Okay. You would agree with me, I think, that it is an essential tool not just at the late testing stage but at the early design stage?---As I said before, I wouldn't - I have RTMs in place when I run projects of this nature.

40

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Yes, and it's not something invented just for testing purposes, is it?--No. 1

It's something that indicates the entire development? ---Correct, and I think the term "requirements traceability", it is constructed at the time of requirements.

But as I read your paragraph 26, you saw it as a useful tool for resolving disputes between IBM and Queensland Health. Is that fair to say?---I felt that given the situation of the project, yes, it would also be used as a means to resolve the questions around defects. 10

All right. And the work that you did was directed towards dispute resolution, if I could put it that way?---It was, yes.

All right. Could I just take you over to paragraph 34 of your statement quickly? You've got that?---I do, yes. 20

And you say you considered that the number of defects raised during the UAT for the QHIC project was high, "I attribute this in part to the fact that some of the apparent defects raised by testers were business requirements that had not been previously articulated." Is it fair to say that there were some things that you will concede were bona fide defects as opposed to something otherwise to be described as an issue?---Yes, I would. 30

All right. As to the things which remain as issues or unarticulated business requirements, some of those, I understand from your answer to Mr Horton, were things like award provisions that hadn't been notified to you?---That's part of it, that would be an example, yes.

Is that a big part of it or a small part of it, the awards provisions?---I think awards were an area - certainly an area that was driving a lot of the changes. 40

All right. Now, just going back to your experience, I see from the start of your statement you've been involved in project management of IT projects in public sector organisations before. Yes?---I don't know if I have, sorry. I think I'm having a blank.

Sorry, of human resources?---Human resources, yeah, I didn't think it was - - -

But whether in the public sector or the private sector, you'd agree with me that awards change from time to time? ---They do, yes. 50

And over the life of a project they are likely to change? ---They are, that's correct.

From your forward planning role, which was your earlier role in this, part of it would have been surely to plan for the fact that the awards would change over the life of the project. There might be industrial negotiations, there might be rulings in commissions and things like that?---I agree. I think the issue there was that the original time frame for the project was to complete in 2008.

1

Indeed?---So I think when people sat down and sensibly planned the project, it was planned to complete in 2008 and so there probably was a very realistic assumption that there weren't going to be a lot of EBA changes and award changes in the life of that project.

10

Accept an assumption from me for a moment, I don't expect you to say that this is correct, assume that by the end of 2008 coming into 2009 the reason the project was delayed was largely the fault of IBM. I don't expect you to agree with that, I just want you to accept the assumption. By that stage, if things are beginning to change in the award sphere, if there's a new industrial requirement or something like that, it would be harsh, you'd agree with me, to qualify that change which needed to be included in the system as something which was merely an unarticulated business requirement?---I suppose what I'd answer there is that the known EBA changes were coming up in 2010, so Janette Jones was clear on the EBA changes. I think it was, if my memory serves me right, the subject of another change request that IBM was asked to accommodate the major changes to the awards as a result of the EBAs, but there weren't any envisaged changes to the awards as a result of EBAs throughout 2009, that's my recollection.

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30

All right. Thank you?---Not sure I answered your question there.

No, I was just going to come back to it. You understand the assumption I was asking you to make?---I understand the assumption.

40

As I say, I don't expect you to commit to it, I just want you to make it for the purpose of answering my question? ---It's difficult in those circumstances to shoot home a new industrial requirement as simply an unarticulated business requirement. I think in this case I wouldn't propose that the changes that were coming up - when I say "changes", I'm not talking about changes in the awards, I was actually referring to changes in requirements.

Yes?---Previously, articulated requirements which had now been articulated in a different fashion as to an industrial agreement changing those awards.

50

All right. But one of the examples you gave, and my learned friend was purporting, was an allowance might be brought up and an allowance had to be paid in a particular

way. Surely, unless that's a change to the industrial environment that's something that should always have been picked up in the plan?---I suppose it comes down to requirements, as the requirements stipulate the allowances to - if it's A, B, C and it results in being D, E, F, then it's a change to what the requirement was.

1

All right. Now, I think you'll accept, won't you, that whether or not particular issues were a change in requirements or just a defect was a continuing matter of debate between the parties?---I would accept that, yes.

10

You'd accept too, I think, that there never seems to have been an agreement on scope?---I would say that, correct.

And, indeed, that's the point of your work to develop that second RTM document, if I can put it that way, and it follows from that, doesn't it, that where IBM talks about something being in or out of scope, that's IBM's opinion on whether something's in or out of scope. It's not a finally determined view, if I can put it that way?---Correct. It's IBM view which resulted in occasion, a change request to formalise that.

20

Thank you.

COMMISSIONER: Thank you. Mr Traves?

MR TRAVES: No question, thank you.

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COMMISSIONER: Mr Abrose.

MR AMBROSE: No questions, thank you.

COMMISSIONER: Mr Sullivan?

MR SULLIVAN: No questions, thank you, Commissioner.

COMMISSIONER: Mr Doyle?

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MR DOYLE: Thank you. Mr Gower, can we go to the requirements matrix again, please?---Sure.

We need very good eyes to do this, but can you look at the headings to the columns and I want really to get an understanding what role the other documents which seem to be referred to in this document play in the use that one can make of this document?---I'm having trouble reading it.

All right, we'll do our best.

50

COMMISSIONER: You're not alone.

MR DOYLE: I'll see how I go. There's a heading at the top. Yours is coloured, can I ask?---Yes, it is.

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GOWER, J.D. XXN

There's a yellow box, fortunately, at the top. Immediately to the right of that yellow box do we see the QHIC scope definition document referred to?---Yes, I do. **1**

If you can see it - - -?---Yes, I do. No, I can see it.

And it's got a reference to something - - -

COMMISSIONER: Mr Doyle, what are the words in the yellow boxes, can you read them? **10**

MR DOYLE: Sorry, the topic yellow box?

COMMISSIONER: Yes.

MR DOYLE: "Common term persistent development and life cycle element," and beneath that is, "The organisation's methodology term for system development life cycle element." **20**

COMMISSIONER: Thank you.

MR DOYLE: I wasn't going to ask what they meant?---I'm glad.

Immediately to the right of that there's a reference to the February 2008 QHIC scope definition document. If you can't read that - - -?---I can see that, yes.

Then to the right of that there's a reference to the QHIC scope definition, and I'll leave some words out, and it seems to be, "Amended by scope qualification document." **30**

COMMISSIONER: Was it "clarification"?

MR DOYLE: Clarification document, thank you. "Executed as part of change request 184"?---I can see that, yes.

If we go across there's some other things, and it may to avoid straining their eyes, we'll have to produce a bigger version of this?---Okay. **40**

Starting with the QHIC scope document, you know it to be a document which defines the scope of the work to be performed in the LATTICE replacement project?---That's correct, yes.

You know, don't you, that the change effected by change request 184 is to make some variation to that?---That's right. **50**

Indeed, change requests generally, although not formally but generally, effect changes to the preceding contractual documents in some way?---That's correct, yes.

Thank you.

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GOWER, J.D. XXN

COMMISSIONER: Mr Gower, can you tell me what's the significance, if there is any, of the colour coding? There's yellow, grey, green and blue and white?---I was hoping you weren't going to ask me that, commissioner. I don't recall.

1

There would have been a reason at the time. Is that - - -? ---I'm sure there was a reason, but maybe it was to make it easier to read, but I'm not sure.

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I'm sure that wasn't the - - -?---No.

No?---No.

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MR DOYLE: It makes it easy to identify what you can't read, I suppose?---I don't know. I'm sorry.

1

If we go across further to the right we see there's some headings, the first one of which says, "Process design report EBR"?---Yes, yes.

If we go down that row, we've got to go down a few to get to a reference to one of those?---Yes.

10

Is that a form of report which provides some more detail than is otherwise contained in the QHIC scope document or the process - - -?---Yes. What they are are process flows. In this case I can't see what it is, "Generate employee records," I think is the - - -

It says, "Create employee records"?---Create employee records. Sorry. Yes. So that would be a process documentation that would articulate how a process should flow from start to finish, in effect.

20

Thank you for that. If you look across to the left of that far enough, you'll see it's identified as item number 2.1.1?---Yes. Yes, that's correct.

Above that you'll see 2.1?---I think I've lost you. Sorry. There, sorry, I've got it. Yes, sorry; yes, I do.

I'm going to help you with this?---I think so. Is that in the green area?

30

Yes, it's all in the green at the moment?---Yes. Okay.

The QHIC scope document identifies things by reference to numbers 2.1?---Yes.

And then if you go to a lower level or higher level, depending on how you describe it, it becomes 2.1.1? ---That's right.

40

And so on?---That's right.

At the very highest level they're identified in sort of a title that's generic?---Yes.

Then as you go to more detailed levels, the title becomes less generic and more specific?---Yes. It's what's called process taxonomy.

Thank you.

50

COMMISSIONER: Process taxonomy?---Process taxonomy. It's a hierarchical view of processes as they go down the level.

MR DOYLE: Right. So if we look at the QHIC scope document, taking this one as an example, item number 2.1 is the general topic of "manage employee information" or words to that effect. Would that be right?---I've lost you again. I'm sorry.

1

Never mind. Is that - - -

COMMISSIONER: You do it. I said what is it.

10

MR DOYLE: Thank you?---2.1

About halfway down that - - -?---Sorry. I've got it. Sorry, Mr Doyle. Yes.

Against 2.1 - - -?---Yes.

- - - you'll see to the right of it, if you skip a column, you get those words I just read out to you?---Yes.

20

And the a sort of sub category of that or a further category of detail, you've got to go down to the next row to the "create employee records"?---Yes.

Which itself is identified as item 2.1.1?---That's right. Yes.

If we went on that's the sort of process, if there was a 2.1.2 and so on?---Yes.

30

I'll skip across then, still in item 2.1.1, "Create employee records," go across please to the column that has the most detail in it?---Yes.

No, sorry, to the one to the left of it. That's the "process design report" column that I took you to a moment ago. That identifies, does it, if one went to it, a document which contains some detail of the process design report?---That would be, yes.

40

COMMISSIONER: Which column are you in?

MR DOYLE: We'll have to number these. They are numbered. It's row 4 and in the column under the heading Process Design Report.

COMMISSIONER: Yes, I have got that.

MR DOYLE: It identifies - I'll leave some words out, "Create employee records," and there's a version 4 referred to and that's identifying a document, is it?---That is. That's the process definition design report for that part of the process.

50

Very good.

COMMISSIONER: What's the heading of the column to the right of that? 1

MR DOYLE: I knew you would ask me that. It's got a variety of different, "Configuration document, functional specification, design brief, technical specification, solution blueprint, debtor - - -"?---Data migration strategy.

"- - - data migration strategy and Workbrain blueprint"? 10  
---Yes. Correct.

Are they all different categories? There's not one category that captures all of them?---They're all different. Yes.

They're all different kinds of additional documentation which will be relevant to the various levels of detail that this document is referring to?---That's correct. 20

If we go down below that column to row 4, we see - that is in the section that has the most detail on that row - a series of other documents referred to. The first is, "QHIC solution blueprint version 1" et cetera, and then beneath it, "QHIC H2R 2.1" et cetera, and so on?---Yes.

Each of those identifies a document, does it, which contains greater detail of the functions to be performed by the system being designed by IBM?---It is and I can't determine from those descriptions as to which ones they relate to. Like, as you said before, which categories of documents up above, but they would be the further level of detail. Yes. 30

All right. If we turn through that sort of general format applies, that is, you start with the column furthestmost to the left. You'll have to listen to my question, Mr Gower? ---All right. Yes.

The column furthestmost to the left identifies the highest order of generality and identifies the document which contains it and then as you go to the right-hand down you get lower levels and more detailed documents identified within the schedule?---That's correct, yes. 40

Then if we go back to the first page please, immediately to the right of the column we've just been looking at, there's something called Configuration Tracking Document. Do you see that?---Yes, I do; yes. 50

Is that another name given to a business attributes document?---I believe it was, yes.

Thank you. There doesn't seem to be any on that page. If we go across further to the last two columns, there's one called Quality Centre Test ID?---Yes.

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And then Test Cases. Do you see that?---Yes, I do; yes. 1

With some other detail?---Okay, yes.

Would you mind going under the heading Test Cases to row 5 now just to identify what we're talking about? Tell me, please, what's set out there; that is, in the bottom right-hand corner box on that page?---They would be all the test cases that were to be run against that particular requirement to ensure coverage of that requirement or those requirements. 10

COMMISSIONER: Is that system testing or UAT?---This would be system testing, I think, commissioner. I'm just looking at it now.

MR DOYLE: Would it depend on what particular thing you're looking at in the schedule?---It would. Yes. I think in this instance I'm just - if you'll forgive me - I think this is relating to system test, but I couldn't say for sure just looking at it. 20

Turn to page 26, please. Just looking in the bottom right-hand box again, do we see those identified at page 26?---Yes. The page numbers are cut off.

Are they?---Yes.

Never mind. Don't worry about it?---No, I'm getting there. 30

There are some which are identified as systems tests?  
---Okay.

And if there are any, look, they will be identified elsewhere as user acceptance tests. Is that how the document should work?---That's how it should be used, yes.

Okay. Is this fairly to be understood really as a summary or a cheat sheet, in a sense, to identify where you would look to see the detail of what's to be provided by your system?---That's correct, yes. 40

So that it directs you to the particular documents to which you would go to identify the agreed scope?---It would and it also identifies if there is an issue we can go and more easily identify which particular document we may need to go and review.

So within a particular test, from the conduct of a particular test, something was identified as a defect - - -?---Yes. 50

- - - by using this kind of sheet, you can work back to see what are the more detailed functional documents, the agreed scope documents, which should define what the thing should be doing?---That's correct. That's exactly right.

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GOWER, J.D. XN

So it's an aid to the more speedy identification of what is the agreed scope by reference to other documents?---That's exactly right and that's why I was keen to have it in place to facilitate a faster process of doing that. **1**

So that I'm clear, at least, the agreed scope is that which is represented by the various documents which appear in the various columns. That's right?---That's correct, yes.

And the function of this document is to make it easier to trace test results to those agreed documents?---That's one of the functions, yes. **10**

There might be others?---Yes.

Thank you. In respect of, I think, a question from Mr Horton or one of the questions you were asked this proposition emerged. You said, in effect, that those on the other side of the record when asking for changes or asking for things to be done weren't doing so by reference to the scope documents at all or words to that effect. Do you recall that?---That's fair to say that, yes. **20**

**30**

**40**

**50**

All right. Why do you say that?---Because I think that the items that were raised were shown to not be in the requirements traceability matrix. 1

Thank you. You were shown a variety of minutes and so on where you were advancing the view that this document should be relied upon and the attitude taken by those on the other side, and I just want to complete the sort of sequence, really. You were taken to something on 30 June, something on 2 July and then something on 29th July, but I'll just show you one in between as well. If you go, please, to volume 9, page 274. I've shown you there a QHEST document, or at least it appears to be a QHEST document, dated 8 July 2008 - I'm sorry, 2009, it's in the middle of the sequence I showed you before. I just want you to read the comments on the first row, that is, "Scope design and build," in the comments?---The, "IBM continues" comment? 10

Correct?---"IBM continues - - -" 20

No, read it to yourself?---Sorry, I thought you wanted it read out.

Tell me please, firstly, have you seen this document before?---Yes, I have.

By that do you mean you've seen it recently or you've seen back in 2009?---I think I would have been present at the - yeah, these reports were generally tabled at the board meetings. 30

All right. So it likely is contemporaneously you've seen it?---Yes.

Help me, please, where it says, "IBM continues to push," for something, that would be you?---That was me.

"As a means of forcing QH to sign acceptance of the document. " Do you see that?---Yes. 40

Why?---I felt it was important that the parties needed to agree formally to provide certainty.

Was this an attempt by you to have really the scope frozen, if you like?---Locked, frozen.

Locked?---Yes.

All right. Thank you. And then it says, "IBM now renamed this artifact to a test requirements matrix"?---I don't recall ever - I think that was a suggestion from the other side about not calling - changing the "T" from "traceability" to "test". 50

Was there some sensitivity on the other side, if you call it, about the title given to this document?---There was a lot of sensitivity about it. 1

How?---I beg your pardon?

Why, in what respect?---Because of the other side of what we wanted to - - -

COMMISSIONER: Can you tell me as best you can the effect of what was said and by whom?---So in the project directorate - - - 10

Whoever it was you had this debate with?---Tony Price and I would discuss this on a regular basis in the directorate, and then in the board I would discuss this again with like Adrian Shea and others. The view expressed back to myself was that Queensland Health wanted to continue to be able to raise new requirements and therefore didn't want to call it a "requirements traceability matrix" but a requirements test matrix as they wanted to have the ability to raise additional requirements in test, in the testing phase. I don't know if that was clear enough. 20

I think it is. Is this right: there were contempts to have the matrix as used as a basis for the tests but not as a basis for determining what was and what wasn't in scope? ---That's correct, commissioner, yes.

