

# **EPIQ AUSTRALIA PTY LTD**

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**INQUIRY INTO THE CITY OF PERTH**

**PUBLIC HEARING - DAY 116**

**WEDNESDAY, 25 SEPTEMBER 2019**

**INQUIRY PANEL:**

**COMMISSIONER ANTHONY (TONY) POWER**

**COUNSEL ASSISTING:**

**MR PHILIP URQUHART**

**COUNSEL APPEARING:**

**MR WAYNE ZAPPIA and MS MEGAN KINGDON (MS Lisa SCAFFIDI)  
MR JOEL YELDON (MS Janet DAVIDSON)  
MR MARTIN TUOHY (MR Martin MILEHAM)  
MR SAM VANDONGEN SC and MR ALAN SKINNER, MR PETER  
MARIOTTO (Mr Dimitrios LIMNIOS)  
MS JUSTINE SIAVELIS (MS Annaliese BATTISTA)  
MR NICK MALONE (MR Reece HARLEY)**

25/09/2019

HEARING COMMENCED AT 09.304 AM:

5 COMMISSIONER: I will begin with an Acknowledgment of Country. The Inquiry into the City of Perth acknowledges the traditional custodians of the land on which it is conducting this hearing, the Whadjuk people of the Noongar Nation and their Elders past, present and future. The Inquiry acknowledges and respects their continuing culture and the contribution they make, and will continue to make, to the life of this City and this region.

10 Mr Urquhart.

MR URQUHART: Thank you, Commissioner. The next witness will be Lisa Scaffidi. Ms Scaffidi, I've noticed is in the back of the hearing room.

15 COMMISSIONER: Thank you, Mr Urquhart. Ms Scaffidi, would you please come forward and take a seat in the witness box, thank you. Ms Scaffidi, I will have you re-sworn; will you take an oath or make an affirmation?

20 MS SCAFFIDI: Oath, please.

COMMISSIONER: Thank you. Madam Associate.

**MS Lisa-Michelle SCAFFIDI, sworn:**

25 COMMISSIONER: Thank you, Ms Scaffidi. I will now hear applications, starting with you, Mr Zappia.

MR ZAPPIA: Yes, sir, with your leave, I seek to leave on behalf of Mrs Scaffidi.

30 COMMISSIONER: Thank you, and Ms King is next to you?

MR ZAPPIA: And Ms King as well as my instructor.

35 COMMISSIONER: Thank you. I can't imagine there will be any objection to that.

MR ZAPPIA: Thank you, sir.

40 MR URQUHART: There's not, sir, and nor with the other applications.

COMMISSIONER: Thank you, Mr Urquhart. That's most helpful. Leave is granted, Mr Zappia.

45 MR ZAPPIA: Thank you. Mr Yeldon.

MR YELDON: Yes, again for Janet Davidson by your leave, Commissioner.

COMMISSIONER: Yes, leave is granted. Thank you, Mr Yeldon. Mr Tuohy?

MR TUOHY: Yes, Commissioner. Leave it sought in respect to an appearance for Mr Mileham.

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COMMISSIONER: Yes, leave is granted. Thank you, Mr Tuohy. Mr Mariotto?

MR MARIOTTO: May it please, for Mr Limnios.

10 COMMISSIONER: Thank you. Leave is granted, Mr Mariotto. Yes, Mr Malone.

MR MALONE: May it please you, Commissioner, I seek leave on behalf of Councillor Harley.

15 COMMISSIONER: Thank you. Leave is granted, Mr Malone.

MR MALONE: Thank you, Commissioner.

COMMISSIONER: Mr Urquhart, are you ready to proceed?

20

MR URQUHART: I am, thank you, Commissioner.

EXAMINATION-IN-CHIEF BY MR URQUHART

25 Ms Scaffidi, if I can start off by asking just a general question and that is, what did you understand your obligations were when disclosing gifts you had received in your role as an Elected Member?---Yes, to complete the Gift Declaration Form.

30 And were there differences in the way gifts were described, according to their value?---Yes. So anything under \$50 didn't need to be declared but sometimes I would declare it because of a cumulative effect. Over \$50 to \$300, the word is - I think it was notifiable gift.

35 Yes?---And then obviously anything over \$300 could be deemed as a prohibited gift.

In what circumstances did you regard a gift being a prohibited gift, in the sense that it should not be accepted?---Could you please repeat the first part?

40 Yes. You said it could be a prohibited gift if it was of a value of \$300 or more; what circumstances were there when an Elected Member should not accept such a gift?---Obviously if there was a financial conflict of interest or a potential to be voting on the items for the organisation but I think, you know, it's a legal test as well.

45

When you say a legal test, you mean it's required by law?---Well, the assessment of whether it's a gift or not because sometimes - well, I just think with reference to

those things, if you were involved with the organisation such as the Perth Fashion Festival, I was a board member as well so it was in consideration that I was attending many of their events.

5 Are you referring to specifically the judgment of the Court of Appeal in your appeal that you took - - -?---I haven't read that for such a long time.

