

The Hon. Wes Fang, MLC
Chair
Standing Committee on Law and Justice
2020 review of the Workers Compensation Scheme
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000

22/01/2021

Dear Hon Mr Wes Fang,

I would like to submit the following reply to the comments made by Chris McCann at the Standing Committee on Law and Justice 2020 review of the Workers Compensation Scheme at Parliament House, Sydney on Monday, 23 November 2020

Based on the transcript I have received:

Mr McCANN: In that initial discussion back on 27 October he referred to his concerns about a person in the Nominal Insurer called Pescott who contracted his son for MPS. We discussed a contractor by the name of Frank Zimmerman, who had no delegated authority to sign off on either contracts or to approve invoices and he was doing so. He had been allowed to continue to do what he wanted without even sighting any invoices. Service providers had been engaged with unsigned contracts. A senior employee, it was alleged at that meeting, r , had been double-dipping on work that he was performing. He was performing work for both icare and had come from a company called Internal Consulting Group. Project managers did not have any delegations—contractors cannot have delegations. And his concern was that there was wasted money and no-one was paying attention.

As a contractor to Workcover NSW and later to icare, I acted in full compliance with government procurement process. Contracts were reviewed by multiple members of the Legal Branch/Unit and based on their recommendations provided directly to senior executives, the contract was executed or otherwise by the senior management with appropriate delegation.

In addition to Legal review, all contracts were reviewed by Procurement Staff and along with the Steering Committee all engagements were monitored for breach of probity, of which there were none.

Invoices were reviewed by Finance for proper approvals, every invoice was signed off for payment by senior executives.

I did not sign any contracts on behalf of icare or the WCA. I did not approve invoices for payment on behalf of by icare or the WCA. Every project I worked on reported to a Steering Committee which monitored budget, compliance and probity.

Internal audit had oversight of the engagement and procurement process, external auditors were often included & consulted via the Steering Committee.

I categorically deny any involvement with Tony Pescott and to the best of my recollection I have never met Tony Pescott.

Sincerely,

Frank Zimmermann