MR DOYLE: Thank you. Would you turn back to page 237, please. This is one of the documents you were taken to, this relates to a meeting on 2 July. The page I want to take you to is 237, and you'll see it starts at about point 2 of the page, "Margaret questioned the status of the requirements baseline." I know you've read all this, but at about point 6 of the page, it says, "Tony, again, questioned what the purpose of the document is." Is that Mr Price, is it?---That's correct, yes. 30

Then it says in the next paragraph, "John believed," is that you speaking?---That's me. That's correct, yes. 40

And then the next passage, "Again, Tony stated," just read that to yourself. Is that the substance of what Mr Price said to you, and was it said to you on more than this occasion but on other occasions?---Yes, on other occasions Tony and I would discuss this.

Thank you. Would you turn, please, in that volume to page 36? Before you read any of that, I want to ask you about this topic, you described how there were disputes about things which were being identified as defects as a result of user acceptance testing and whether they truly were defects or something else, and there was a decision at 50

some stage to stop calling them defects and to call them issues or something else to avoid that controversy. This is a meeting on 27 April, and you'll see you're present. Do you see that?---Yes, I do.

1

I want you to turn to page 37 and just read to yourself the passage under the heading "Governance Board Arrangements". If you go to the heading, it's the third and fourth paragraph I'd like you to read?---Is that, "James advised"? No, which one, sorry?

10

COMMISSIONER: "Adrian tabled"?---Adrian tabled? sorry.

MR DOYLE: "Adrian tabled," and then following?---I've read that, yes.

There were later activities which Mr Horton's taken you to, but can you tell me, Mr Gower, is this the position, that there were disputes about the things identified as defects which IBM contended were not defects but rather the result of scope changes or additional functionality requirements? They were time consuming to investigate, would you agree with that?---Yes, very.

20

And they were people from the performance of the build job to the performance of an investigative job?---I agree, yes.

In many respects, the result was that you would identify something as being a new requirement?---Yes.

30

And then you'd be asked to do it anyway?---That's right. That's correct.

That a practical proposal was put forward that if it affected pay, as in that passage I've just taken you to, IBM would fix it, that is, do it whether or not it was outside scope?---That certainly was the priority that we were asked to focus on, yes.

And you did that?---Correct, yes.

40

Thank you. Two final topics, one is about user acceptance broadly?---Yes.

50



Can you comment please on this proposition; that the identification of a significant or a large number of defects in user acceptance testing suggests that there must have been something wrong with the systems testing?---No, I don't agree with that.

1

All right. Why?---Because the system test - to my mind, the issue again was requirements. It was again - it was - just because new requirements had been found in UAT doesn't mean that previous activity design built system test was not done in an appropriate manner, so - and I think that a means to mitigate that was as changes were requested and code was amended, we would consistently rerun the system test scripts to ensure that there was not an adverse impact on the system so I wouldn't agree that it's a reflection of system test.

10

Very good. The last topic, I think; do you still have exhibit 107 with you which is - I would like you to have exhibit 107 with you. Now, tell me if you don't know the answer to this but the contract contemplated there would be some testing of the scalability of Workbrain. Did you know that?---Yes.

20

Okay. And that was to determine its acceptability for the whole of government solution?---I believe that was the case, yes.

You were taken to this by our learned friend Mr Horton to identify the scalability up to 3000 users, do you recall that, and you were asked in effect - and another document later on that suggests 600 users. Are you familiar with - tell me if you're not, something called the QHIC technical requirements, dated 18 July 2008?---I may have seen it. I'm not - I couldn't say I was familiar - completely with it now.

30

Well, I will ask you a different question, help me if you can; was there a stated number of users requirement for the LATTICE replacement system different from the scalability requirement test for the whole of government solution?---I believe there was. I mean, I'm working off memory but I believe that was the point.

40

Can you help us, is that where the 600 figure was from?---I believe it is, yes.

Thank you. Thank you, I have nothing further.

THE COMMISSIONER: Mr Doyle, I don't require bigger pages of all of the exhibit 105 but if you get me the first page, I would grateful.

50

MR DOYLE: Thank you.

THE COMMISSIONER: Yes, Mr Horton?

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GOWER, J.D. XXN

MR HORTON: Might I just tender for completion,  
Mr Commissioner, the deliverable acceptance sheet for the  
system testing and system integration testing document  
which is already in evidence as exhibit 102, I think, just  
for completeness to show its acceptance.

1

THE COMMISSIONER: Can I see the document, please.

MR HORTON: Yes.

10

THE COMMISSIONER: Thank you. I might make this exhibit  
102A.

MR HORTON: Thank you.

THE COMMISSIONER: All right. The deliverable acceptance  
sheet - I have seen this before, haven't I? Is it not in  
evidence?---I thought it was just the system test report  
but if it was annexed - - -

20

MR HORTON: 102 I thought was the test report. I'm sorry,  
I'm wrong. Apparently it has been - - -

THE COMMISSIONER: Exhibit 102 according to my note is the  
QHIC system test completion report.

MR HORTON: Yes. It's the acceptance sheet I would wish  
to tender.

THE COMMISSIONER: I will make this exhibit 102A.

30

MR HORTON: Thank you.

THE COMMISSIONER: The deliverable acceptance sheet. Yes,  
anything else?

MR HORTON: I have no questions for Mr Gower.

THE COMMISSIONER: Mr Gower, thank you for your  
assistance, you're free to go?---Thanks very much.

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WITNESS WITHDREW

**HICKEY, PAUL GERARD** sworn:

THE COMMISSIONER: Yes, Mr Flanagan.

MR FLANAGAN: Thank you. Would you give your full name to  
the inquiry, please?---Paul Gerard Hickey.

50

And Mr Hickey, have you sworn a statement on 29 April 2013  
of 176 paragraphs?---I have.

Would you look at this document, please. Is that your  
statement?---That is my statement.

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GOWER, J.D. XXN  
HICKEY, P.G. XN

And are the contents of that statement true and correct to the best of your knowledge and belief?---Yes, they are. 1

That statement comes with six volumes of annexures. Is that correct?---It does.

Right. I tender both Mr Hickey's statement and the six volumes of annexures that accompany it.

THE COMMISSIONER: Yes. Mr Hickey's statement and the attachments are together exhibit 109. 10

ADMITTED AND MARKED: "EXHIBIT 109"

MR FLANAGAN: Mr Hickey, you were the program director from 5 December 2007 to late June 2008. Is that correct? ---That's correct.

Thereafter, you were replaced by Mr Doak?---That's correct. 20

And at the time that you were the program director, Mr John Gower was your deputy program director?---Yes, that's correct.

And in relation to the project director for QHIC, it was initially Mr Prebble?---That's correct.

And thereafter, you became - after Mr Doak took over as a program director, you became the QHIC project director in or about August 2008. Is that correct?---That's correct. 30

And you remained in that position until when?---I remained in that position until towards the end of February 2009.

All right. You were replaced in that position by Mr Gower?---Yes, that's correct.

All right, thank you. Just prior to you taking that position, it was temporary filled by a Mr Bell. Is that correct? Tom Bell?---In August 2008, yes, that's correct. 40

So you in effect had two roles; the first was the overarching role of project director, and subsequently when Mr Doak took over, you took over as the project director for the QHIC project?---That's correct.

THE COMMISSIONER: Sorry, I have lost that.

MR FLANAGAN: You have lost that? So he is program director from 5 December 2007 to June 2008, he takes some leave, Mr Doak takes over as the program director, Mr Hickey then comes back as the project director for the LATTICE replacement. 50

THE COMMISSIONER: Which role is subordinate?---The project director's role is subordinate.

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HICKEY, P.G. XN

MR FLANAGAN: Thank you.

1

So in that role as project director, you were answerable directly to Mr Doak?---Yes, I was.

Yes, thank you. Now, when you were the program director, you sat on both of the steering committee for the Shared Services Initiative?---I did.

And you also sometimes attended the QHIC project board meetings?---Yes, that's correct.

10

And when you became project director for the QHIC project, you attended board meetings?---Yes, for QHIC, correct.

For QHIC, yes, but did you also attend from time to time the project directorate meetings?---I attended all of those as well. They were weekly.

Now, I just want to ask you some questions in terms of your dealing with CorpTech whilst you were project director, so that is before Mr Doak come on the scene - - ?  
---Project - - -

20

Program director, program director?---Yes.

So before Mr Doak comes on the scene, who did you deal with from CorpTech?---Predominantly with Mr Burns who was their program director but I also met with or dealt with Mr Beeston from the SPO, Mr Ekert and I did meet with Mrs Perrott as well.

30

All right. At the time, Barbara Perrott was the executive director of CorpTech. Is that correct?---That's correct. Can I just also say that I also met with Mr Philip Hood probably as well.

Mr Philip Hood?---Yes.

My question is this: at any time whilst you were program director, did you have one on one meetings with Mr Grierson, the director-general of Public Works?---No, I did not have one on one meetings with him. I only ever met him once.

40

When was that?---I think it was in June 2008 but I can't recall the exact date and I met with him, Robert Turbit and with Mr Bloomfield.

50

What was the purpose of that meeting?---That was to basically be introduced to it. 1

All right. Did you talk about the project at all?---We did talk about the program a little bit.

Did you talk about the QHIC project at all?---I don't recall talking about QHIC or about the SSSP.

All right. Once you're replaced by Mr Doak, he says in evidence in his statement that he had almost weekly meetings with Mr Grierson. Do you have any personal knowledge of how those meetings came about?---I don't really, no, but I think he wanted to get more executive contact with more senior people. 10

Just your understanding, what role did you see CorpTech having in this process whilst you were the project director?---I felt that CorpTech was responsible for supporting us delivering the project. They were providing the services that we used. The SDA had a responsibility to help us run the projects, provide information to us and they had liaison officers who worked with the different departments, including Queensland Health. They also managed the project or the contract through the SPO, so they still had a very large role in effect of the staff, they were still accountable for delivering quite a lot of contact into the delivery of the program. 20

Whilst you were project director in terms of the governance dealing with this particular contract of 5 December 2007, was there any part of the governance structure that required you to meet with the director-general of public works?---No. 30

No. We appreciate here that the director-general of public works didn't become responsible for the Shared Services initiative and, indeed, for CorpTech until or about July 2008?---That's correct. 40

At any time that you were project director for the QHIC program, did you attend with Mr Doak at his meetings with Mr Grierson?---No.

COMMISSIONER: Mr Hickey, I haven't got a clear conception of what the roles of these various bodies were. There was a Solution Design Authority, a strategic program office? ---Yes.

What else was there?---In CorpTech they had service management, who basically ran the technology. They had a payroll branch who actually ran the payroll and they also had people who maintained the existing Department of Housing payroll system, so they had a HR support team and they also had people who were working on the roll-out of 50

finance implementations to other agencies which weren't in scope for IBM. So they had a considerable group of people working.

1

In terms of designated bodies or groups or entities, what was there? I mean, what, if anything else, apart from the Solution Design Authority and the strategic program office? ---I beg your pardon?

Apart from the people you have mentioned, were there designated entities or groups, such as Solution Design Authority or strategic program office that you had to deal with as project director?---Yes, I had to deal with - well, I dealt with the SPO. I dealt with the SDA, but I also spoke to the service management people at that time. I also met with the people who ran the Shared Services Agency.

10

Did they have a title?---The SSA.

20

SSA?---The SSA.

All right. Were the roles of these various groups clearly defined?---I think they were clearly understood, but I'm not so sure they were clearly defined. I'm sure you'll find the definition.

If they're understood that - - -?---So the SDA and the SPO were understood.

30

Did the fact that there were such entities with varying roles make the project difficult or add to the complexity of it?---It certainly made it complex. Running the program was very complex and there was a lot of stakeholder management required; more than I expected at the start.

MR FLANAGAN: Thank you. Just on that topic, can you just outline in your own words what difficulties you experienced whilst you were program director and subsequently as project director in relation to having three parties involved, namely, CorpTech, Queensland Health and IBM?---So could you just clarify that? Do you mean that in the context of the Queensland Health project or in the - - -

40

Yes?---- - - context of the program?

In the context of the Queensland Health project?---I think right from the start there were difficulties between what CorpTech wanted and what Queensland Health wanted to do. I think there were issues of understanding who was accountable for what activity and then there was a lot of effort put into the responsibilities matrices and I think the conflict or the difficulty in dealing with both Queensland Health, the QHEST people, and CorpTech really became exacerbated through the time that I was the project

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director when basically we were starting to get into the testing process and the events of the end of 2008 where in the end I felt that CorpTech weren't really acting in Queensland Health's best interests.

1

Could you explain that please?---There was a set of testing around CR 129 where we were testing the Workbrain awards interpretation and I felt by the end of December we'd actually passed those tests or got close to completing the performance test, but CorpTech basically took a position that we'd actually failed those tests and there was a series of issues, commercial issues, that fell out as a result of that.

10

A suggestion there that a condition precedent or a condition that had been set had not been met - - -?  
---Correct.

- - - and which led to a dispute in relation to certain payments of change requests that had preceded that testing?  
---Yes, and a whole series of other matters. Yes.

20

All right. In terms of your own personal experience, who did you have most difficulty with, Queensland Health or CorpTech?---I'd say CorpTech.

In what particular aspects did you have that difficulty with?---I had difficulty with them over the way they were - I felt they were micro managing the program at the start, but I had difficulty with them over schedule 22 and schedule 22A.

30

That's to the contract?---Yes. Over the treatment of deliverables, the timing of deliverables and the subsequent time that it took to get deliverables accepted and the issue around what is the delivery date for a deliverable. There were issues around that. We had issues around basically the processing of change requests and the timing of them. They were basically around the process of managing the activities that we were performing.

40

Do you recall any disputes in relation to the quality of deliverables?---There were some discussions about quality of deliverables, I think particularly around debtor, but in general they were not.

Thank you. You work in the public sector or did work in the public sector for IBM?---I did.

You had experience prior to this project in both being a program director and a project director?---Yes.

50

Yes. That was experience that you had in the public sector?---I've been a project manager and a program manager in the public sector and I've worked on large programs in the commercial world as well.

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HICKEY, P.J. XN

Have you, in your experience, had direct contact with director-generals or persons in that position for the purposes of managing the project?---I have.

1

You have? In what circumstances did you have that sort of contact with a director-general?---For example, I was the program manager for projects in New Zealand and I used to meet fortnightly with the CEO of that government department.

10

Was that something that was established under the contract or part of the governance of the contract or was it something that you did of your own initiative or was it initiated by the director-general in that circumstance? ---Actually, none of the above.

Yes?---It was initiated by immediate superior and I think it was in place even when I took that role on.

All right, thank you. What was the purpose of your meetings with the director-general, without giving anything away in terms of the project, but what was the purpose of those meetings?---They were a somewhat informal discussion around the status of the program that I was running and to ask us questions about how it was going and basically to get his opinion and there were four of us in a meeting, the other would be their program manager, to discuss the state of the program without having it in a formal context.

20

In terms of the disputes that you had with CorpTech whilst you were program director, did you ever contemplate elevating those concerns to the director-general level?---I didn't.

30

40

50



Why was that?---I took them to Barbara and I asked her to deal with a few matters and otherwise we tried to resolve them internally.

1

Thank you. Can I take you to paragraph 22 of your statement?---Sure.

Just before I come to that, Mr Hickey, can I test your memory a little bit? We've heard evidence that Mr Doak, prior to becoming program director conducted an audit in March 2008 and a subsequent audit - when I say "audit" review, if you like, of the project in March 2008 and then again in May 2008. From your own recollection, what did Mr Doak communicate to you in relation to the results or conclusions of those audits?---I don't have very much recollection at all of those audits. I certainly recall him visiting, but I don't recall any particular observations.

10

All right. Do you know why he was brought in to do those audits?---I don't. In my statement I say that I asked to be removed and I think one of those audits would have been as a result of that.

20

We may as well come directly to it, you did ask to be removed?---I did.

Why did you ask to be removed?---I was a witness in another matter and at the time I took the role, the date for the hearings had not been set and it had been running for a considerable long period of time and I didn't know how long it would run for, so I agreed to take the role, but in April I was advised that the hearings would be held in June and July and I felt at that time that I would be unable to fulfil both roles of preparing myself for the hearings which were going to take eight weeks and also running the program.

30

Was any part of how the program was running that caused you to wish to be removed from it?---It was more the concern about the amount of work and the stress that it was going to put me under and, as I said in my statement, we were having difficulty engaging with certain members of CorpTech and I felt a change might actually help.

40

All right, thank you. Did anyone from CorpTech ever express to you a desire to have you removed?---No.

No? Thank you. To your knowledge did they express a desire to have certain IBM representatives removed from the project? When I say "the project" I'm talking about either the program whilst you were director or the project whilst you were project director?---From CorpTech, I don't think so.

50

From Queensland Health?---I think that is true.