I know that but you recall there that the judgment made a distinction between something that was given free, however, there was consideration that accompanied that?---Yes, correct.  
10

And gifts that were given without consideration?---Yes.

If something's given without consideration, then it was a gift and had to be declared?---Yes.  
15

Is that what you were referring to?---Yes.

Thank you. Did you understand that a notifiable gift, and it seems that it does but I just want to clarify this with you, that with respect to a notifiable gift, that was a gift that was worth between \$50 to \$300?---Yes.  
20

But if there were two or more gifts provided by the same person or entity within a six month period with the total value of between \$50 and \$300, that became notifiable gifts as well?---I thought it was 12 months or a calendar year.  
25

Okay, but - - -?---Yes.

The regulations stipulate six months but that doesn't matter, there was a certain timeframe?---Yes.  
30

Then a prohibited gift was a gift worth \$300 or more?---Yes.

Or it would be a prohibited gift if there were one or more gifts provided by the same person or organisation worth \$300 or more within, as I understand it, a six month period?---Okay. I thought it was 12 months but six months, okay.  
35

I don't think much turns on that, with respect to the questions?---Okay.

40 The idea of these questions, Ms Scaffidi, is just to get an idea of what Councillors understood were the requirements for declaring gifts?---Yes.

Just as a matter of reference, it's regulation 12, sub-regulation (1) of the Local Government (Rules of Conduct) Regulations which talks about it being a period of within six months?---Okay.  
45

With respect to a prohibited gift, I just want to just read out to you what

sub-regulation (2) says and you've given evidence consistent with this. That sub-regulation reads:

5                    *A person who is a council member must not accept a prohibited gift from a person who is undertaking or seeking to undertake, or who it is reasonable to believe is intending to undertake an activity involving a local government discretion.*

?---Yes.

10

And a Local Government discretion, one example would be, if a Local Government was considering a sponsorship application, would you agree with that?---Yes.

15

I just want to ask you about this situation, bearing in mind what a prohibited gift was: what would you do if such a person was to offer you a gift that was worth less than \$300, you accepted it but then within that six month period, they offered you another gift and that would take the combined total beyond \$300? What would you do in those circumstances with respect to the second gift, and I'm just asking this as a general question?---You know, it was never discussed at Council, that example, and because I thought it was 12 months, clearly I had that aspect wrong and because I say 12 months, just let me clarify this: often a lot of those events are annual and so they would kick into the next January or February period. So again, you know, more recently you'd probably have to decline it. Earlier on, we might have accepted those gifts and declared them and gone, but I think in 17 onwards, I was declining a lot more because of that value threshold.

20

25

I just want to clarify this, are you talking about just tickets, free tickets being offered?---Yes.

30

The question was just phrased in a general way, so gifts generally?---I don't recall ever having a problem with a value to that extent and it would have been relinquished.

35

Again, I'm asking you particularly as a Lord Mayor, I gather you received many gifts?---Well, they were souvenir type gifts, yes.

40

How easy was it for you to keep track of a situation that might arise like this, you've received a gift from an organisation, it was worth less than \$300, you accept it and then, say, some months later you receive another gift from that organisation which takes that amount over the \$300?---Yes. So I can say two things on that: first of all, the likelihood of them gifting twice is pretty slim. My secretarial staff were keeping a very diligent gift register post 15 in regards to that sort of thing. Obviously, I'm filling in the forms and they are formalised through the CEO's office, and the other comment I wanted to make is the news of this gift issue had become very well-known in the community and there was a lot of comments, sometimes humourous and said in jest, about, "I would have given you a gift but in

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view of the furore around it, we came empty-handed today", tongue in cheek on my part. So that sort of commentary was had but in terms of actually answering that question, there was a register there and the values were rarely that big with a lot of the gifts, as I recall them.

5

You referred to the fact that you would get support from your staff?---Yes.

When completing these Gift Declaration Forms?---Yes.

10

But ultimately, you were the one that signs it and ultimately, you were the one signing it and declaring that it was accurate, would that be fair to say?---Yes.

Ms Scaffidi, I want to ask you now about a related question and that is, what's your understanding of when an Elected Member had a financial interest in a

15

matter?---In relation to gifts?

Yes?---Any time.

I know there's the proximity interest but I'm more interested in a financial interest that would arise because of a gift, for example?---Financial interest, obviously, if you stand to benefit from the vote that is being undertaken or a proximity interest if it's a property issue and there's property next door with a DA or something like that, and then there's an impartiality interest

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[9.45 am]

Yes. What was the difference, though with respect to an Elected Member's involvement in the decision-making process of that matter? Was there a difference between an impartiality interest and a financial interest?---Yes.

30

Are you able to tell us what that difference was?---So with an impartiality interest, you can declare it and stay in and engage in the debate and the vote and with a financial interest, you depart the Chamber.

35

With respect to that time in which the meeting is considering that particular matter, is that correct?---Correct.

Ms Scaffidi, ultimately, whose responsibility was it to determine whether a Councillor had a financial interest in a matter?---The individual's.

40

The individual's?---But we were able to ask for advice from Governance to check.

Would you agree or disagree with this proposition, that it was up to Governance or the CEO or someone within Administration to advise a Councillor if they had a financial interest?---Do I agree with that?

45

Yes?---No.

Or should it really be the Councillor's responsibility?---Correct.

It's the latter?---Yes, the latter.

5

Ms Scaffidi, did you understand what it meant under the Local Government Act if someone was a "closely associated person" with an Elected Member?---Yes.

10 What was your understanding of that phrase?---"Closely associated person" means a friend or a relative or business partner or something like that.

15 Was that also relevant with respect to gifts that might be given to the Elected Member?---Actually, that was a point of contention with WALGA and I think - yes, I think it was and there was press about people having to declare wedding gifts and things like that, I remember when the news broke, so I would say yes to that.

20 Can I ask you again about that hypothetical I mentioned about the one gift being under \$300, the second gift being given that took it beyond that threshold of \$300 and provided it was within that time frame specified in the regulations?---Yes.

25 So what if you were to accept that second gift, what would that person's or that Elected Member's responsibility be if the matter was then to be before Council regarding a discretionary decision that had to be made?---Yes, that occurred and I remember that those people, and I can't recall if I was one of them now, had to declare a financial interest and depart the Chamber.

30 The clarity regarding all this only really emerged following the Public Sector Commission's reports into Healthway and then government agencies generally regarding the receipt of free tickets?---Correct.

35 Regarding financial interests and if in fact that had arisen because of gifts that had been provided to the Elected Member, what was your understanding as to how long after the receipt of that gift or gifts did the Elected Member have to declare a financial interest? If you don't know the answer to the question, that's fine?---I was doing it upon receipt of invitation within rights. I'd say immediately and up to two days after, but it might have been longer.

You are referring to actually declaring it?---M'mm.

40 Yes, but I'm talking about the situation when, if a matter was subsequently to come before Council involving that entity or person who had given the gift, how long did you understand a financial interest had to be declared?---I just need to clarify that with you because let me just say, because - just so you understand where I was coming from, I was the only Elected Member whose diary and every waking moment was on the City's system. No other Councillors keep their diary on an electronic system at the City, which I think could be a good thing in future for their own protection. So I was doing, with the assistance of my PA, forms on a daily

basis, according to every invite and every little item that was given to me, so I don't think it applied to me.

5 No, I'm just talking about the situation where - I think we are at cross-purposes here?---Okay.

An Elected Member has a financial interest in a matter?---Right.

10 I just wanted to know whether you had any understanding of how long that financial interest would last for that required the Elected Members to declare it at a meeting, if in fact that organisation's matter was coming up for consideration?---I would say it would depend on the financial interest. If it was a shareholding or a friendship or something, it would be forever.

15 Yes?---Yes.

But what about with respect to the providing of gifts which triggered off the financial interest, are you aware if there was a time limit for that?---Okay. I would say 12 months but I can't recall exactly.

20 Do you recall voting on sponsorship applications with respect to the annual Perth Fashion Festival?---Yes, I do.

25 Am I right in saying you always voted in favour of sponsoring the Perth Fashion Festival?---Yes, I'm a big believer in the value of it to the City.

30 What connections did you have with the Perth Fashion Festival in your time as Lord Mayor?---So I'm pretty sure it was in 2008 that I became the ambassador for the Perth Fashion Festival, following on from Anne-Marie Carpenter who had been the first festival ambassador, and I continued in that role until 2014, and I think late 2014 and then 2015, they invited me to be a board member and I went or continued an association with them as a board member.

35 So that was the board member of what? What was the organisation, its name?---I think it was the Perth Fashion Festival incorporated body, or association it might have been. It was an incorporated body anyway.

40 I gather from the evidence you gave a couple of questions ago that you were a strong supporter of the Perth Fashion Festival?---Because of the impact it had on the retail sector. If I can just add to that, Dr Natrass had been a very staunch supporter and many people might recall that I didn't necessarily follow - - -

45 How about, Ms Scaffidi, if we do it this way, if you could just answer the question and then I will ask you a follow-up question that might allow you to give the answer that you were giving. So the first question was, would I be right in saying that you were a strong supporter?---Correct.



Of the Perth Fashion Festival, yes, okay. Then I can ask you the follow-up now, and why was that?---So from 2005, I believe the event started, I had seen the impact it had on the retail heart of the City during the lead-up to and particularly during the period of the Fashion Festival. While I was a Councillor I never  
5 engaged that much and it was only when I became the Lord Mayor that I had the ability to attend these events. I didn't attend many of them as a Councillor, and I saw the excitement that was literally palpable in the City around the time of that festival, and the impact on the retailers.

10 Were there, from your observations, other Councillors who were strong supporters of the Perth Fashion Festival?---Yes.

Who were they?---Previous Councillors, Rob Butler was a very, very strong supporter, incredibly so, Janet Davidson definitely, James Limnios, Lily - I would  
15 say all of them, in fact all of them would be a better answer, with probably the exception of Councillor Harley and Councillor Green.