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HICKEY, P.J. XN

Who was that?---That was Mr Prebble, but he wasn't present in any of the discussion. 1

Quite, but he was subsequently removed at their request?  
---I can't answer that.

All right, thank you. If we go to paragraph 22.

MR DOYLE: I wonder if we could ask if Mr Hickey would speak up a little?---Can you not hear me? 10

Not entirely comfortably.

COMMISSIONER: Yes?

MR FLANAGAN: You state in paragraph 22, "IBM used a customised ascendant methodology," and you've identified in your statement previously what that methodology is. What we would like to know is how was it customised for this particular project?---So for this particular project we took the standard methodology and adjusted it to align to what was required for the project so there would be some steps in the methodology you might not need to conduct and there would be other things you would need to add to it, perhaps from the custom build methodology. So that was all reflected in the project execution plan. 20

Did the customised ascendant methodology ultimately become the sprint methodology?---No. 30

No. Can you explain why because that's been suggested by one person at least?---I'm very sorry to say that I looked up sprint methodology and it appears to be a business process modelling methodology from the UK and I don't think has anything to do with this.

Good. Thank you. No matter what methodology one uses, but for the ascendant methodology it starts with identifying business requirements, doesn't it, in scope?---It does. 40

Yes. Indeed, here SOW 7 - and I'll take you to the wording itself, but if you go to volume 2, page 99?---In here?

No, not your volume. Your volume 2 annexures. So the bundle volume 2, page 99. Mr Hickey, we're calling Mr Prebble after you, who had direct involvement in the actual scoping exercise and was the author of the scope definition document, but I need to test your knowledge on this. If you look at the scope requirements under SOW 7 at page 99 in the first paragraph under the letter D: 50

*In determining the scope for the interim solution the contractor, that is IBM -*

have you got that -

*in conjunction with the SDA will determine the critical agency requirements for Queensland Health for interim solution. The agency specific requirements will be kept to an absolute minimum for the LATTICE replacement interim solution, enough to satisfy the basic functions of paying, rostering and managing their human resources.*

1

It is not a deliverable under SOW 7 to deliver the critical agency requirements, but SOW 7 does require IBM in conjunction with the SDA to determine the critical agency requirements. First of all, we understand what agency requirements are, but can you tell us what a critical agency requirement is in terms of the interim payroll solution?---I think in the context of this piece of work it would have been the requirements that needed to be met to provide a payroll solution that could be used as a replacement for LATTICE.

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All right. Can you tell us then what process IBM and the SDA went through to determine what were the critical agency requirements?---So my understanding is during the period that this was being executed they ran workshops and meetings with members of Queensland Health, QHEST, CorpTech and others to establish what was needed to be put into scope and that was ultimately described in the QHIC scope definition document.

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Just on a higher level, putting this project aside, how would one ordinarily identify critical agency requirements?---I think that's typically the process that you would follow. You would go through a series of workshops and interviews and discussions with your customer and ask them what they and follow the methodology to actually establish that information.

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Quite. Just so we can understand it, is the identified of critical agency requirements different to scoping?---It's part of the scoping exercise. You asked me about typical.

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Yes?---So in a typical project, you wouldn't just establish the critical requirements, you'd establish a complete set.

Apart from the workshops, was there any other process whereby the critical agency requirements were identified? ---I don't know the answer to that.

All right. It's been suggested that one would have to look at the QHIC scope definition document for the purposes of finding in there the critical agency requirements. Would that be a correct proposition?---I think that would be a correct proposition. It would at least lead you to them.

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Yes. For the purposes of this project, can you give the commissioner an example of what is a critical agency requirement and a non-critical agency requirement and how

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one would identify or distinguish one from the other?---Can I use the scope definition? **1**

Feel free. It's in volume 4. If Mr Hickey could be shown volume 4, page 63 of volume 4?---Thank you. Yes, on page 88?

Yes?---There's a diagram that describes business process scope.

**10**

Yes?---And, basically, the four boxes labelled 2.0, 4.0, 5.0 and 8.0 would have been in scope and the requirements associated with those would have been at least candidates for critical, but the items relating to 3.0, 6.0, seven, 10 and nine would not.

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COMMISSIONER: So it was 2, 4, 5 and 8, was it?---Yeah, the ones that had - in the colour version these are red. So those are the boxed areas and then the requirements associated with those business process would have been deemed critical.

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MR FLANAGAN: And those processes are the processes that relate to human resources and payroll. Yes?---All of these processes relate to human resources and payroll.

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But it excludes, for example, recruitment services?  
---Correct.

Which was to be a particular piece of software rolled out as the whole of government solution?---Correct.

Do we understand 6.2.1 of the scope definition to be drawing a distinction between what is critical and what is not critical in terms of what the whole of government solution being offered to Queensland Health would ultimately be, that is, what is critical is only that part of the solution necessary to replace LATTICE?---I think you might have to say that again.

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Perhaps you'll tell us then?---I think these were the four business processes that were needed to enable them to replace the LATTICE system, so these areas.

All right.

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COMMISSIONER: And would that have resulted in a fully automated payroll system?---No.

Why not?---Well, as you decomposed these systems there would have been manual steps included in these business processes so it would not be fully automated. As you go through the levels of process definition, you do come to steps which are manual rather than automated.

Can you give me an example?---A crude example would be input for time sheet.

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All right. Or the roster?---Yeah, or put a roster into the system or run a report, a run of that would be manual, but there would also be potentially process steps which required a manual intervention. So print a report, analyse it and then do something else that follows.

MR FLANAGAN: I might get your assistance while we're on this topic. Could you pick up volume 4 of your annexures, and it's the tab that says "business attributes design". Mr Commissioner, it actually takes up three volumes but we only need to look at the first volume. As I understand it, this particular document takes up volumes 4, 5 and 6, is that correct?---I actually don't know.

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This is what's referred to as the BAD document version 6. To your recollection, was there also a version 7?---I believe there was a version 7. 1

Which constituted the final document?---I don't know whether it was the final document.

All right. Anyway, in any event, this is dated 10 July 2008, is it not? It's the email up the top. If you turn to - - -?---Yes, that's correct. 10

- - - page 1222, it's the email of 10 July 2008?---Yes.

If you just hold that email in your mind for a minute, if one goes back to volume 4 of the bundle, and you don't need to do it, I'll just read it out to you, but I'm taking you to SOW 7, and at page 71 of SOW 7 - sorry, no, I'm not taking you to SOW 7, I want to take you to volume 4, page 71. This is actually the scope definition document, and page 71 of the bundle defines the document purpose, that is, the purpose of the scope definition document. 20

*The purpose of this document is to define the scope involved in providing an interim HR payroll and rostering solution to QH. The subsequent implementation project will use this statement of scope as a baseline against which IBM will develop a fixed price statement of work, and scope change control processes will be executed.* 30

To the extent, then, that we find the baseline in the business attributes design document, to the extent that baseline departs from the baseline in the scoping definition document, would that engage under the contract the change control process?---Yes, I think that's correct.

All right, because this is version 6, as at 10 July 2008, and was a deliverable by Queensland Health, was it not?---I believe it was, yes. 40

But it seems that they're delivering this BAD document as late as 10 July 2008 when the scope document has been signed off as early as 25 February 2008?---Yes, but I don't think that's the earliest version of that.

Right, I see?---I think there are predecessor versions of that document.

COMMISSIONER: You think what?---I think there are earlier versions of that document. 50

Of which document?---The BAD document.

MR FLANAGAN: Can you just explain to us how this document constitutes part of the baseline for the project?---It

contains a great deal of information about the way the system should be configured, so all of this information would be used to determine how the system would be set up for Queensland Health. So it's the attributes of the system.

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What does IBM do with this document when they receive it in Queensland Health?---I think it would have been used to detail design work and also to configure the SAP and potentially Workbrain system as well.

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Again, so I can understand it, did this document become part of the scope definition?---I think it's one of the documents that's used in the period that follows the definition of scope.

All right. To the extent that this document would have baseline requirements outside that identified in the scope definition document, would that bring about a change request?---I don't think that it would because they've called it a "baseline" in the email, so I think it might generate a change request if, when we went through it, it asked for something that we didn't think we were going to do but I would have said this was the baseline.

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All right. If you read the email at page 1222, it says:

*We are meeting with Damon and his team today to define the process we discuss at our daily meeting so as processes are clear and concise and we can move forward in meeting deliverables.*

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How was this document agreed as between the parties?---I think this was sent to IBM as the baseline and then we used it in that way. I just need to be careful because I don't know whether a predecessor version actually formed a baseline as well.

Thank you. You can put that aside, thank you. In paragraph 22 of your statement there, you identify one of the primary causes of delay was disputes in relation to scope. Yes?---In paragraph - - -

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22?---That's not, I'm sorry.

COMMISSIONER: That's not the right paragraph.

MR FLANAGAN: That's not the right paragraph, I apologise. But in any event, I think in your statement you identify as the changes in scope as one of the main reasons for delay. Is that correct?---Yes.

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And it was also one of the main reasons in your evidence for the change request or the number of change requests that emanated from IBM in relation to it, or from other parties?---Yes.

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Given the number of change requests, do you agree that there was a limited amount of success on the part of all parties in determining scope from the outset?---I don't really agree with that, I think we had a reasonable understanding of the scope but nevertheless we had scope disputes that followed.

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THE COMMISSIONER: When you say "we had", do you mean both IBM and government, or just IBM?---No, IBM and predominantly Queensland Health. 1

Queensland Health.

MR FLANAGAN: Given that there were ongoing disputes as to scope whilst you were program director and certainly subsequently whilst you were project director, did you contemplate or seek to organize an exercise whereby the customer's requirements were more fully agreed?---This is in respect to Queensland Health? 10

Yes?---The dispute that we had in the running of Queensland Health when I was the program director was predominantly around the finance HR integration. We did seek to remedy that and clarify it.

And that was by change request 60 and 61 and ultimately change request 184 after you had left?---The work under CR60 was to clarify that and then the solution was agreed under CR61. 20

All right. Apart from change requests though, did you seek to instigate further workshops so that scope could be further defined?---I think with the exception of HRFI, I did not think that that was necessary and - - -

In terms of the scope disputes, did you ever seek to resolve them at a high level by going to the director-general?---No. 30

Did you seek to resolve them by going to Ms Perrott?---No.

Right. How did you seek to resolve them?---We sought to resolve them through discussion about the detail that needed to be performed at the working level so we advised Mrs Perrott that these things were going on but we didn't seek her intervention. 40

All right, thank you. Can I take you then to paragraph 24 of your statement?---Yes.

This is where you deal with a requirement traceability matrix as a tool which can be used as described in paragraph 83 of Mr Campbell's statement. Do you see that? ---Yes, I do.

Now, it was the case, wasn't it, that whilst you were project director for the QHIC project, a requirements traceability matrix was not agreed between the parties? ---That's correct. 50

Did you use one yourself on the IBM side?---No.

No. What did you use or what did you have reference to for the purpose of determining whether something was in scope of constituted to change?--We had reference to all the other documentation that are indexed by the requirements traceability matrix. 1

That would have included - as you say, the scope definition document?---Yes.

And the BAD document?---Yes. 10

You also refer there to the functional and technical specifications?---Correct.

What are they?---They are documentation that describe how the functionality of the system would be - or the system would be configured or built to provide functionality and the technical specifications go into technical detail about how things would actually be programmed or - - - 20

And in relation to those documents, what's the process for those documents to be agreed as between the parties?---So I believe they were functional specs and the technical specs were agreed between members of I think between the SDA and the project, so they were technically qualified but they were not deliverables under the contract.

All right, Mr Hickey, I'm sorry, I'm now having trouble hearing you?---Sorry. 30

Now, you also refer in paragraph 24 to business requirements. We understand what a business attributes document is, but when you refer to business requirements, are you referring to the scope definition document or are you referring to a separate document?---I'm referring to the business requirements that we would have elicited from the customer that would have been documented in the scope definition and other document that followed.

It's the other documentation that follows that I would be interested in. What documentation are you referring to there?---Well, there was a blueprint document created and then there are the actual technical and functional specifications. 40

Thank you. Now, in your previous experience for a project of this size and of this complexity, would you ordinarily have had a requirements traceability matrix?--- Not necessarily, no. I have been on large projects where that has not been done. 50

Did anyone request to you to create a requirements traceability matrix for the QHIC project?---No.

So no-one from CorpTech and no-one from Queensland Health?---Not that I recall.

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All right. Did Mr Doak request you once he became the program director for you as project director to create a requirements traceability matrix?---I don't recall that.

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Do you know when one was created?---I believe it was created after I left.

All right. Did you ever suggest to CorpTech or Queensland Health that a requirements traceability matrix should be created for this project?---I don't recall doing that.

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I'm sorry, I missed - - -?---I don't recall doing that.

Great. Now, can I put some propositions to you and you can either agree or disagree with them but in terms of having scope not agreed between the parties or disputes, ongoing disputes in relation to scope, could that have worked to the advantage of IBM in relation to these three propositions, and they are only propositions so I want your comment on them. First of all, unresolved issues in relation to scope permitted IBM to seek further payments in the context of a fixed price contract by means of change request?---I don't think so. I mean, if it was a scope change, we would have agreed it was a scope change and the change requests, we would have gone through the change request process.

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THE COMMISSIONER: If there is uncertainty about scope, would that make it easier to argue that what was requested was a change of scope and therefore justified in increasing cost?---I don't think that's the case, no.

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I think you're saying that's not what happened here but as a matter of theory. Is that right?---I've never seen it be like that. Typically under those circumstances, you just resolve the issues when they arise.

MR FLANAGAN: A number of these change requests came or were instigated by Queensland Health or CorpTech. Yes?---I believe so, yes.

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And some came from IBM?---That's correct.

All right. The second proposition that I want you to comment on is that unresolved issues in relation to scope gave an ability to rely on those changes in scope to explain any delay in confirmed go live dates?---I think that that is possible because of the - if you have a scope change and it affects the date, then it's going to affect the date.

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Can you explain to the commission, when you have a scope change depending on the nature of the scope change, what process would IBM have to go through to implement that?---So when we get a request for a change, we would go through an impact assessment, a process which would

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determine which part of the system would need to be changed and that - each of the teams would say, "This is going to affect me because I'm going to have to make a change to a piece of functionality or a piece of the software," and the testing might say, "I will have to write a new test case," and the implementation team might say, "We have to do something different," and then we would assess the impact to schedule to see whether the work that they have identified required the schedule to be adjusted or would it have an impact on the schedule.

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And to take an example that arose here for the change created by change request 60 and 61 in relation to the HR finance integration, IBM were initially required to design it and Queensland Health were to build an implement it but when the change request came, IBM became responsible for the building and the implementation of the integration. Yes?--- I'm not sure that that's entirely correct.

All right. Could you correct me if I'm wrong then?---At the beginning, IBM was always responsible for the HR side of the interface and Queensland Health was always responsible for the - if you like, the not HR side of the interface, the Payman activities. When the change was made, IBM was still responsible for the HR side of the integration but Queensland Health was responsible for the finance side of the integration because that was their system.

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So when the change request came, can you explain to us what impact that would have had on the go live date that was proposed at that time?---The main impact was the, if you like, the impact of the time it had taken to come to a conclusion on CR60 which had pushed the date to the right and also there was contemplated a set of activities to get to the detail of how the new interface between the HR system and the finance system would actually operate because CR61 only resolved the argument about whether it would or would not be Payman.

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All right, thank you. Could I put the third proposition to you then. Disputes as to scope gave IBM time to build a solution which was proving more difficult than originally thought?---I think that is probably correct. 1

Would you just expand on that and tell us what difficulties IBM were experiencing in relation to building the solution that had been proposed in the ITO?---Sorry. I thought you were saying that was a speculation that it would give us that opportunity. 10

Yes, it would give you that opportunity, but did it give you that opportunity?---I think there were some things that we had to do that were taking longer, so, yes, there was some Workbrain work that had to be done. We also had to include statement of work 12.

I'll take you to the Workbrain topic shortly, but for present purposes can you just give us a general idea of what difficulties IBM were experiencing with the Workbrain awards implementation build?---I can't really say too much about that. We were building it and it was going on, so it would have given us more time to do it and I know in the letter that was sent on the delay notification, we send that we were having difficulty with testing it. 20

All right, thank you. Can I take you to then to an email that's caused The Good, the Bad and the Ugly which is in volume 3, tab 66 of Mr Doak's annexures. 30

COMMISSIONER: What page did you say?

MR FLANAGAN: It's tab 66, Mr Commissioner.

COMMISSIONER: Thank you?---Could you tell me which page?

MR FLANAGAN: It's tab 66. Sorry, tab 66?---Yes.

Thank you. This is an email that you sent to Mr Doak on 4 January 2009?---That's correct. 40

It's a few months or a couple of months before you leave? ---That's correct.

What I want to ask you about is under the heading The Ugly. Do you see that?---I do.

If you read that paragraph and the paragraph over the page? ---Yes. 50

It is specifically referring to a number of change requests that had been made. You refer there to, "31 change requests being approved for over \$1 million of work since I took over the project." So that's in or about August 2008?---That's correct.