So those Councillors who were aligned with you?---Yes.

20 A little earlier I asked you as to what connections you had with the Perth Fashion Festival and you've told us that you were the ambassador and then you became a board member. What other connections did you have? Did you have any friend  
ships with any of the organisers?---Only through - well, only through my association with the festival. I had never met Mariella until I became the  
25 ambassador. In terms of the Chairs, they have changed over the years, just other business people from around the City.

Was it your recollection that the Perth Fashion Festival annually received one of the largest sponsorship payments made by the City of Perth in the time that you  
30 were Lord Mayor?---There were several within that sort of \$300,000 and \$350,000 range, so it was in one of those categories.

Am I right in saying - you can disagree with me - that there was really only two in that category: the Perth Fashion Festival and the Perth International Arts  
35 Festival?---No, I think Awesome Arts as well.

What was that one?---Awesome.

Awesome?---It's a children's festival.  
40

You think that festival received in excess of a quarter of a million dollars every year?---Yes, I do.

Over that 10 year period in which you were Lord Mayor, it would seem that the Perth Fashion Festival was given between \$214,000 and \$313,000 in City of Perth  
45 sponsorship every year?---Right.

Does that sound about right to you?---Yes, yes.

5 The Perth Fashion Festival was just held over the course of five or six days in September of every year?---I think it used to be two weeks for some periods, for some years and more recently, it's lessened the number of days.

In more recent times, was it that period of about five or six days?---Yes.

10 Ms Scaffidi, I want to concentrate on those sponsorship applications made on behalf of the Perth Fashion Festival that fall within or are just before the Inquiry's Terms of Reference, so 2015 through to 1 March of 2018, but really would be the end of 2017?---Mm hmm.

15 Do you recall making impartiality interest disclosures at any of the ordinary Council meetings where the Council considered - - -?---Yes.

- - - PFF sponsorship applications?---Yes.

20 Can you recall those years? I can just remind you, it would seem - - -?---It was definitely 16.

- - - they were, yes, 2015, 16?---M'mm.

25 And then you declared a direct financial interest in 2017?---That's right.

Does that sound about right?---Correct.

30 Am I right in saying that the interest that you believed you had that required those disclosures was what, dealing first with the impartiality disclosure?---15/16?

35 Yes?---So the impartiality was my understanding, because I wasn't remunerated for the board appointment that I had, that I was declaring that impartiality so that people knew of my association, so I was being up-front about it but as there was no financial gain to me personally, I was advocating on behalf of the City.

So you did not think you had a financial interest in those circumstances?---Correct.

And that was because your membership on the board was unpaid?---Unpaid.

40 This wasn't a situation where the City of Perth had appointed you to be on the board?---No.

You had been invited by other board members to join the board?---Yes.

45 I see. There is a distinction between the two, isn't there, with respect to disclosure of interests, is that your understanding?---Yes

[10.00 am]

Then also the fact that you were an ambassador prior to that?---That ceased in 14 - 14 or 15 it ceased, yes.

5

So those impartiality disclosures are made, as I understand it, pursuant to regulation 11 of those regulations?---Okay.

I will just read that out to you and see if you agree with it. So regulation 11, sir of the Local Government (Rules of Conduct) Regulations, and it's titled, "Disclosure of Interest". Sub-regulation (1):

*In this regulation, interest means an interest that could, or could reasonably be perceived to adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.*

15

?---Okay.

20 Does that sound familiar to you?---Yes.

And also just sub-regulation (3) stipulates that that sub-regulation doesn't apply to a financial interest?---Right.

25 Okay?---Okay.

Ms Scaffidi, wasn't it the case that once you became - as a matter of fact, even before this, before you became a board member, that you were a rather close friend of Mariella Harvey Hanrahan?---Only through my association with the Fashion Festival.

30

Yes?---I don't mix with her at any other time.

Yes, but would it be right to say that you were very good friends?---Well, we got to know each other via the Fashion Festival. We get on. I've never socialised outside of work with her though.

35

Would you agree with that description that I've given, that you were very good friends?---It's a bit like the Geoff Blades friendship that we spoke about a few weeks ago. I mean, it's someone I've known around the City. Gosh, I don't even think I've ever even met Mariella for coffees, that sort of thing. It's just really through the board meetings and the socialising at the Fashion Festival.

40

Can I ask you this, you had two mobile telephone numbers when you were Lord Mayor, did you not?---No, only one.

45

Two mobile numbers?---With reference to what, sorry?

You had two mobile numbers, you had a work mobile telephone number?---No, I've only ever had one mobile while I was a Councillor, one mobile number.

5 What about as Lord Mayor?---Only one mobile.

Only one?---The [REDACTED].

10 What about the number that ended in [REDACTED]?---That I've only had since the suspension of Council.

So the [REDACTED] number - which number did you have for friends?---No, I don't think you understand me. I had the [REDACTED] number for my whole time on Council.

15 Yes?---And obviously when we were suspended, the phone systems were cut off and I got a new phone and I've been using that phone only since 1 March 18.

So that number that you had as of 1 March 2018?---Yes.

20 You didn't just provide that to anyone, did you?---No, I don't provide it to a lot of people. I still have the old number and I've only, since 1 March 18, used the new number.

Is that the [REDACTED] number?---Correct, yes.

25

Is that a number just for friends?---It depends. It's just a number that I'm using probably more these days.

30 But you didn't provide it just to anyone, do you?---I don't understand what you mean - just provide it to anyone?

You provide it to friends and, say, someone who needs to contact you, for example - - -?---Hospitals, doctors.

35 That sort of thing?---That sort of thing, yes.

Do you remember providing that number to Ms Harvey Hanrahan?---Yes, of course, and a number of other stakeholders around the City.

40 Do you recall some of the exchanges or telephone messages that you would leave for Ms Harvey Hanrahan?---No.

No? When you're sending text messages, you don't leave a cross, as in to indicate a kiss, to everyone, do you?---We have been through that about me, I do.

45

You do?---Yes.

Would you do it for me?---Maybe not.

Would you call me - - -

5 COMMISSIONER: I think there's very little maybe in that, Mr Urquhart.

MR URQUHART: Sorry, sir.

COMMISSIONER: Very little maybe in that too.

10

MR URQUHART: I'm going to show you some messages you've exchanged with Ms Harvey Hanrahan now and I just wanted to ask you about those?---Okay, no problem.

15 Certainly no messages between you and me. So we are going to have a look at, Madam Associate, if we can, 6051, please - 16.6051, TRIM number, sir, 21339.

COMMISSIONER: Thank you.

20 MR URQUHART: Ms Scaffidi, this is some material that we have downloaded involving some text message exchanges between yourself and - - -?---Outside the Terms of Reference of the Inquiry.

- - - Ms Harvey Hanrahan. Certainly?---Yes.

25

However, if an objection's going to be taken, I can take your counsel to the relevant section of the Terms of Reference.

30 MR ZAPPIA: I do. The documents are outside the terms of the Inquiry, sir, so perhaps an explanation.

MR URQUHART: Terms of Reference, if my learned friend's got a copy.

COMMISSIONER: I will hear from Mr Urquhart.

35

MR URQUHART: If my learned friend has it and if he reads clause 2, he will see why I am pursuing this line of questioning. For the benefit of the witness, I will read it out:

40 *The Inquiry Panel may enquire into and report on a period or periods before 1 October 2015 if it considers it to be necessary or it may be necessary for the purpose of properly discharging its functions.*

?---Mm hmm.

45

I'm not going to rely on that particular clause, sir, but just simply to state that this line of questioning is relevant for determining what the relationship was between

the two witnesses.

COMMISSIONER: I'd better hear this in the absence of Ms Scaffidi.

5 MR URQUHART: Yes.

COMMISSIONER: I'm very sorry, Ms Scaffidi, but you will have to leave the hearing room?---That's okay. I understand.

10 Thank you.

**WITNESS WITHDREW.**

15 MR ZAPPIA: Sir, perhaps if I could short cut, if these documents and the line of enquiry is directed towards establishing whether or not there was any kind, or the nature of the relationship between Mrs Scaffidi and the witness during the relevant Inquiry period, then there is no objection. If it's for something else, then we would take objection. Perhaps the best way to proceed is see where the line of questioning goes and then essentially I will keep my powder dry.

20 COMMISSIONER: Mr Zappia, that's very helpful, thank you. I will just hear from Mr Urquhart though.

25 MR URQUHART: That is the basis of the questioning, sir, as I started to outline before sir sensibly asked the witness to leave the room. That's the basis of it.

COMMISSIONER: Thank you. In that case, the matter's resolved. Thank you very much, Mr Zappia.

30 MR ZAPPIA: Thank you.

COMMISSIONER: Madam Associate, would you please bring Ms Scaffidi back into the hearing room. While that's happening, Mr Zappia, may I just indicate to you that it has become the practice of this Inquiry where one counsel has an objection, to sometimes take the opportunity to confer with counsel asking the question and I have no difficulty with that whatsoever. It obviously expedites the proceedings.

40 MR ZAPPIA: Thank you, sir. I wasn't aware of that.

COMMISSIONER: Thank you. Ms Scaffidi, please resume your seat in the witness box.

**MS Lisa-Michelle SCAFFIDI, recalled on former oath:**

45 COMMISSIONER: Ms Scaffidi, in your absence your counsel's objection was heard and resolved. Your exclusion from the room is no reflection on

you?---Thank you.

Mr Urquhart.

5 MR URQUHART: Thank you, sir.

Ms Scaffidi, we have got those messages up on screen. They start from 25 August 2018?---Mm hmm.

10 And they go through to 9 September of that same year, which is indicated on the next page which we will probably get to in a minute. If you could just have a look at those messages and confirm with me that these are a number of text messages exchanged between yourself and Mariella Harvey Hanrahan?---It appears so, yes.