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Apart from those change requests, you also make reference to the HR finance integration issues, "And we have 110 days of work to address them." Would you agree that these disputes or difficulties with scope did work to the advantage of IBM, at least, in terms of being able to argue that delay in terms of confirmed go live dates were not IBM's fault, but were in fact the fault of Queensland Health and CorpTech, that is, the disputes in relation to scoping permitted IBM to position itself in relation to those disputes?---I think this note here describes quite clearly that we were being asked to do more work and it was going to change the date.

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Thank you. Did you discuss with Mr Doak at any stage that there were ongoing scoping - unresolved scoping disputes between the parties?---I did and I reported issues, particularly arising in the period November and December 2008 about new HRFI scope issues.

If you had a serious dispute with CorpTech and Queensland Health, you would bring that to the attention of Mr Doak? ---Yes.

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Did you know that he was meeting with Mr Grierson, the director-general, almost on a weekly basis?---I didn't know the frequency, but I knew he was meeting him.

Did he report back to you? When I say "report back to you" did he inform you of what the results of those conversations were?---No, I don't recall that.

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All right. Do you know that after his meetings with Mr Grierson ongoing payment disputes would be resolved by IBM being paid?---I didn't know that.

Thank you. Do you agree that in any properly managed project, scope should be detailed and identified at the very beginning of the project?---I don't think that's necessarily the case.

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Why is that?---Because in some cases scope gets developed at later stages in the project so you might do a high level scope definition at the start, as we did, and then get more detail as the project runs.

All right, thank you. Can I take you to paragraph 64 of your statement there?---Yes.

If one adopts the approach that you just mentioned, Mr Hickey, it also will lead to a number of change requests, will it not?---Not necessarily. It depends on the boundaries of the solution. So if you push something beyond an agreed position then I think it would lead to a change request.

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But here scope took the form of a deliverable under SOW 7, didn't it?---That was the scope definition. 1

Yes?---And then there's the family of documents that sit underneath it, so there's a large of documentation that follows.

Thank you. In relation to paragraph 64, can you assist us in this way: what did you understand to be the minimal solution?---So my understanding of the minimal solution was enough of a system to enable the payroll to run. It was as simple as that and that minimal solution is described in the scope definition. 10

Some parties have used the term "a like-for-like replacement". Did you agree with that concept?---I think in principle a like for like is correct, but obviously they're different products so they wouldn't work the same.

All right. In paragraph 64, you say, "I believe this to mean that the QHIC project would deliver a limited solution that would not necessarily have all the functionality that Queensland Health would like"?---Correct. 20

Yes. The question is, though, was that belief of yours shared by Queensland Health, for example, QHEST, the SPO and the SDA?---I believe that to be the case.

What's the basis of your belief that they shared the same belief?---Well, firstly, they signed off the scope definition and, secondly, they were willing to accept workarounds. 30

Thank you. Can I then go to paragraph 63 above it? There in the second sentence you say, "The minimal solution was never intended to provide a comprehensive fully automated payroll system"?---Correct.

No doubt, you've used the word "comprehensive" for a reason there?---Yes. 40

What do you mean by a comprehensive fully automated payroll system?---For a start, it might have included some of the other processes that are excluded from the scope, but also some of the manual workarounds that they might accept on an interim basis would need to be turned into automated solutions.

Thank you. 50

COMMISSIONER: Before you go on, Mr Flanagan, can I ask, as I understand it at the time LATTICE was working there were payroll staff of about 600?---I don't know that.

All right. There were extensive manual workarounds with the - - -?---I believe that to be the case. 1

- - - ageing obsolescence system. Did you intend to provide or did IBM intend to provide a payroll system that would be more automated than the limping along LATTICE system with fewer payroll staff necessary?---I don't know about fewer payroll staff. I think the like for like would have been at least what they had and I think the number of workarounds in the end was less. We didn't expect to provide a completely automated system. 10

We're going backwards, I think, in terms of understanding what the scope was.

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MR FLANAGAN: Can I take you to Workbrain, then? You deal with this in paragraphs 75 and 76 of your statement?---I do. **1**

Mr Hickey, you were involved in IBM's response to the ITO, weren't you?---No.

You weren't?---No.

All right. Were you involved in the contract negotiations leading to the contract - - -?---I participated in some of the contract negotiations, yes. **10**

Thank you. In relation to the Workbrain solution offered by IBM under its response to the ITO, which was to have Workbrain as the awards implementation, had such a solution been built and implemented by IBM in Australia before? ---Not in Australia.

Or elsewhere?---Yes, I believe it was done in the Disney Corporation. **20**

You knew or did you know that in the course of the ITO the reference sites provided by IBM did not resolve the issues raised by the evaluation panel?---I didn't know that.

Did you know that the unresolved issues were actually left to the contract by means of certain warranties and proposed scalability testing?---I know about the scalability testing but I didn't know of that link. **30**

All right. Were you involved in proposing Disney Corporation as a reference site in the course of the QHIC project?---Yes, I was.

I think you deal with this in paragraphs 116 to 118 of your statement, but I don't need to take you to do, but can I take you to your own annexures, sir, volume 2, page 582? When I say "page 582", that's the number on the page. This is the QHIC weekly report done on 21/9/08. Now, you had left by this stage, had you not?---No, I was - - - **40**

Sorry, no, you hadn't, sorry. Sorry, my question should have been: this is when you actually were the project director for the QHIC project?---Correct.

You arranged, did you, a conference call to be held with IBM's Disney team?---I did.

All right. This document at page 582 outlines that. Yes? ---Yes, that's correct. **50**

Did you participate in this call?---I believe I did, yes.

Did you know how many awards that the Disney Corporation used?---I think it says in here they used 45, or 45 calc groups which relate to awards.

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How many calc groups were there for Queensland Health? ---Well, I think in the reports that I'd seen, 221, in the good, the bad and the ugly email it talks about 221.

Thank you. Do you know whether Disney Corporation were actually using Workbrain for awards implementation?---I believe they were using it for the equivalent function.

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I should say "interpretation" not "implementation", awards interpretation?---Yes, I believe it was the equivalent of whatever they do in the US around award interpretation, they were using it for the same purpose.

All right. Can I take you, then, to volume 7, page 327, that's of the bundle?---Sorry, could you repeat the page, please?

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Yes, it's page 327?---Yes, I have.

Thank you. If you turn to page 324, you'll see it's the executive steering committee. You didn't sit on the executive steering committee, did you?---No, I did not.

No, but Mr Doak was one of the advisors noted there?---Yes, he is.

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All right. If you turn to page 327, client teleconference Disney Corporation, and the decision is that the executive steering committee members decided not to proceed with the client teleconference for Disney Corporation. Members determined that it would not be beneficial to discuss the Disney solution as the award interpreter function of Workbrain is not utilised, and this is a priority of the business solutions whole of government build. Did Mr Doak inform you of the executive steering committee's meeting decision of that day?---He did because I was trying to organise it.

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I see, all right. What happened in relation to the Disney Corporation being used as a reference site after this decision, if anything?---I don't think anything more happened with respect to that.

All right. Did you believe the lack of reference sites increased risk in relation to the build and implementation of the IBM Workbrain solution?---I don't think so, no, and I'm not sure a lack of reference site is entirely correct, I think Disney was a valid reference site.

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In any event, it's a reference site that was not proceeded with by the executive steering committee?---By the

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executive steering committee, that's true, but there were conference calls between QHIC or QHEST members and the IBM team and there was an IBM team member actually from the Disney team came out to Australia and met with members of both Queensland Health, CorpTech and DETA.

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Were you present at those meetings?---I don't think I was, not at all of them, but I did facilitate them coming out.

Were you present at any of those meetings?---I don't recall.

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COMMISSIONER: What was the point of this debate at this time, this is December 08, a year after the contract was signed. What was the point of making inquiries about Workbrain's workability?---We brought the people from Disney out - or from the IBM Disney team - in quarter four, so sometime in that period running up to the end of 2008 because Queensland Health were asking questions about the Workbrain awards interpretation.

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But was that because there were problems with the build or the design?---No, I don't think so. They had concerns about whether it would manage their awards in terms of scale.

But can you remember what gave rise to the concerns? ---Well, if nothing else there was the testing that we had to perform under CR 129 and the derivatives, which was intended to confirm that Workbrain would be able to manage the complexity of the awards that Queensland Health had.

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But I assume if the test results were satisfactory there would be no need for concern?---Yeah, but these were concurrent activities, so whilst we were doing those or preparing for those tests we were also bringing out people who could demonstrate that the products actually worked.

MR FLANAGAN: So this reference site is provided because Queensland Health actually had concerns that Workbrain would not be fit for the purpose in terms of Queensland Health's requirements?---They raised that concern in the discussions around CR 129.

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All right. And the way that IBM, through you, sought to alleviate that concern was by providing a reference site. Yes?---That was one of the ways, the other one was the Workbrain award interpretation testing under CR 129.

Thank you. If you don't have a reference site in Australia where this solution is actually working and the executive committee has actually rejected the Disney Corporation as a reference site, whether they're right or they're wrong but they've rejected it, that would, at least in the client's eyes or the customer's eyes, suggest a greater degree of

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risk, would it not?---It might do but I don't understand why they rejected it, all the circumstances, and I don't know whether that was more to do with whole of government than Queensland Health at that time, so I don't know the context of it.

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Do you recall any conversation with Mr Doak as to why the executive committee rejected this reference site?---I don't particularly know.

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Do you recall that very early on Queensland Health engaged Infour directly to perform a quality assurance audit of the Workbrain functionality and performance characteristics of a as built system?---That was a condition of the discussions around CR 129.

Can I just show you volume 6, page 31 of the bundle?  
---Sorry, once again I have to ask you the question - the page number.

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Yes, page 31?---Yes, I have it.

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COMMISSIONER: Sorry, what volume? 1

MR FLANAGAN: Volume 6?---Yes, I recognise this document.

All right, thank you. Can you explain to us what brought about this memorandum of understanding and what concerns were being raised with IBM from Queensland Health that brought about this document?---So this memorandum of understanding came into effect because of the discussions that followed the sending of a delay notification letter by Mr Doak and the response that came back from Mrs Perrott which precede this. 10

In any event, you see at page 31, item 6, "QH will engage Infor directly to perform a QA audit"?---Yes. This was a request from Mr Burns and he added those three paragraphs to this list of conditions.

Did that indicate to you, Mr Hickey, that Queensland Health had a good deal of misgivings about Workbrain being fit for the purpose?---I can't comment about that, but it did suggest that they wanted to look at what we'd done and get the vendor to look at it. 20

While we're in this volume could you turn to page 14 then? ---I beg your pardon?

14, page 14?---14?

This is again minutes of an executive steering committee dated 11 September 2008. It doesn't show you as being present, but again it shows as one of the advisers, Mr Doak?---That's correct. 30

Mr Doak, at page 14, gives a report in relation to the systems testing and for Workbrain do you see the fifth dot point?---Yes.

Would you mind explaining to us what it means by, "Moved to three drops, fixes, weak and will continue with this frequency"?---So the drops are the code - it's the transfer of code from the development team to the test team. So they drop code into the testing environment and in this case we'd upped the frequency to three times a week. 40

Then it's 1100 defects initially identified. Yes? ---Correct.

Of those initially identified, 326 unclosed defects remaining?---Correct. 50

"Severity 1 defects attended to first as these mask others." Of the 326 unclosed defects remaining as at this date of 11 September 2008, can you tell us from your own

knowledge how many were severity 1 and severity 2 defects? 1  
---I can't tell you that, but I could potentially look in  
here and see if they've got a list.

That's all right. Don't worry about. Would you agree with  
me though that's a fairly poor result as at that date?---I  
don't agree that that's a poor result.

Can you explain why?---It's not uncommon to get that many  
defects and it's not uncommon to have that many open 10  
defects at this stage of a project.

As at 11 September 2008, what was the go live date?---As at  
11 September 2008, we didn't have a go live date.

Was there an indicative go live date for the end of  
September 2008?---Sorry, do you mean at the end of  
September was there an indicative go live date?

No. Was there an indicative go live date of the end of 20  
September?---I think by the time this meeting took place,  
we'd already sent a delay notification for the November 18  
date saying that it was going to be delayed beyond  
November 18.

Thank you. Can I suggest to you that actually the go live  
date under change request 5 for SOW 8 was actually  
30 September 2008?---That's correct, but it had been  
modified by change request 60 or 61, one of those. 30

All right. That change request 60 though was dated  
18 November 2008. You see, what I'm suggesting - - -?  
---No, that's the go live date. Its date is actually the  
27th - - -

Yes, I see?---So it predates this.

Thank you. Can you tell us what difficulties IBM  
experienced with the build and implementation of the  
Workbrain awards build?---So during this period we were 40  
building and testing the Workbrain awards and we were also  
processing change requests relating to the Workbrain  
awards, so there were some Workbrain awards related change  
requests that were coming through and we were having  
difficulty executing the tests because of the level of  
defects. We were also trying to automate some of the  
tests, so those were the sort of problem areas.

50

And was that causing delay?---I think it would have been causing delay to that piece of work.

1

Can you tell the commission how long that delay was?---I have no idea, the delay was contemporaneous with other matters.

May I then take you to volume 3 of your annexures, and the page number is 957?---Sorry, can I ask you to repeat the page number?

10

Page 957?---Yes.

If you start at page 956, you'll see it's a CorpTech file note of the meeting between a number of CorpTech persons, Mr Burns and yourself?---Yes, that's correct.

It's dated 16 September 2008, so it's after the last document I took you to?---Correct.

20

If you turn to page 957, down the bottom, Mr Burns is asking you if there's any issue with getting Workbrain to audit solution and oversee checkpoint reviews, test processes and performance, "Workbrain should underwrite their product and confirm that it's been built competently, looking to conduct this as soon as possible." You asked of Mr Burns whether we had spoken to Workbrain about this, but it's agreed with clear criteria being defined and agreed, do you see that?---No, I don't, can you point me to the paragraph number.

30

Page 958, if you just turn over the page and read the first six entries?---Yes, correct.

All right. Yes, can you explain what happened in this regard?---So this sixth point is not related to Workbrain necessarily, this is performance milestones.

Thank you. And then can I take you in the same volume to page 962? This is again the same memorandum of understanding dated 18 September 2008, and in paragraph 1 it refers to, "There will be a go/no go gate at the point in the target schedule when both the award interpretation checkpoint and payroll performance validation checkpoint are completed"?---Yes.

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The award interpretation checkpoint, what was that?---That was what we called the "award interpretation test", so that was a test that was conducted by IBM, witnessed by Queensland Health under CR 129 and derivatives.

50

Thank you. And that test was passed?---It was.

Thank you. And accepted by CorpTech?---No, it was passed and accepted by Queensland Health and rejected by CorpTech.

All right. Thank you. Do you know why it was rejected by CorpTech?---Well, it was part of the pair of tests performance and Workbrain awards tests, so when the performance tests were deemed to have not passed they were all declared void but nevertheless CorpTech also rejected it because the report was produced by Queensland Health and not by IBM.

1

In relation to the payroll performance validation, was that passed?---It was not passed.

10

By what percentage?---We missed the six-hour window for one of the pay runs by about 30 minutes.

COMMISSIONER: Mr Flanagan, is that a convenient time to - - -

MR FLANAGAN: Yes.

COMMISSIONER: - - - take the adjournment?

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MR FLANAGAN: Wonderful, thank you.

COMMISSIONER: We'll adjourn until 2.30.

THE COMMISSION ADJOURNED AT 1.05 PM UNTIL 2.30 PM

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THE COMMISSION RESUMED AT 2.33 PM

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MR FLANAGAN: Mr Commissioner, Mr Doyle has finally provided a blown up requirements traceability application of matrix. It's the first three pages of the document.

COMMISSIONER: Thank you.

10

MR FLANAGAN: I'll just add that to the present exhibit.

Mr Hickey, I'll be very brief. I just want to finish the topic we were dealing with before lunch which was the go - no go discussion that you had with CorpTech. May I take you to your volume 3 of your annexures to page 978?---Yes.

This is a meeting that you attended with Mr Stuart Reid, also from IBM, and with a number of persons from CorpTech and Mr John Swinson from Mallesons. Yes?---Yes, that's what it says.

20

Yes, thank you. I just want to ask you one question about this. In the fourth-last paragraph it says:

*Paul and Stu indicated that this position was not likely to be supported by IBM as both parties played a part in causing the delays to date -*

and this is a meeting or an email as at 26 October 2008. The issue that you're referring to there is the one directly above it, an issue raised by Mr Beeston:

30

*The new contractual date, 30 June 2009, was not achieved and CorpTech would claim expenses from the date in the current version.*

Do you see that?---Yes, I do.

When you refer to, "Both parties played a part in causing the delays to date," as at 26 October 2008 could you first of all tell us what delays you identified on the part of the government?---I'm talking about the delays - we're talking about the delays to the go live date and the contribution by the government or by Queensland Health to those delays or to the need to change the date.