15 We can see a lot of Xs there from time to time in the messages?---Both ways, yes.

Yes, both ways?---She's a passionate Italian.

20 Right. We will just go over the page, do you see that? Third from the bottom, Ms Harvey Hanrahan's sent you a text with a number of Xs and, "I love you heaps"?---Okay, that's fine.

And you responded, "I was going to call today, it's been mental. I will try and call you tomorrow, love you leaps!"?---Yes, no problem.

25

And then on 9 September, Ms Harvey Hanrahan is obviously indicating something that you've sent, "Looks yummy and you all look so happy. Who is everyone? Family"?---I don't recall.

30 If we go back to 6061?---6 - sorry? 51?

COMMISSIONER: 6051.

35 MR URQUHART: My apologies, 6051, you can see the very first message that Ms Harvey Hanrahan sends you, "Hi darling, can I please call you urgently", and your response was, "Just call any time, no need to MSG"?---Yes.

40 Would I be right in saying - incidentally, there's 30 text messages you sent each other over the course of that 15 days, from 25 August through to 9 September of last year?---Okay.

45 Having looked at those messages, I would suggest to you - and you had known Ms Harvey Hanrahan for a considerable numbers of years, hadn't you?---Since about 08, yes.

So it would be not inaccurate to describe the relationship that you and her had for a number of years as one of close friends?---Of a friendly nature. We don't socialise

together. I mean - - -

I didn't ask you whether you socialised?---Mm hmm.

5 I'm simply asking you whether it would be accurate to describe you - would you at least the description "friends"?---Business friends, yes. Business friends.

You wouldn't say to business friends, "Call me any time"?---Yes, I do. I'm very accessible.

10

What's the difference between a business friend and an ordinary friend?---Well - - -

Isn't it just a friend that you've met through business?---That's what I said to you a few weeks ago, with regards to Geoff.

15

So there's really no difference, is there?---You made a difference of it a few weeks ago.

We have moved on from there?---Okay.

20

I'm not talking about Mr Blades and your relationship with him, I'm talking about your relationship with Ms Harvey Hanrahan?---Let me just say, she does use the word "darling" a lot.

25 You were close friends and you have been for many years?---No, we weren't close - we are not close friends, we are business - through business we are friends.

Even though it would appear that you're sending her personal photographs?---I think it was some food I'd cooked.

30

Or food you'd cooked?---Yes

[10.15 am]

35 That had nothing to do with business, did it?---I can't recall. When was that? August 18. I said here, "I'll send you my" - something never-ending. I think it was - that was the next page. My recollection is she asked what I was doing and I sent a picture of something I'd cooked.

40 I just want to take your mind back to 2015 and 2016?---Sure.

You're on the board of the Perth Fashion Festival?---Yes.

You are a business friend of one of the organisers?---Mm hmm.

45

In that situation, did you have a difficulty remaining impartial and objective when considering sponsorship applications on behalf of the Perth Fashion



5 Festival?---No. As impartiality suggests, you declare that conflict or that nature of things and it's made aware that you are telling the public or whoever it is that you will focus on the issues and that you will be mindful to turn your mind to the needs, without favouring unfairly, people you're associated or something that you do have a connection to and I very much maintain that.

10 Did you ever consider voluntarily excusing yourself from these meetings in 2015 and 16, because I know you did it in 2017, but just in 15 and 16?---My answer to that is that I didn't think you could voluntarily depart the Chamber, that that wasn't acceptable with the Act. I might have that wrong but that was my understanding.

You're right, that you have?---Okay.

15 There's no provision in the Act which prevents someone with an impartiality interest from excusing themselves from Chambers?---Okay.

Because you see, you would agree with me there would be degrees of an impartiality interest, wouldn't there?---I accept that.

20 I will give you an example of that. In 2016 Councillor Yong declared a financial interest in the sponsorship application on behalf of the Perth Fashion Festival and left the meeting when the matter was considered, and he did that because he'd received tickets to the previous Perth Fashion Festival?---And if I may add, that was with Governance advice.

25 All right, and that was valued at - it could be no more than a couple of hundred dollars, you see?---Yes.

30 The Act required him to remove himself and I just want your view as to - I'm not suggesting for a moment that you had to - - -?---I understand.

- - - excuse yourself for declaring an impartiality interest?---I understand.

35 But a part of this Inquiry's role is to recommend whether there should be changes made?---I get that, it's for better Governance.

Yes?---I totally agree with that.

40 Good?---And - - -

No, I just mention that to you because this is the reason why I'm asking you this question?---Okay.

45 It's no criticism of you whatsoever?---Okay.

But do you see how it could be said that a Councillor in Mr Yong's shoes would still be able to consider such a sponsorship application without allowing his own

interests to influence him, more easily than a Councillor in your shoes who's got, it would seem, a much closer connection to the matter?---Yes.

You would agree with that?---Yes.

5

I've mentioned those Public Sector Commission reports?---Yes.

I think there were two, one into Healthway and then there was a second broader one into government agencies?---That was the one I got for the pre-reading.

10

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

So you've had a look at that?---Yes.