40

Yes, all right. What were those?---So that relates to the finance HR work, in particular, where after CRC 61 was signed, there was an expectation that an activity would be performed in a period of time and it took significantly longer to get that done and that would have been part of that delay. That would be the main thing and, of course, the impact of change requests.

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Then when you refer to, "IBM playing a part in causing the delay to date," what are you referring to there?---That would be the things I would have been reporting in my status reports about us having trouble getting the testing done and completing the build process. 1

Thank you. From there may I take you, still on the same topic, to page 1212 in the same volume?---Yes, I have it.

It's a document entitled Workbrain Award Interpretation Checkpoint Executive Summary. Was this a document created by IBM or by QHIC?---It was created by Queensland Health. 10

Thank you. You'll see there at the very beginning it says, "IBM has been tasked to demonstrate the suitability of Workbrain award interpretation." This was the requirement under the memorandum of understanding that I've taken you to?---Correct; and the CR's that relate to it.

Then if you go to the third-last paragraph it relates to: 20

*The testing outcome was considered successful and within acceptance criteria tolerance with a total of 10.2 per cent failure, of which 3.4 per cent was attributed to Queensland Health issues and 6.8 per cent was attributed to IBM issues.*

It was that testing that Queensland Health accepted as acceptable. Yes?---Yes. 30

If you could then go to page 1217?---Yes.

You gave evidence before lunch as to the reason CorpTech provided for not accepting the Workbrain awards implementation testing and is that the reason that you refer to at 1217?---Yes.

Subsequently, did Mr Hood write to IBM - if you go to 1218 - on 24 December 2008 - - - ?---Yes, he did. 40

- - - giving formal notice to IBM that the customer does not accept that IBM had met the condition precedent set out in CR 179?---Yes, that's correct.

Mr Hickey, would you give us your own recollection of why it was that having gone through this process and down this path that IBM continued with the project because the letter itself says, "Without prejudice to either party's rights," what the most practical way for IBM to complete its obligations under SOW 8?---So you're saying - sorry, can you repeat that question? 50

Yes. What discussions did you have with CorpTech in relation to IBM continuing with this project?---We continued to discuss how to resolve the issues that were

related to the delay notification from August. So in the other email, the good, the bad and the ugly, I said I would reopen the issue that I'd raised that I closed when CR 129 was created, which gave us a different schedule so they'd wound the clock back, effectively.

1

In your discussions with representatives from CorpTech was there any suggestion that the government was considering bringing IBM's contract to an end?---No. That was discussed when the memorandum of agreement was set up because they said, "Queensland Health reserves the rights to terminate," but they didn't discuss stopping it. In fact, they expressly said, "We're going to keep going," in the meeting of the 23rd.

10

COMMISSIONER: Who said that?---I thought it was Mr James Brown, but Mr Philip Hood was actually representing Barbara and it could easily have been him, but I remember them saying, "You failed the gate, but keep going."

20

MR FLANAGAN: Finally, do you have any knowledge of whether Mr Doak raised this issue with Mr Grierson?---I don't. I think he probably did.

Right. That's the evidence of Mr Hickey.

COMMISSIONER: Thank you. Mr Kent?

MR KENT: Thank you, commissioner.

30

Mr Hickey, do you have your statement there?---Yes, I do.

Can I take you please first to paragraph 24. You were taken to this by my learned friend Mr Flanagan before lunch. You speak there about the requirements traceability matrix and you say that it's not the only way to determine whether a reported defect is in fact a defect or a change requirement and you refer to other potential documents - - -?---Correct.

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- - - that would be relevant. You've mentioned those as well as the scope definition document, the business requirements and business attributes. Just bearing for a moment on the requirements traceability matrix and bearing in mind you moved in and out of this project a little bit and finally out of it, didn't you?---I did.

Dealing with your first engagement in 2008, right, are you aware, either from conversations or otherwise, of the matrix resurfacing as an issue between the parties later on in 2009?---No.

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XXN

Okay. Certainly, as at the time you were dealing with it, it was an internal tool for IBM, correct?---No, I said I didn't know that such an artifact existed. 1

At all?---Yeah.

Very well. Can I take you to paragraph 27 briefly, please, page 5. You refer, and that's perhaps part of the narrative, but you refer to some of the interactions that you had or were aware of with Mr Beeston, correct?---That's correct. 10

Particularly, in paragraph 27, the issue that you're discussing there is the lack, according to Mr Beeston, of an integrated program schedule?---Yes.

Is it the case, in fact, that IBM did not give this schedule sufficient priority in managing this project?---I don't agree with that. Each project under the statement of work had its own schedule, he's talking about, if you like, an amalgamation of all of the underlying schedules into a program schedule. 20

What is that, a difference of a point of view really?  
---Very much so, and at the time of emphasis - - -

COMMISSIONER: I take it from what you say, there would be a fair bit of work involved in producing the integrated schedule?---There was indeed, and indeed we did it at a later date. 30

MR KENT: Okay. You discussed this personally with Mr Beeston, though, did you?---Yes, he basically spoke to me about what he wanted and I said I wasn't going to do it.

It's fair to say there was a division of opinion between you about it?---I think that would be correct.

Is it correct that Mr Beeston offered government staff to help with the scheduling?---He did offer assistance from the SPO, but in fact I think we did it ourselves. 40

Any particular reason you didn't take up his offer?---He did have one very good person on his team that we wanted to hire, and unfortunately - - -

I'd hate to be repetitious, but I'm having trouble hearing you?---Sorry, we did have one person we wanted to bring onto our team, but he got a job with another agency before we could get him so we hired someone else. 50

It wasn't that you refused that idea, it just didn't pan out?---It didn't work out that way but we did also send our schedules - we made all of schedules available to his team to analyse.

Just touching one very brief issue, IBM had a lot of people working on this, I think they're called "resources"?---Yes, that's correct. 1

Were those people, to your knowledge, mostly contractors or permanent staff members of IBM?---I think it was a combination, some from subcontractors, some directly hard contractors and a large number of employees.

Could you say what proportion were the contractors?---I can't give you - I'd say less than half. 10

You've already been asked some questions about Workbrain. Is it the case, Mr Hickey, that really from IBM's point of view there was a lack of experience in implementing the SAP/Workbrain integrated solution?---I don't think that was true, we had experienced people from Workbrain working for us and experienced people from other Workbrain businesses or companies that had implemented Workbrain working for us, and we had experienced SAP practitioners working for us. 20

Isn't it true, though, that this solution integrating the two was described as "innovative"?---I don't think it was innovative, the integration between the two was a very straight forward interface.

Had you done it before?---I had not done it before.

Were there people on your team that had done it before?---I don't think so. 30

May I take you a bit further forward, please, to, and again this has been touched on, paragraph 64, on page 2 of the statement, please. You were asked some questions about this earlier, you described there the scope of works being what the parties understood to be a minimal solution, and in that context it wouldn't necessarily have all the functionality that Queensland Health would like. You're dealing at an early stage there, this is just after the contract started, correct? You seem to say it's - - -? ---Yes. 40

- - - January 2008?---Correct.

Did you, yourself, tell someone from either Queensland Health or CorpTech at that stage, "This won't have all the functionality that Queensland Health would like"?---No.

Do you know if anyone did?---I would image that was discussed during the scope definition discussions and reviews. 50

Okay. Is this fair to say about this entire project, the implementation of this solution through the whole of the contract up to go live, it was a big, difficult and complex job?---I think it was difficult and complex, yes.

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Not particularly big?---Well, I've run bigger projects. 1

All right. You're aware and you were involved that early stage first part of 2008, correct?---As the program director, yes.

I understand, but you were involved in the project?---Yes.

And the very first go live date contracted for was July 2008, correct?---I'm not sure about that, I thought it was later than that. 10

If that was the original go live date, would you regard that as a rather compressed time frame for this project? ---It was a very compressed time frame.

Does that comment about it being a compressed time frame apply with the scoping too?---No, actually, I think they spent eight weeks doing the scoping, because they started at the beginning of November. 20

But you say that's enough, eight weeks?---Yeah, I think it was for a minimum solution that was based on something that had already been built.

With something being - - -?---The Department of Housing payroll.

I see. There's a world of difference there to be frank, Mr Hickey, between the way that Housing was and the size and complexity of that versus Queensland Health?---Sure, but it meant that we were able to pick up all of their documentation and use it as a basis. 30

Can I just ask you a couple of questions about what you say in paragraph 66 on that page? Dealing with the scoping of SOW 7, as you set out there, "Requirements were provided through a series of workshops and discussions. IBM and the SDA confirm the scope based on those requirements." I think we all understand what a workshop is. What were the discussions that were taking place for scoping?---I would imagine outside of the workshops there would have also been discussions about the contents of the workshops, the minutes of the workshops and the material to be put into the scoping definition. 40

So you didn't have your hands on this process yourself? ---No, not at all.

Do you know if there were any interactions or discussions along these lines: an IBM working sitting down with a payroll clerk at the computer and seeing how they actually did their job on the computer?---I don't know that. 50

Would that be a recommended thing?---I think it would have been a helpful thing to do, but we also assumed that the Queensland Health representatives would have had that information. 1

But let's be clear about this. The scoping was a deliverable by IBM, wasn't it?---Yes.

Dealing with the QHIC scope document for a moment, it's what you might call a "higher level document", isn't it? ---That's correct. 10

It doesn't descend down into fine details of what an operator does - - -?---No, it doesn't.

- - - at various steps?---No, they are covered by other documents.

Sure. And it wouldn't be the most ideal document to have to resort to if you were trying to work out whether a defect was in or out of scope or not?---It would help guide you towards the other documents that would take you there. 20

It wouldn't give you the answer, though?---It might do. Probably not, you'd be lucky.

A bit further on, pages 12 and 13 of your statement, you deal with some of things that are responding to things Mr Price has said about the HR/finance integration, okay. I just want to ask you a couple of things about that. Isn't it correct to say, on your understanding, that the HR/finance integration functionality was always going to be a critical thing for Queensland Health?---I think it was going to be a key part of the solution, yes. 30

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Yes, functions on the periphery of payroll but directly connected with it depended on that integration, didn't they? Is that correct?---All it provided was the posting of the financial data to the finance system.

1

Yes?---So there was an interface.

So everything that needed that - - -

THE COMMISSIONER: Sorry, I didn't hear your answer, Mr Hickey?---So posting of the financial data - - -

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I heard that part?--- - - - to the financial management system.

You went on. I didn't hear what you said because Mr Kent spoke over you?---I think that's what happened, that's what it does.

MR KENT: My interruption which I think the witness adopted was that everything that depended on that was related to HR finance integration?---So the posting and all the subsequent reporting and the so on was required - was dependent on that interface.

20

You anticipate one of the things, for example, with hospitals, is that reports have to be generated, for example, for Commonwealth funding reporting requirements? ---I believe that to be the case.

30

Okay. You go on to speak in your statement at some little length about the interfaces, right, and you have actually given us diagrams and so forth and you talk about Payman and FAMMIS. Correct?---Yes.

This idea of how to deal with these interfaces was an issue that came up and needed to be grappled with and dealt with. Correct?---That's correct.

Can you take you, please to things you say in paragraph 105 on page 16. This is where you had been away and returned and you took over from Mr Bell?---That's correct.

40

As you describe it, you he told you that further delays by Queensland Health in relation to the integration attributed to overall delay which lead to a delay notice being sent. Is that right?---Correct.

You're aware, are you, of the government response to the delay notice?---I am.

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Look, I might just take you to it very briefly?---Yes, sure.



It's in volume 5 of the tender bundle at page 272. If you can just tell me, Mr Hickey, I presume you have seen this before?---Yes, I have. 1

Have you seen it recently?---I have. I have.

So you're fairly familiar with it? Look, just see if I can summarise things here?---Sure.

Firstly, you accept the proposition that the correspondence rejects the idea that Queensland Health are responsible for a delay?---So in the IBM letter that preceded this, we said that was one of the contributing factors. 10

Yes, I'm just talking about that factor?---Yes.

And in fact what they did say was that Queensland Health had in fact provided all the specified requirements which was a complaint of IBM's. Correct?---Sorry, where does it say that? 20

I just let go of it. Page 2 - - -?---Yes.

- - - the third less paragraph. Queensland Health has provided all specifications requirements and sought assurances from IBM but the current functionality will remain. Do you see that there?---I do.

Not to spend any more time on it, but I will just take you to the last page of that correspondence which is page 275 of the tender bundle volume. Queensland Health gives its perspective and in the dot points gives eight reasons why in the Queensland Health's view the reasons for the delay on the count of IBM rather than Queensland Health? ---Correct. That's what it says. 30

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That's what they say. So this was the kind of argument that was being had at the time?---Yes, in - - - 1

Correct?---Yes.

All right. May I take you please in your statement again to page 17, paragraph 107. You say there, "The further difficulty as at," it would seem about, "September 2008 was Queensland Health wanted to add functionality to the HR finance integration that was previously out of scope." What I'm suggesting to you about that is that the problem about that integration was not adding functionality, but rather, I suggest, these problems were a product of the implementation of the solution having dragged on for so long, Mr Hickey?---I disagree with that. I think this matter arose more towards November and December that year. 10

Even by that time, the contract had been running for a year, hadn't it, by the end of 2008?---Yes. 20

Would you accept this that Queensland Health - and even if one just focuses on its payroll function - is a large and complex business. Correct?---I would think it was large and complex, yes. Yes.

And certainly a dynamic one. It's not one that you could just freeze it and stop it and work on a static situation. It was constantly developing as time went by?---I'm not sure I necessarily agree with that. I felt for the period I was running the project there they didn't have any EBA scheduled or any of the big things, they just had other changes that were being given to them. 30

Certainly from your evidence and even some of the things that have been touched on in court today, this HR finance integration was an ongoing dispute, an ongoing issue perhaps I should say?---I think it was an issue throughout the first half of the year. It was ultimately, I thought, resolved when the design for the HRFI interface was finally signed off and for a period of a couple of months, I thought this thing had been addressed. 40

COMMISSIONER: What were the issues and what was the rival - what were you fighting about or disagreeing about?---So we talked about the interface and the PAYMAN. That was primarily the debated point whether to use or to not use PAYMAN, whether to use the direct interfaces between two SAP - between two SAP products or to use this intermediary that was already in existence and already worked. So when that was resolved, I think the next thing was the level of detail from the requirements that were provided and the subsequent discussions to get to a design that would address those requirement and that took some time, but was ultimately, I think, signed off in - I can't remember the dates, but sometime in September or October and in my 50

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reporting, HRFI disappears from the reports for a period of about eight weeks and then it comes back with new requirements. 1

If the end result was to have the two SAP systems or programs interfacing directly - - -?---Yes.

- - - why was it ever thought appropriate to have the PAYMAN as an intermediary?---Okay. So PAYMAN was part of the LATTICE suite. 10

Yes?---And it was an intermediary between LATTICE and FAMMIS.

I understand that?---So we thought the quickest way to get an interim solution was to write outputs that aligned with the outputs that LATTICE created and they could be put into FAMMIS with some adjustment and that was deemed to be not practical or too difficult and so we went back to this other way of doing things, which ultimately we got to work. 20

Interfacing with SAP?---Correct; correct, but there were two different versions of SAP, so there was some tricky stuff there.

MR KENT: But you're telling us that that problem or the identification of it didn't come up during the scoping phase?---It came up - as I say in here, it came up after the scoping phase, so we opened with PAYMAN modified as being the interface and then - - - 30

Yes, yes?--- - - - later on it was suggested we shouldn't do that and that was - - -

That's what I'm just trying to focus on. Are you saying that that's a sort of whimsical requirement by Queensland Health?---No, it wasn't. Queensland Health said they didn't have the resources to do it.

COMMISSIONER: To do what?---To create the modifications to PAYMAN. 40

MR KENT: Was there not an opportunity to identify that issue during the scoping process?---There might have been, but it didn't come up in that way, although in the scope document it does say there's outstanding issues around the PAYMAN interface.

All right. Can I take you to some things you say in paragraph 117, page 18 of your statement. Mr Flanagan has already asked you questions today about this use of the Disney Corporation as an example of the implementation of this kind of solution. Right?---Correct. 50

All I wanted to clarify with you is this: I think you mentioned that the Disney people came out to Australia - came out to Brisbane and met some government representatives?---They did after the conference call that's referred to here.

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Yes.

COMMISSIONER: They're IBM I thought - - - ?---They're IBM Disney people.

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- - - not Disney Corporation.

MR KENT: Your Honour has - commissioner, you anticipated it. It's IBM Disney people - - - ?---Correct.

- - - not the customer?---Correct.

Can I take you to page 24, paragraph 169. I think you've already told us that in the delays which obviously happened in the running of this entire project, IBM does take some responsibility for some of the delays. Correct?---Correct.

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I just want to ask you at 169 subparagraph (c) you say:

*On the occasions when the project was delayed and the go live date extended, Queensland Health took this as an opportunity to expand the scope of the project.*

30

I want you to tell me who, if it was someone on behalf of Queensland Health, did that and when did they do it?---It would be the authors of the change requests that we subsequently signed off. So there's a series of change requests that arose in September, October, November and December of 2008. So it's a range of people.

Okay. So you're talking about the series of change requests that include 179 and the ones following it up to 184?---I'm saying to 129 and 179, but there were some functional change requests, so in the email that I described, there was a million dollars worth of change requests being progressed; some of those.

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You did give some evidence, I think, already today about BAD, the business attributes document. Right?---Correct.

Can I just clarify a couple of things about that. The business attributes document was a whole of government document. Correct?---I thought it was a Queensland Health document.

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All right. If I suggest to you that it was for the whole of government initiative, would you argue about that?---I'd need to look at it and see what it says.

Is it the case that in about the second half of 2008 it stopped being called the business attributes document and it got a new name of a configuration tracking document?  
---I don't recall that, but it may have happened.

1

I think you might have mentioned that phrase when you were looking at the requirements traceability matrix earlier today?---That wasn't me.

I thought you read that out. Perhaps I'm wrong.  
All right. It probably was the previous witness. The changes that came about to the BAD - okay?---Yes.

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It went through several versions, as far as you're aware?  
---It certainly did. Yes.

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Can I suggest to you that the majority of those were changes that came about a request of IBM?---I don't know that.

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Would you dispute it?---I don't think that's likely to be the case. It may have happened but I don't think so.

Is this the case, that when IBM got to grips with this project, right, and after the scoping and starting to try and build and implement this solution the whole thing turned out to be a lot more complex and difficult than you first anticipated?---I don't think so, it was originally envisaged to be a very quick implementation. The execution in the end took longer, that's for sure.

10

It went through eight or 10 delayed go lives, didn't it? ---I can't speak for that. Certainly, when I was running the program there was the change under CR 60 and 61, and then the results of the memorandum of agreement around statement of work 8 which was the second date change.

20

You don't argue with me that from an original go live date of mid-2008 it went live in March 2010?---That's true, yes.

All right. Do you say that once you got to grips with it, it all went smoothly again?---No, it was a very challenging project.

COMMISSIONER: Challenging in what way or part from the topic we've discussed about scope change, scope increase, what else is challenging about it?---I think the work that we had to do to execute the testing around CR 129 was very time consuming and took a lot of my time.

30

Is that because the integration was difficult technically? ---No, it was setting up the environment and then running the performance test, setting up the environment and then running the Workbrain tests proving that the results were correct, and in the case of the performance tests actually just loading the data took a long time, it actually was one of the main reasons for our first extension to that. So that was challenging and, you know, clearly we had a lot of testing to do, which we did.

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But you must have foreseen that?---We foresaw some of it, and in the schedule that I did create ultimately around the end of September we had a go live date of March, and it said we will start UAT at the beginning of January, and, you know, we worked to that schedule. In the reports there's a schematic of the schedule and there are detailed schedules available as well.

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The UAT itself took almost a year, didn't it?---I believe that's the case. So they went into UAT for the first time just about the time I was leaving, so early I believe

that's the case. So they went into UAT for the first time just about the time I was leaving, so early January 2009. 1

2009, that's right.

MR KENT: If there had been an original go live date of mid 2008 from what you know now, that was hopelessly optimistic, wasn't it?---I think it was very challenging and optimistic. 10

I've got nothing further, thank you.

COMMISSIONER: Mr Traves?

MR TRAVES: No questions, thank you.

COMMISSIONER: Mr Ambrose?

MR AMBROSE: No questions. 20

COMMISSIONER: Mr Sullivan?

MR SULLIVAN: No questions, thank you.

COMMISSIONER: Mr Doyle?

MR DOYLE: Thank you.

Can I start with the topic of the process of defining the scope at the outset?---Yes. 30

Would you take up volume 4, please?---Of - - -

No, not of yours, but of the tender bundle which you are to be given. If you'd turn, please, to page 63. You've got a copy of the - - -?---Yes, I have it.

- - - QHIC scope definition document, which you've obviously looked at before?---I have indeed. 40

If we turn the page you'll see that it's got a revision history?---Yes.

Including, if you look at 20 December, document updated in preparation for socialisation with QHEST. Is that an IT way of describing giving it to them?---Correct.

Is that what the entry for the next date suggests happened? ---Yes, there was a meeting with Queensland Health and they gave feedback which was incorporated in the document. 50

Which led to some further iteration of the document provided to them?---Further feedback, so took it to the business early January.

On that same page you'll see there's a table marked "reviewer list" - - -?---Yes. 1

- - - and there's three people from QHEST, I think it's pronounced?---Yes.

Tell me, please, does that mean they were involved in reviewing this document on behalf of the counter part, contracting part?---Yes. 10

On the part of the government?---Yes, they would have been - probably more people looked at it than that but those were the three main.

Very good. Would you turn across, please, to page 66? ---Yes.

You've got a list of people who were consulting?---Correct.

Or involved in the consultation?---Yes. 20

Are you able to tell us sort of the nature of this consultation, or is that something you're not going to do? ---I'm not familiar with the nature of the consultation, no.

Generally, what kind of thing were - - -?---They would have participated - many of these people would have participated in the workshops, or some of them, and then others might have been approached with draft documents for opinion. 30

Turn, please, to page 87?---Yes.

You'll see there there's a table of workshops?---Yes.

And is that the kind of thing you're referring to - - -? ---Correct.

- - - when you referred to there being workshops?---Yes, there were. 40

All right. Were you involved in those or do you have any first-hand - - -?---No, I was not.

Thank you. Ultimately, was the process one by which this document in its final form was provided to CorpTech as a deliverable under statement of work 7?---It was.

For its consideration and approval?---Yes, it was. 50

Thank you. Can I ask you, then, to turn to page 88 of that document of that volume to the diagram to which you referred earlier in the day? Is it the case that the ones that are in the boxes, which if this were a colour version would be red, are the ones which are described, or the



features of those are things described in this document as being things eligible for performance by IBM? 1

COMMISSIONER: Mr Doyle, I can't hear you, I'm sorry.

MR DOYLE: I'm sorry, I'll start again, I put it very bad. At page 88, under clause 6.2.1, there's a very high-level description of level 2 business process scope, that's so, Mr Hickey?---Yes. 10

And the ones that are not in boxes are not within scope? ---Correct.

The ones that are in boxes have aspects of them which are within scope - - -?---Yes.

- - - and to identify what is to be done within that scope on needs to look further in the document, is that as we're to understand it?---Yeah, that's correct. 20

Does the table on the next page identify a cascading level of more detailed documents which will identify the functions to be performed by the IBM system which is to be the LATTICE replacement system?---That's correct.

If we turn to the next page, that's page 90, do we see further cascading levels of those more detailed documents? ---That's correct.

The levels 2 through 5, in this case?---Yeah, with the qualifications. 30

There are comments and qualifications?---Yeah.

In relation to those more detailed lower order documents, is it the case that each of them was prepared in consultation with Queensland Health or CorpTech or both? ---Yes.

Submitted for their review - - -?---Yes, they were. 40

- - - and their approval?---I believe they were, yes.

Which was obtained?---Yes.

Ultimately, by looking at the content of those documents, the detail of them, that one can identify whether something has been agreed to be within scope?---From a business process and functionality perspective, that's correct. 50

Thank you. I'll move onto the HR question whilst we're on this document. Would you turn next, please, to page 126? Do you have that?---Yes, 126 of the document or 126 in the bundle.

126 in the bundle. You should have a section that is headed Interface Scope?---Correct. 1

Now, you were asked questions to the effect wasn't the nature and the issue involved in interfaced between your system and the legacy system, something that should have occurred to you in the course of the scoping document. In the course of scoping?---Correct.

And it's plainly, isn't it, Mr Hickey, something that did occur to the draft of this document - - -?---That's correct. 10

- - - and to the person's agreeing with this document? ---That's correct.

Is it in this section which defines - at least the stage this document was signed the things which IBM were going to do as part of the scope of this work?--- I think that's correct. 20

Thank you. If you turn to the page you should have as the next sheet, everything going well, a very small diagram of the landscape of the system as is. Is that what you have there?---Are you talking about page 127?

Perhaps, yes.

THE COMMISSIONER: Yes. It's in my copy, I think yours is the same?---That's unreadable. 30

MR DOYLE: Okay, but can you read the words "as is landscape" at the bottom of the chart?---I may be looking at the wrong page, actually.

THE COMMISSIONER: Actually, 127 is 2B landscape, figure 5(2)(b) landscape.

MR DOYLE: I see, all right. Could the witness be shown exhibit 71, please. 71A and B. Now, can you look first at the "as is landscape"?---Yes. 40

Does that show broadly the configuration of the Queensland Health HR and finance system as it was before you embarked upon your replacement process?---That's correct.

And the LATTICE replacement system that IBM was to do was concerned with HR?---Yes.

And not finance?---Correct. 50

The finance is to be the subject or the ultimate whole of government roll out?---I believe so, yes.

Thank you. But in order for those two components, that is HR and finance to operate, there would be a need to export data from HR to finance?---Correct. 1

And perhaps even the reverse?---Yes.

And is that the topic of interface or integration that we are struggling with?---Yes, it is.

Would you turn then to the 2B landscape which is the second document that I have given you. Do you have that?---Yes, I have that. 10

Does that describe - and it might be very hard to read, that there is to be some form of minimal work done by IBM to enable integration with payment?---That's correct.

All right. Would you turn now please back to the volume to page 128. Can I direct your attention to the last dot point on that page?---Yes. 20

Where it says given the complexity of the MAN series applications - and I will just pause there, is it right to say that the finance component of the Queensland Health system included a number of systems - a number of software systems that had the word as a prefix or a suffix MAN? ---Suffix MAN.

Okay. And are they referred to as the MAN application, the MAN series?---Correct. 30

Thank you. So given the complexity of them, the inter-relationship with multiple other applications in the HR and finance landscape and the significant Queensland Health business and change impacts, it would be associated with the removal in the required project timeframes, replacement of the MAN series is not in scope for the QHIC project, the position as it when this document was prepared?---Correct. 40

Where integration with the MAN series application was in scope, a custom integration component would be specified and developed. These interfaces are specified in section 6.5.2 below. Now, in the case, Mr Hickey, that in order for having replaced the HR component of LATTICE in order for it to communicate to or from the finance, there needed to be some integration with those MAN series applications?---There did, yes.

And at the time of this document, was it proposed that IBM would undertake those custom adaptations, if you like, of Payman to enable that to occur?---No. 50

What was proposed at this stage?---The proposed position was we would do the HR side of the interface and the Payman changes would have been done by Queensland Health or CorpTech on behalf of Queensland Health.

1

Thank you. It does contemplate that there would be some interfaces specified in section 6.5.2 below?---Correct.

And that those would be supplied by QHEST. Is that what it says?---Sorry, I need to go back.

10

I'm sorry, I will start again. It does contemplate that there will be some specified in section 6.5.2?---Correct.

And if we go to that section which is two sheets over, do we see some limited identification of interface work in relation to this integration question?---Yes, there is.

Okay. Back to the text, please; it's text I want to ask you about. It says these custom developments will be specified and delivered based upon existing interface details supplied by QHEST, so in order for that work to be done, something had to be provided to you by QHEST. Is that so?---That's correct.

20

We will come back to an aspect of that shortly. Reading on, it says Queensland Health will be responsible for the identification, development, testing, implementation and training of all changes required to some other things. Do you see that?---Yes.

30

As a result of the implementation, the modified or introduced integration components required to implement the interim solution?---Correct.

Can you just explain what that means?---Well, that means that for these systems that you were interfacing to, we would create the HR side of the interface and the people who knew how their legacy systems worked, FAMMIS, DSS and the MAN series, they would make those changes on behalf of Queensland Health.

40

Right. So I want to be clear about this. So back to the "to be landscape"?---Yes.

Tell me if I have got this correct. Based upon some information QHEST has to give you, IBM will be responsible for some custom development and components which are identified in the schedule in order to have SAP provide information to Payman. Is that right?---That is correct.

50

But any adaptation within the finance section which is necessary because of that is to be designed, developed and tested, et cetera, by Queensland Health?---Correct.

That is the position as it was at the time that this document was - - -?---Basically. In the green box IBM, in the blue box, Queensland Health.

1

Thank you.

THE COMMISSIONER: Sorry?--- In the green box, IBM.

Yes?---In the blue box, Queensland Health.

10

MR DOYLE: Very good. Now, one of the things that had to happen was that Queensland Health or QHEST had to give you some information. Is that so?---Yes.

Did it quickly emerge that there was delay in them providing that information?---Is this in relation to - - -

In relation to the finance HR integration question?---Yes, I think they had difficulty doing it and then there was the question about whether we should use the MAN series at all.

20

I want to try and keep these - I suppose the question of what information they were giving you and in a timely way, and then the question of whether they had the capacity to do the development that they said that they would do?  
---Yes.

I just want to ask you about the information for the moment. I will ask you to go to volume 5 to page 88?  
---Right.

30

To change request 60. Now, you obviously read this before, Mr Hickey, and you know the format of these documents often is that it includes a statement of the reason for the change request?---Yes.

And then a summary of some history which has led to it?  
---Yes.

40

50

And you understood that there was a process for its revision and approval before it became an approved change request?---Yes.

1

The reason I'm taking you to it is to identify some of the things it recites in the history. If you go on page 88 to the QHIC status reports, do you see about halfway down the page?---Yes.

The first entry is 21 March - - - ?---Yes.

10

*Considerable delays have been experienced due to internal design issues needing to be resolved at Queensland Health. The QHIC team has received assurance that these issues will be resolved this week.*

This is presented as the background to a change request that relates to the HR finance integration, so presumably the delay being experienced due to internal design issues needing to be resolved had something to do with what Queensland Health had to do under the scope document was looked at?---Correct.

20

If you look down that page is it the case that at subsequent meetings, which we can all read, that issue repeated itself, that is, that there was delay by Queensland Health in providing what it had to do? ---Correct.

30

Can I ask you to go to the one against 4 April 2008?---Yes.

Just read the first three lines to yourself?---Right.

So yet again is it something to do with Queensland Health's inability to give information to you, that is to IBM - - -?---Yes.

- - - in relation to this integration question?---Correct.

40

Very good.

COMMISSIONER: It doesn't say that, does it, or have I missed something?---Requirements.

It says there has been no agreement on the design of the integration. It doesn't say, unless I have missed it, that there was a delay in giving information.

MR DOYLE: I'll ask the question. Is that the substance of what you can recall being the - - - ?---Yes. It's the second sentence, "It now appears requirements will not be available until 14 April."

50

Right. Those requirements are things coming from Queensland Health?---Correct.

1

Thank you.

COMMISSIONER: Are requirements information or the agreed design in that passage I mean?---I think this was related to the requirements for the HRFI integration, what we would need to change to allow it to interface with PAYMAN, so on our HR site, so I view this as information, but also a requirement.

10

All right.

MR DOYLE: I'll see if I can help clarify that.

COMMISSIONER: Yes.

MR DOYLE: If we go back to the reasons which are on the same page - - -?---Right.

20

- - - "During the execution of statement of work 8," and I'll just pause there, statement of work 8 you know is the carrying out of the things described in the QHIC scope document?  
---Correct.

*A number of customer-based issues have affected IBM's ability to deliver to the original schedule and a six and a half week delay in the QHIC solution go live is required. These issues primarily relate to Queensland Health's ability to deliver the required changes to the legacy environment to enable financial and other integration from - to the SAP HR.*

30

That was true, I take it?---Yes.

The thing which Queensland Health had to do was to do two things: one is to provide information to you about what you were going to do - - -?---Yes.

40

- - - and also to itself undertake the design and development and so on of what it had to do?---Correct.

In the period of the six and a half weeks that's been spoken of here, can you help the commissioner please understand whether Queensland Health had failed in both of those respects?---I think that with respect to the information they failed in that part and then I don't think they got to the point of ever being unable to provide the modifications to PAYMAN because they never really started. That was subsequently changed.

50

It got to the point, didn't it, that in fact they had serious doubts about their capacity to do it?---Correct.

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HICKEY, P.J. XXN

We can go to that if we need to. Ultimately, the way in which those two questions were resolved was by really taking that work off them in a sense and giving it to IBM under this change request. Is that - - - ?---This change request really spoke to the delay - 61.

1

Thank you. Let me start again. The outcome of the difficulties which Queensland Health appeared to be having, both in providing the information - - -?---Yes.

10

- - - and in undertaking what it had to do for the development and so on of its own interface activities led to change request 60?---Yes.

And also change request 61 - - -?---Correct.

- - - at the same time?---Yes.

And change request 60 is the document pursuant to which you get the additional time to perform your activities? ---Correct.

20

And change request 61 is the one pursuant to which you identify what you're going to do, which was previously that being done by Queensland Health?---Correct.