15

And that report was handed down in February of 2016?---Okay.

And am I right in saying that that then led to a change or changes being implemented in the City and no doubt, other local Councils?---Yes, I think that would be the timeframe. We never saw that report before, I've only seen it for the first time as pre-reading but I am aware of Martin writing to Jennifer Matthews, the head of the Department, in July 16 and it was very much a drawing of a line in the sand on previous practices of the City versus what they would be doing moving forward, and I would have said mid 16.

20

25

I'm going to suggest to you you were aware of the ramifications of the report several months prior to that?---Several months prior?

Yes, because I'm going to ask you whether you recall posting any messages to your WhatsApp team of Councillors regarding this matter in March of 2016?---No, I don't remember.

30

I don't want it to be a memory test, I will show you what appear to be messages from you?---Okay.

35

Madam Associate, if we could have, please, 14.0179, TRIM number, sir, 13609.

COMMISSIONER: Thank you.

MR URQUHART: Unless you tell us otherwise, Ms Scaffidi, I'm just assuming that those messages that appear from your phone in this material has been sent by you?---Sure, that's fine.

40

Thank you?---Okay. Can we blow that up a little bit, please?

45

Madam Associate, are you able just to enlarge that for probably all here?---Thanks, perfect.

I would just like to take you now to that first message from you towards the top of the page, that one there, which you sent on 24 March 2016 at 12.11 pm?---Right, see it, yes.

5 :

10 *Yes, Janet is right. Gifts equal hospitality and tickets and in case some of you don't get that, if you voted on events and attended them in the past, you well could have voted with a financial conflict. This is no joke.*

Then you mentioned in another sentence there:

15 *A Cr who's positioning on this is all about her own interest and not City or yours.*

We will just ignore that?---Okay.

20 It's clear then you are bringing that to the attention of your fellow Councillors that are part of this WhatsApp group?---Yes, 24 March 16, okay.

Which is a month after the Public Sector Commission report was handed down?---Okay.

25 All right?---Yes.

Then you provide some further advice to members of your team towards the bottom of the page there?---Right.

30 This is the one I'm looking at, 12.29?---Okay.

Do you see that, "Good example"?---Right, yes.

35 "Good example", and this is just an example, as I understand "you're providing your vote to support Christmas Pageant and then attend a party and Pageant with your family, you voted with a conflict"?---Correct.

40 "Same with ballet, opera, PIAF", which is I understand is the Perth International Arts Festival?---Yes.

"The list goes on and on"?---Yes.

And I suppose we could add to that also the Perth Fashion Festival?---Yes.

45 Would that be right?---Yes.

And also, although I don't think you attended, the Hopman Cup as well?---Yes.

Would that be another event?---Yes.

5 As a result of that, did the City advise Councillors that they would need to make Gift Declarations with respect to tickets that they had received in the past, or free tickets I'm referring to?---In the past?

Yes?---As in retrospectively?

10 Yes, exactly?---I don't remember.

Because the Inquiry's got a whole lot of Gift Declarations that were made by Councillors, including yourself, in the last week of March of 2016?---Okay.

15 With respect to, example, the Perth Fashion Festival that Elected Members attended the previous September?---Okay. I don't recall that.

I can show them to you, those ones that you filled out. Madam Associate, that can come down now, please, and if we can have a look at 16.6331, TRIM number, sir,  
20 21273.

COMMISSIONER: Thank you.

25 MR URQUHART: Ms Scaffidi, I will just give you an opportunity to have a look at that?---Mm hmm.

That appears to be your signature, towards the bottom of the page?---It is.

30 So you accept that this is a form - - -?---Yes, I do.

- - - that's been filled out by yourself. There were a number of forms that you completed on this day and we can see the date there, 23 March 2016?---Yes.

35 And as I understand, the reason why it's so late is because you got a direction from the City that - - -?---Yes, for 15. Okay, I'm with you. I get it.

40 So these are the Gift Declarations that you've made regarding tickets you received?---Yes, and I have a recollection of signing, and I think I even took a photo of how many I was signing.

Right, thank you?---I do remember.

45 Good. In the top right-hand corner there it reads, "EM initials verification"?---Yes.

And they are your initials?---They are.

So you've got here - it's been typed out, "Date gift was accepted, event accepted, 4 August 2015" and the description of the gift, "Speech at the Telstra Perth Fashion Festival Opening Night Dilettante"?---Dilettante.

5 I will spell that the transcript, D-i-l-e-t-t-a-n-t-e, "with guest", and then you've got in brackets, "(CoP sponsored) (TPFF ambassador)" and it's been handwritten, is that your handwriting, "Held on 15 September" - - -?---No, that's not my handwriting.

10 That's not your handwriting?---No.

"Held on 15 September 2015"?---Mm hmm.

15 This is one such case where it could be argued that consideration was passed between the parties, would you agree with that?---Yes.

Because you provided the speech at this event, yes. If we just go to the value of gift and do you agree with me that the stipulation of the value of the gift is important that it's correct or as closely correct as possible?---Correct.