Right. Before we leave that - thank you. That will do it. Would you turn now to page 96 of that volume? You should have change request 61?---Yes, I have.

30

It's right to say, isn't it, Mr Hickey, they go together these - - -?---They do indeed, yes.

If we go to the reasons it says, you'll see, a similar reason:

*During the execution of statement of work 8, a number of customer issues have meant that the original scope designed for HR finance integration could not be delivered. These issues primarily relate to Queensland Health's ability to deliver the required changes to the legacy environment.*

40

This is their inability to do the development work that the QHIC scope document contemplated they were to do? ---Correct.

All right. If you turn across to page 97 you'll see at the end of the top box there's some assumptions articulated? ---Yes, there are.

50

The second of them is that there's an assumption that all activities can be completed by both parties in the expected time frame?---Correct.



The next one is, "The currently proposed solution is acceptable to Queensland Health who bears the risk" et cetera. Why are they included?---So they're included because as a consequence of this we came up with another go live date and there were still activities required from both parties, but we needed input from Queensland Health to be able to actually deliver to the November date. That schedule had no contingency and basically we were saying both parties needed to complete their obligations to meet that schedule. That's why that one was there. The other one was that the change was requested by Queensland Health and they were going to bear the risk associated with the changes away from it.

1

10

I literally didn't hear the answer to that - the last part of that?---So the second bullet, I think, speaks for itself, that they asked for the change and they were going to bear the risks associated with that change away from the original design.

20

COMMISSIONER: Why does it say there's no additional costs associated with this change? It was an extra \$2 million, wasn't it, paid?---That was - - -

Or just under, I think?---- - - the other one.

MR DOYLE: Sorry. There was a payment made under change request 60 - - - ?---That's correct.

- - - for the impact of the delay and other things that you did.

30

COMMISSIONER: I think it says, too, there's no cost associated with this change.

MR DOYLE: You have the better of me.

COMMISSIONER: I think it says the cost is dealt with in change request 61. I think I read that somewhere. I see.

40

MR DOYLE: Page 894.

COMMISSIONER: Yes, yes, I see. All right, thank you.

MR DOYLE: Now still in order to do what it is under 61 that IBM is to do - sorry, perhaps you can very briefly describe what it is at the time 61 was agreed it was proposed IBM would do in relation to this integration question?---Sorry?

50

That is the HR finance integration?---So with respect to HR finance, we would take the requirements that were going to be provided by Queensland Health for the integration and we would do a design document which actually showed how the two sides of the interface would integrate and then subsequent to that we would build our side of the interface - - -

1

COMMISSIONER: Build what, I'm sorry?---We would build our side of the interface and Queensland Health would build theirs and then we would integration test it. So during the design phase we expected to get more detailed information from Queensland Health about how, I guess, detailed cost objects might be allocated and so on, a very detailed set of discussions. That was contemplated to be done in four weeks, but it actually took a bit longer.

10

MR DOYLE: Very good. Now, in your statement you've included in volume 1 and in volume 2 - I don't think you need to go to it necessarily - some steering committee meetings in July and August 2008. Sorry, steering committee reports - - -? ---Right.

20

- - - in July and August 2008. Perhaps I will take you to them. Would you go to volume 1, please?

COMMISSIONER: Is that volume of Mr Hickey's statement?

MR DOYLE: Mr Hickey's. Would you turn, please, to page 411? You should have a steering committee report of 6 July?---I do.

30

Who prepares this?---Generally, I would have prepared them.

And it's intended to provide a summary of the status of the project for that week?---Status of the - - -

QHIC project?---The SSS program, actually.

40

I see?---I this is the overall program.

Okay. That includes a part which deals with the QHIC project?---I think I would have prepared this particular document.

Thank you. Turn to page 418?---All right.

Is that the format that the part of this larger report would include a report on the progress of the QHIC project?---That's correct.

50

All right. Thank you. Turn, please, to the next report that commences at page 429?---Right.

Again, is this likely to be one you prepared, 13 July?---I might have done this on behalf of Bill, but this is after the point of transition. 1

But you'd be aware of the contents of the document?---Yes.

Would you turn to page 430?---Yes, I have it.

There's a QHIC entry, it says, "QHIC reporting amber"? ---Yes. 10

Do you see that? If you read the section, "There is a risk that this work stream will report red and less," and there's some things identified there?---Correct.

Can you explain what the first of those is a reference to? ---Number of critical path activities?

That one, yes?---So that relates to work that was being done to create the solution design document. 20

It says, "Something still to be discussed and agreed and workshopped," in the middle of July?---Correct.

And, "Agreement must be reached." What are you talking about?---This is agreement to the detail design.

Of?---The interface. This is an agreement to the design of the interface between the two parties. 30

All right. Change request 61, having said that audited, that is, IBM is to do something - - -?---Yeah.

- - - as a process for identifying and agreeing what it is you're going to do?---Correct.

Okay. And it was still going on in the middle of July? ---Correct.

Does what you're going to do include modifying at this stage, that is, July 98, modifying PAYMAN, or is PAYMAN gone by now?---PAYMAN is out of scope, so IBM would have been modifying the HR side of the interface and Queensland Health or CorpTech would be modifying the FAMMIS side. 40

Without going through PAYMAN?---Correct.

Thank you. Turn, finally, I think, to page 454 - I'm sorry, 447 to start with. This is another report this time for the week of 20 July?---Yes? 50

You'll see that's the start of the report?---Yes.

Turn to the next page, QHIC's reporting amber, it says, "Agreement is yet to be reached on all aspects of the

HR/finance integration design." Can you tell me, please, 1  
would you have seen this document or be aware of its  
contents back in July 08?---Probably not.

All right. So it may be by this time you've moved on?  
---Correct.

Just for completeness, could you turn to 454? Do you have  
that?---Yes, I have that.

This is to do with the QHIC project itself. I want you to 10  
read the first dot point, that's the one that says,  
"Agreement is yet to be reached"?---Correct. I have that.

It refers to a meeting held on 16 July. Can you help me,  
please, were you present at that meeting or do you know  
what that was?---I wasn't present at that meeting.

So this is possibly after your time?---Yes.

Can't recall?---I certainly didn't attend that meeting. 20

Did not?---Did not.

All right. Never mind. Would you go to volume 2 of your  
exhibits, please? I'd like you to turn to page 545.  
You've got a report which seems to relate to the week  
ending 8 August 08?---Correct.

You were absent, I take it, during that period?---Correct. 30

Did you read these things when you came back on board?  
---Yes, I would have looked at these reports.

And we see on that page, if you look about halfway down the  
page, it says, "Agreement is yet to be reached on all  
aspects of HR/finance integration" and so on?---Correct.

That's something you would have been aware of at least when  
you came back at the end of August?---Correct. 40

I'll summarise it. Would you have read all of these kinds  
of reports when you came back to become the project  
director - - -?---Yes, I would have read into it.

- - - to inform you what had been happening in the  
preceding few weeks?---Yes.

Just on that front, would you turn, now, to page 549?  
Again, this is a document relating to the LATTICE 50  
replacement for the week ending 15 August. You'll see  
halfway down the page there's a series of change requests  
current and forecast?---Correct.

I take it you were at least once familiar with what those  
various change requests related to?---Yes.

6/5/13

HICKEY, P.J. XXN

Do you have a recollection now of what they might relate to? If not, I'll show you some later on?---Yeah, I think I'm reasonably familiar with these.

1

All right. When you came back at the end of August, were you aware that there had been a number of change requests under discussion or that had been presented - - -?---Yes.

- - - which related to the LATTICE replacement system, the detail of which will be expressed in the change requests themselves?---Correct, yes.

10

Which related to, some at least related to, Queensland Health identifying changed functional requirements?---Yes.

Thank you. Now, you were asked by my learned friend, Mr Kent, I think, about the government's response on 2 September to a delay notice that had been given on 8 August. Do you recall that topic?---I do.

20

The delay notice itself was sent when you were away from the job?---Correct.

I take it you have regard to it when you return to the job?---I did.

And you informed yourself of things you needed to inform yourself about. One of the things that my learned friend asked you about was the suggestion that Queensland Health had contended, it had given IBM all of its specifications, I think is the language that's used. Do you recall that?---Yes, I do.

30

40

50

Can you now help us? Was that true?---I think it's clearly not true based on these reports. 1

Is one of the things you would have needed the finalised BAD, business attributes document?---Correct.

Very good. I'll show you something about that in a moment. Would you also have needed to be given the detail or agreement about the interface requirements in order to carry out the HRFI interface?---Yes. We would have needed agreement to the design. 10

When change request 61 was agreed, I think you said a little moment ago there was some time frame of four weeks in which this was to be done?---Correct.

That was premised upon both parties being able to do things in the time frames contemplated?---That's correct.

Just concentrating on what Queensland Health had to do and what time frame they had to do it in order to enable change request 61 to be finalised within four weeks, what was it? ---I think they would have had to have come forward with the details of what needed to be sent across the interface and then we would have needed to have known how to provide that information in a file that could be received and processed by FAMMIS. 20

In what time? If you had to do your job within four weeks, what time would they have had to do - - - ?---They would have had four weeks as well. 30

Very good. By the end of July - towards the end of July? ---Towards the end of July, possibly early August.

Thank you. Just excuse me. Could Mr Hickey be shown exhibit 87 please.

COMMISSIONER: Mr Doyle, I would like to finish Mr Hickey's evidence today. Do you think that's possible? 40

MR DOYLE: Yes. I won't be much longer.

You've exhibited to your - or you've given us with your statement a copy of the business attributes document version 6?---Correct.

There are some questions about it and in the answer to that you said would need to at least put a flag up as to whether there might have been some earlier versions and what they did?---Yes, that's correct. 50

Would you turn please in this document - I hope we're in the same order - to the third sheet which should be headed BRG Decisions 28 April 2008?---Right.

Do you have that?---Yes, I have that.

1

And you see it relates to the business attributes document version 5?---It does.

If you look in the second full paragraph it should say:

*This release of BAD version 5 is to be the baseline for QH agency configuration requirements -*

10

et cetera?---Correct.

Does that suggest that there was a version 5 provided sometime at the end of April which was itself said to be the baseline requirement for the QH agency configuration requirements?---Yes, it does.

Is that consistent with your recollection?---It is.

Thank you. Then if you turn across to the second-last sheet, this one relates to BAD version 6?---Yes.

20

You'll see in the first paragraph it refers to - - -

COMMISSIONER: What page are you on?

MR DOYLE: The second-last.

COMMISSIONER: In exhibit 87?

30

MR DOYLE: In exhibit 87, yes.

COMMISSIONER: Yes, all right. Thank you. I have got that.

MR DOYLE: It's a document on QHEST paper which is headed Business Attributes Document Version 6.

COMMISSIONER: Yes, I have got that. Thank you.

40

MR DOYLE: So that's BAD. It refers to it, if you just read the first paragraph, as a release of updated configuration requirements?---Correct.

I think you were asked in a sense whether there might be a requirement to change scope implicit in providing a later version of a baseline requirement. Do you understand my question?---Yes, there would be.

There would be?---Yes.

50

And to identify it, what would you need to do?---You'd need to go through and compare one version of the business attributes document with its successor and see whether or not there was any change and potentially any impact to the project.

6/5/13

HICKEY, P.J. XXN

Indeed, would you need to do that if there was a version 7? 1  
Would you need to do that with it?---Yes, there was a  
version 7 and it would have had to have - - -

And would that would have been, similarly, if there was a  
version 8 and so on?---Correct.

How does that impact upon the performance of IBM's job of  
building the interim LATTICE replacement?---It takes away 10  
the resources who would otherwise be working on the design,  
build and test activities to go back and analyse documents,  
new versions of documents.

Having analysed it, and I'll ask you to assume for the  
moment, the analysis shows there are some changes?---You  
then have to work out the impact of those changes and  
discuss with Queensland Health whether they're going to  
want those changes or not.

COMMISSIONER: But if you get an updated version that has 20  
got the changes tracked on it, it shouldn't take too long,  
at least to identify the changes, should it? It might take  
you longer to work out what impact they have?---I think  
that's fair, but these are Excel spreadsheets not Word  
documents and I'm not sure that you can track change it  
with Excel.

I just noticed one of the versions said that there's a  
track version included, so I assume that there is a 30  
concern. There's a handwritten note to that effect?  
---Okay.

If you go back to it - did I get that right? Maybe I  
didn't. I thought I read that somewhere. Anyway, don't  
take up time with that now. If it's there, it's there, if  
it's not, it's not.

MR DOYLE: I was actually more interested in the - assume 40  
you could identify by whatever process that there are  
changes, I wanted to understand how that impacted upon your  
doing your work. Do you understand?---So the impacts on  
the project is you would take people away from doing other  
scheduled tasks to do this and then you'd have to work out  
how to put the changes that were coming out of this sort of  
document into the solution and assess its impact.

Very good. I'm sorry, I wanted to ask you one more thing  
about the finance HR integration. Ultimately, there was  
change request 184?---There was. 50

It was agreed at a time after you had left?---That's  
correct.

You were involved, weren't you, in some early consideration  
of events which might be said to have ultimately led to  
change request 184?---That's correct.

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You know, don't you, that it itself recites a whole series of other change requests that had been sought and approved in relation to the LATTICE replacement system?---Correct.

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With one exception, I think. They were all at a time when you were there. Is that right?---I believe so, yes.

I want to ask you about just a couple of them and it might be easiest to do it if we go to change request 184 to look at them, even though you weren't there when it was passed? ---Sure.

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That's in volume 9 at page 133?---Sorry, could you take me to the page again, please?

133?---Thank you.

What you should have there is a page of change request 184 that lists a series of change requests?---Correct.

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I'm just going to ask you about the larger dollars figures if I can. The first one there is change request 73. Do you recall what that related to?---I don't recall.

All right. That's made this process - I'll show you in a minute. What about 87? Do you recall what change request 87 was about?---No. I can't remember the titles of them. Do you have a list of them with titles?

Yes. In fact, I'll just for the moment use this table to identify the big dollar figures - - - ?---Sure, sure.

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- - - and then I'll take you to the actual change requests. I won't take you to 60, which we've talked about, 73, 87, 99 - - - ?---Yes. I think 99 was the transfer of some accountability from CorpTech to IBM.

I think by the time we get down to the 100,000 at the bottom, that's after you've left?---Right.

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So I'll ask you about at least those others that I've mentioned?---Right.

Would you go please to volume 5 of the tender bundle, page 83?---Right.

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And you have change request 87?---Yes, I have.

1

And the reason you'll see is given, "As per request from CorpTech, the following resources have been transferred to IBM's resources," and there's a number of people that are referred to?---That's correct, yes.

Do you recall this change request?---I do, yes.

You do?---Yes.

10

COMMISSIONER: Is that an area that IBM was being asked to employ people to do a job that CorpTech had been expected to employ to do the same job?---Effectively, yes.

Why couldn't you say that? It doesn't matter. And these were administrative and the data migration, I take it?  
---Correct.

MR DOYLE: Okay. The process by which it's done is a change request, but in substance what it is, is things which were to be done by people paid by CorpTech and now to be done by IBM?---It was probably the same people.

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Probably the same people? All right. Now, in terms of ambiguity about scope, was this something about which there were competing interests where you were saying that's out of scope and someone was saying this is in scope?---Not on that matter, no.

30

So this was clearly one which was accepted to be not within IBM's scope?---Yes.

COMMISSIONER: Well, it's not a scope question at all, it's a question of the employment of people.

MR DOYLE: Would you go to page 83 again, please?  
---All right.

At the bottom of the page there's a tab or a section that's headed Draft Contract Variations?---Correct.

40

If you turn the page, do we see that it deletes a whole series of things and at the bottom of the page says, "Add the following tables," so it substitutes one table for another?---Correct.

If one were to study it very carefully, the net effect of it is that you've got to do more things?---Correct.

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Thank you.

COMMISSIONER: I thought we agreed that all that happened was that IBM should employ these people at their cost so that it goes to the contract price.

MR DOYLE: The formulaic way in which it's done is to vary the contract by taking out one table and putting in a different one. 1

COMMISSIONER: I understand that. My only quibble with you is that it's not a change of scope as we've been discussing change of the scope.

MR DOYLE: True. 10

COMMISSIONER: That was my only point.

MR DOYLE: I'll move off that one. Can you go to volume 6, now, please, page 32.

COMMISSIONER: Page?

MR DOYLE: 32. Change request 73?---Right.

If you look at the summary of the reasons for this change - - -?---Yes. 20

- - - you'll see it starts, "Concurrent employment functionality was an open issue in the scope agreement between IBM and QH." Do you see that?---Yes, I do.

And that's a reference, isn't it, to the QHIC scope document?---Correct.

I won't take you to it, but that document lists a number of open issues. Item number 6 of those open issues is this very question. 30

COMMISSIONER: What is meant by the issue being "open"? ---So when the work was being performed under statement of work 7, there were a number of outstanding issues or questions to be addressed, so rather than extending that activity further, that activity was closed and those issues were picked up and managed in the next stage of the project. 40

Deferred for further discussion and agreement?---Correct.

All right.

MR DOYLE: For what it's worth, Mr Commissioner, statement of work 8 identifies that if they're closed then it requires additional work, there will be additional payment. In terms of this, do you recall this change request, Mr Hickey?---I do. 50

Do you recall it being one of the ones about which there was competing views?---I don't think there were any competing views about concurrent employment.

By which we should understand you to mean you contended it would be an additional scope for IBM, and that was acceptable?---Correct. 1

Thank you. Would you go, please, to volume 7 now, page 69?

COMMISSIONER: Again, I couldn't hear the page.

MR DOYLE: 69. You should have change request 99?---I do. 10

If you look at the summary described at the bottom of what it relates to, you'll see under the terms of statement of work 8 on the contract - - -?---Yes, I see that.

- - - CorpTech et cetera had a number of accountabilities. This relates to something called "accountability for XFA 9"?---Correct.

Do you remember this change request?---I do indeed. 20

Do you know that in the QHIC scope document, at page 151 of the trial bundle, volume 4, it expressly referred to this being something which if it was later included would be at extra cost, would be a change in the contract?---Yes.

When this came up, was this one about which there was competing views about whether it was a change or scope or not?---No, there were no competing views.

In respect of change requests 60 and 61, the ones we talked about before, do you recall there being a dispute about whether they were things which should have been in your scope or not in your scope, was there a debate about that? ---No. 30

So when you said that there would be delay for which you needed to be compensated under change request 60, there was no debate about that?---There was some discussion about it but ultimately it was agreed. 40

That's what I want to know. Was the contention being advanced by Queensland Health or CorpTech that it was in scope before change request 60?---Sorry, can restate that?

You have been asked some questions directed to this proposition, that there were competing views about whether things were or not within scope?---Correct.

I just want to focus on the big dollar changes, if you like - - -?---Sure. 50

- - - to see whether they were things about which there were competing views or whether they were things which were accepted to be additional work for IBM?---So with respect to CR 60?

60?---That was ultimately reviewed, discussed debated and agreed. Debated with respect to, you know, how much should IBM claim for the delay, and with respect to CR 61 that was ultimately agreed as a no cost change request to make the change that Queensland Health wanted.

1

All right. So there was debate about the dollar compensation for the change?---To a certain degree, yeah, it was a large number.

10

Thank you. Ultimately, there was 184, which was the big S that you were not involved, ultimately, in that?---Correct.

But you know there were disputes about the scope of what you were to do in relation to the HR/finance integration post July 2008?---There were changes to that, that were discussed and potentially (indistinct) yes.

So there were things that IBM was contending were changes about which there was some debate whether they were true changes or not?---Correct.

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And that was ultimately resolved by 184?---Correct.

Thank you. I move to a different topic now, and that is to just ask you very briefly about the requirements traceability matrix. I think you were shown a copy of that document today?---I haven't seen it.

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Could Mr Hickey be shown exhibit 105, please?---Thank you.

Just tell me if you've seen that before, by which I mean back in the course of the project 08 or 09, that or something like it?---I don't recall looking at this document.

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Right. You'll see it's - well, you've looked at it recently, I know, Mr Hickey?---Yes, I have. 1

And you know its format is to identify in cascading levels various detailed documents?---Correct.

And are those documents documents which will in turn define the functional performance of the proposed system or technical matters - - -?---Correct. 10

- - - process matters and so on?---Correct.

And are they all documents which were submitted to and approved by CorpTech and Queensland Health?---Yes.

Thank you. I'll ask you next about your dealings with the SPO. Is that the right description of it? You had some dealings with Mr Beeston about the schedule, the program schedule?---Yes. 20

Can you explain, please, what your differences of position were about that?---So the fundamental position was he felt the program should have a single integrated schedule that covered all the work to be performed under all of the statements of work and my approach was for each of the project managers who managed each of the statements of work to have their own schedule and then we represented the summarised view of those individual schedules associated with the statements of work in the overall schematic schedule that's represented in the ESC report. 30

Right. Now, when he speaks or when you're speaking of him talking about - - -?---Yeah.

- - - an overall project schedule, is that the combination of the whole of government and the LATTICE replacement? ---It's the sum of all the parts - - -

Right?---Into an overall program schedule. 40

Right. And you were proceeding on the basis of schedules relating to - one for the QHIC project and one for other things, and so on?---One for each of the other things. His contention was that the overall program schedule would manage the dependencies across but they were so few it wasn't necessary.

Right. And you explained that to him, I take it?---I did.

Now, ultimately I think you told us that you provided his team with the - your schedule. I'm sorry, that you prepared an integrated schedule?---Yes. Well, there was one prepared, yes, and we prepared it and his team were able to look at it. 50

And was that - did that prove to be a success?---Well, the first manifestation of it as appeared in the executive steering committee was not a success but we subsequently found another way of representing it at a high level. 1

Right. Tell me, please, why it wasn't a success?---My recollection was Mrs Perrott looked at it and said, "I don't understand this; give me something that's more readable." So there was a subsequent amended version provided in a later steering committee. 10

Very good. And did you provide it to him in a form which he could amend it and send it back to you or not?  
---Mrs Perrott? No.

No, Mr Beeston?---Oh, Mr Beeston. No, but they had the ability to do that but we basically maintained the schedule ourselves.

Very good. Thank you. Can I ask you about a different topic now. I'm sorry, no, I won't. Was there - sorry, you understand that under the statements of work what IBM had to do was provide deliverables?---Correct. 20

And they were submitted to CorpTech for its acceptance?  
---They were.

Was there a difference of opinion between you and Mr Beeston about the time in which the deliverables had to be provided?---Ultimately there was a difference of opinion - - - 30

Yes?--- - - - over that matter.

What was it?---It was that the vendor management people and the SPO said that the date in the statement work had to be the date that the artifact was accepted and all of our scheduling was based on that, was the date that it was provided to be accepted and so we were - when we presented on the date in the SOW, we were automatically five days late. 40

And did he communicate to you that he took the view that you were therefore in default from very early on?---I need to say, I think it was more Mr Bird than Mr Beeston on this topic - - -

I see?--- - - - but there was a fair amount of discussion about that and the implications of it. 50

Right. Well, is that the nature of the dispute, that it was said IBM was in breach because it was delivering deliverables on the dates stated in the statement of work rather than five days ahead of that date?---I don't know about in breach but they were definitely saying, "You're late" - - -

Okay?--- - - - on the - and you deliver on the date, that makes you automatically late. 1

Thank you. Now, can I ask you a few things about testing? Were you aware of the - - -

COMMISSIONER: Mr Doyle, before you move to that topic, five days doesn't sound a great deal in the scheme of things. At the time that debate occurred and you said she was receiving documents five days late, had relations soured to some extent?---They certainly had, yes. So the issue with this was that if it had to be the date that it was accepted, it need not necessarily be five days because it was in their ability to reject a deliverable and send it back to me, and - - - 10

But the contract gave them five days to think about what you delivered?---Yeah, basically.

(indistinct) obviously?---Yeah. 20

It just strikes me that to take such a stance on a five day length of time, isn't one view of things, unnecessary. I'm just wondering if by the time this debate occurred relations between the government and IBM had soured?---I certainly think the working level between myself and Mr Beeston, as I've said in my statement, certainly those relations were strained and this occurred around that time.

And when the point was raised that you had to deliver these documents, the deliverables, and trying to give them five - give the government five days to assess what it would do in response, did you adjust the schedule of deliveries or not? ---No, I didn't, because I didn't know how long it would take them to actually accept a deliverable. So five days may have been completely immaterial because - - - 30

But you could have gone wrong, could you, on that point of view, giving them the five days' grace, as it were?---By then I would have had to have changed all my schedules. 40

Yes, I understand that?---So it would have meant we - - -

But you didn't do that?---No, I didn't do that because I wanted to address the issue, which was I believe it was the date that we deliver was the date that mattered, and then if they took a month to review it and agree it, you know - - -

But they couldn't, could they? If they didn't response in five days, wasn't it - - -?---Well, they could respond in five days and reject a deliverable. 50

Oh, I see?---And they did.



And was rejection final or could they reconsider?---No, they sent it back, you amend it, you give it back to them; and that's normal, you know, sometimes leave things out in documents, it's a small thing, but there was a lot riding on it for the contractual deliverables.

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Yes, thank you. Very well.

MR DOYLE: I'll move quickly if I can through this. There was various kinds of testing that were conducted. One kind was systems testing - - -?---Correct.

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- - - which was conducted by IBM with CorpTech - - -?---  
Yep.

- - - by IBM and with cooperation of CorpTech?---Correct.

And was that - did that involve the testing of the performance of the SAP components, system testing of the SAP components?---Yes, it would.

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And did it involve the system testing of the Workbrain component?---Yes, it would.

And were they tested separately?---They were.

And did they each pass?---They did.

And there's also something called systems integration testing?---Correct.

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Was that conducted?---I believe so, yes.

Was that test - does an aspect of that involve testing the interaction between SAP and Workbrain?---Yes, and other - - -

And other things?--- - - - things that - yes, that you collect, too.

40

The integration of the systems operation as a whole?  
---Correct.

Are you aware of any issue with the capacity of Workbrain to communicate data to SAP or vice versa?---I don't believe so, no.

Are you also aware of scalability testing?---I am.

And in particular I want to ask you about scalability of Workbrain. You're aware that was conducted - - -?---I am.

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- - - and are you aware whether it was passed or not?---It did pass those tests.

Thank you. Now, next you're aware of user acceptance testing being conducted in various phases or cycles, or something?---Yeah, I'm aware of that.

1

Yes. It started when you were there - - -?---Correct.

- - - it continued after you ceased to be there?---Correct.

I just want to ask you this question and assume for the moment

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that user acceptance testing identifies a significant number of defects - - -?---Right.

- - - of some kind. Does that tell you anything about the adequacy of the anterior systems testing?---I think it speaks to a number of things: it speaks to the condition of the software; it speaks to the understanding of the people who wrote the test scripts; it speaks to the execution of the test scripts, and the only way to know whether or not it really - you know, there were issues with the prior testing is to go back and look at what was tested and also the nature of the defects that had been raised.

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Thank you. So the mere number is not enough, you have got to look at - - -?---No, it's not enough, nowhere near.

- - - the detail of what it is - sorry, just let me finish - what it is and why it is?---Correct.

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All right. Thank you. Now, you were asked some hypothetical questions by my learned friend Mr Flanagan about the scope being unclear, being somehow in IBM's favour in some way and you'll recall that topic, obviously? ---I do.

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It is right to say, isn't it, that during the period that you were involved in the project, you personally viewed the scope as having been agreed by the QHIC scope document and the various detailed documents underneath it?---That's correct.

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And by variations effected by change requests?---That's correct.

Did you ever put forward a request for a change on the basis that it was a scope change not bona fide believing it to be so?---No.

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Thank you. Similarly, did you ever put forward a request for an extension of time based upon a delay as a ruse really to obtain some advantage as distinct from it being a bona fide belief that you're entitled to it?---No.

Thank you. Finally, the same question in relation to a request for additional money, if that was your responsibility. Did you only ever do so on the basis of a bona fide belief that IBM was entitled to it?---Yes, that's correct.

20

In the time that you were with the project, whatever might have been the debates about scope disputes, were change requests submitted, considered and approved?---They were.

And there were a significant number during your period?---There were.

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Just concentrating on the LATTICE replacement system, do you recall the number of change requests that were approved in the time you were there?---I don't recall the exact number, but there was quite a number and there was a list in that CR 184.

Very good. Thank you. I might ask you a harder question. Were there any that weren't approved that you can think of that you said were scope changes that were analysed and found not to be?---I don't recall any because I don't think they would have ever made it to be CR's.

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Why do you say that?---The issue management system would have detected them. So a CR arose from an issue, so there may be defects and issues that we might have thought were change requests and that ultimately turned out not to be the case and I think there were examples of those.

Is that an IBM assessment of whether they are - - - ?  
---Potentially consultation with QHEST as well.

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Very good. Thank you. Just excuse me. Would you go to volume 3 of your exhibits please. I'd like you to go page 1208 please. You should have there an email from Damon Atzeni to you and others?---Yes, I have it.

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Which you see on the next page attaches the complete signed Workbrain award interpretation checkpoint document. Do you see that?---Yes, I have that. 1

What is that?---That is the results of the award interpretation testing conducted in quarter 4, 2008.

The last month of 2008, is that?---Well, I think it was November and December. 10

Thank you. If we turn then to the next sheet we see the decision endorsement recommendation cover sheet?---Yes.

It relates to Workbrain award interpretation checkpoint? ---Yes.

What did it test about Workbrain's award interpretation? ---So the purpose of these tests, I think I've already said, was to test or to prove that Workbrain could interpret the awards that were going to be rolled forward with the QHIC solution. 20

Very good.

COMMISSIONER: Is this of the system testing or was that later?---No, this was the special testing that was introduced under CR 129. So it was an additional test over and above system testing.

Did the system testing on Workbrain occur later?---No. It occurred contemporaneously with this and it finished in early January. 30

MR DOYLE: Very good. I want to take you to this one because of an explanation you gave earlier in the day? ---Yes.

This seems to be signed by a variety of people from Queensland Health or the SSP. Do you see that?---Yes, I do. 40

Was it this one that you gave some evidence about it being rejected because it wasn't prepared by IBM?---Correct.

Would you turn to page 1217. Halfway down the page there's an email from Mr Steve Mitchell to you?---Yes.

Just read that to yourself. It refers to a brief discussion on the phone. Had you and he spoken on the phone?---We did. 50

Can you recall the effect of what he told you about why that test had been failed?---Well, the essence of it was that because the report we provided to them was actually a QHEST deliverable or a QHEST report, they were rejecting it because it didn't come from IBM.

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The fact that it had been prepared by QHEST rather than you?---Correct. 1

There was another test done at the same time, wasn't there? ---There was.

Was that rejected?---That was.

Why?---That was rejected because it relates to the payroll performance verification and one of the tests that we were executing we failed to meet the six-hour window. 10

Was that something that you've had some discussion with Queensland Health about?---Yes, prior to the meeting of the 23rd or thereabouts - the steering committee.

What was their attitude to that?---Their attitude was that we had substantially meet the requirements of the test close enough to continue. 20

Thank you. Just excuse me. Finally on this point, and you can put that aside thanks, if you take up volume 7 of the tender bundle and turn to page 331. This is a note, isn't it, of that meeting of 23 December?---This is a project directorate held on 22 December.

I see?---There are no minutes that I've heard of from the extraordinary steering committee.

Are you looking at - I see?---331? 30

COMMISSIONER: 331.

MR DOYLE: 331?---Yes.

It's got the meeting minutes, it's on QHEST letterhead - - -?---Correct.

- - - and it's got a date of 23 December?---Correct. 40

Okay. Have you seen these before?---Yes, I have. 1

Thank you. I want to take you to the next page 322?  
---Actually - - -

It doesn't matter, I want to take you the substance of something?---Okay.

On the next page, there's a heading Pay Run Process?---Yes. 10  
Just read the first four paragraphs of that, please?  
---Right.

The test that had failed was that it completed the pay run process in a half an hour in the six hour window?---Roughly that amount time.

But it's right to say, isn't it, that you can recall discussing that topic with Queensland Health - - -?---Yes. 20  
- - - and its representatives saying that they were content to allow you to pass through the gate, I think, that allowed - - -?  
---Yes.

- - - it to pass the test?---Yes.

And that's because it was appreciated that by improving the hardware, the available hardware, the payroll run would be completed in a shorter time?---And potentially more tuning of the pay run as well. 30

Thank you. Just excuse me. I'll see if you can help me with this, please, one final topic. It was suggested to you, I think it was said eight to 10 changes to the go live date. In the time that you were there there's a date contained in the contract, do you recall?---I actually don't recall the exact date.

Do you recall that statement of work 8 identified an indicative date of late September 2008?---I believe that to be - - - 40

Change request 60 and 61 have a date of 18 November 2008?  
---Yes.

With the assumptions that I took you to before?---Correct.

COMMISSIONER: With the assumptions? 50

MR DOYLE: The assumption I took you to before?---Yes, that's correct.

That change request 129 has a date of 30 June 2009. Is that something that was effected when you were there?  
---Yes, it was.

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Thereafter, the next one is change request 184 is after your time?---Correct. **1**

I should say for completeness, Mr Commissioner, the next and final one is change request 202, which extended to 14 March. I have nothing further. Thank you, Mr Hickey.

COMMISSIONER: Mr Flanagan?

MR FLANAGAN: No questions of Mr Hickey. May Mr Hickey be excused. **10**

COMMISSIONER: Yes. Mr Hickey, thank you for your assistance, you're free to go. We'll adjourn, now, until 10.00 tomorrow.

WITNESS WITHDREW

THE COMMISSION ADJOURNED AT 4.34 PM UNTIL TUESDAY, 7 MAY 2013 **20**

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