20

Because it had ramifications as to whether it's a gift that has to be declared in the first place, or whether it's a notifiable gift or whether it's a prohibited gift?---Yes.

Do you agree with that? So you have here, "Tickets: \$201.86"?---Mm hmm.

25

And then it's marked the box with a cross, "Actual value", do you see that?---I do.

Given that the fact that you've described the gift as, "Speech at the TPF opening night with guest", that means you took someone with you?---I must have, yes.

30

The ticket prices that the Inquiry has been able to establish actually came to \$200 each?---Okay.

But you've got here, "Tickets: \$201.86"?---Yes.

35

Wouldn't it have been more accurate to have declared that as something close to \$404 instead?---Yes. I have to say, that's typed in, so I hope you can appreciate my PA was making those enquiries, checking the ticket prices. She would have marked the, "Actual value" box and typed in the 201 and I either didn't think to query that it was a per person price, I just don't recall at this point in time why I didn't query it but I accept what you're saying.

40

It should, because you're the one declaring the document as being true and correct?---Yes. I either wrongly presumed it was for two or didn't query it at all.

45

So as I understand your evidence then, where entries have been typed in and there's been a typed in cross in a box?---Yes.

That means it's been completed by your PA, does it?---Yes.

5 Then anything that's in handwriting - well, apart from, "Held on Sept 15"?---That's not my handwriting.

That's not your handwriting but the other handwriting is yours?---Yes.

10 I gather then, that information, "Held on 15 September 15" was information that your PA would have got from you?---I don't know.

"Is this the first gift you have been offered by this person/organisation" , do you see that next question?---Sorry, where's that?

15 It's after the box that says, "Value of gift"?---Okay, yes.

Nothing has been ticked or crossed with a yes or no?---Correct

[10.30 am]

20 Do you agree with me it's important that that information be recorded?---Yes.

Do you have any explanation as to why that wasn't indicated?---No.

25 An oversight by you?---I'd say in the early stages, an oversight.

When you say early stages?---These forms were, or these were the first tranche of forms that we were doing and it was a new system, so yes, not an awareness. If I can just say, more recently, post my appearance at SAT - that might not be answering your question but I think it's relevant - that I then started keeping a separate book so that I could be assured that every form I completed was ultimately going through the right process and I was more aware of things after the SAT than I was at this stage. I do see the CEO's signed it and I do recall some forms coming back with highlighted or sticky notes on them to say, "Please complete", but not with this one.

30  
35

"Who will benefit from acceptance of the gift", that's left blank as well?---Yes.

40 That should have been filled in, should it not?---I accept that.

Would you agree with me that the person who benefitted the acceptance of the gift would be you and your guest?---Yes, but I would also say, as I was giving a speech, that the City also benefitted.

45 It depends how good your speech was, I suppose?---True.

Then you've got, "Organisation/person offering the gift: Telstra Perth Fashion

Festival"?---Where's that one?

The next line?---Yes, okay.

5 I'm just going down line by line?---Mm hmm.

You agree that's correct, is it not?---Yes.

10 Then, "Contact person" and then, "Contact details." "Relationship with City" can you please tell me what that word is?---Event.

Would it have been more accurate to describe that as a sponsored event by the City?---Yes.

15 "Are they likely to be the subject of a future decision of the City" and again that's left blank?---Yes.

That should have been marked, should it not?---Yes.

20 Because that becomes all relevant - - -?---I agree.

- - - as to whether this might potentially become a prohibited gift or not?---True.

Do you agree with that?---Yes.

25

So again, if that was an oversight, it was a rather significant one, wasn't it?---Yes.

And then it's been signed by yourself and dated and that's the signature of Mr Mileham below there?---Correct.

30

And you have boxes being crossed where it says, "Gift has been accepted" just above your signature?---Yes.

35 "I declare this information is accurate and that acceptance of the gift is not in conflict with the Code of Conduct or Local Government Act 1995 and will not create a future conflict of interest for me fulfilling my position responsibilities", yes?---Yes.

And are you happy that that box was crossed in that way?---I am.

40

Even though the details on that form are not complete?---Yes.

Then the next one, you are right, there are a number that you filled out on this day. The next one is 6333, thank you, Madam Associate?---Right.

45

Again, exactly the same form?---Mm hmm.

And if you just have a look at that?---So I'd say the same issues.

Yes, again the same issues exactly again, isn't there?---Right.

5 Once more, you've described that you've attended the Perth Fashion Festival that was held on 16 September?---Yes.

With a guest?---Yes.

10 So once more, we have that discrepancy with the value of the tickets?---Correct, and if I recall, it was a prospective board member that I was taking as my guest.

Okay, but nevertheless - - -?---I should, yes and I see the point about the tickets. I didn't think to question, I accepted that the value was ascertained correctly.

15 So you'd agree with me then that the ticket price would appear to be \$140.70 per ticket?---I'm presuming you're telling me that, yes.

20 Actually, our enquiries would indicate that it was actually \$180?---Really? Well, yes. I don't why they have even put \$140.70 and yet my recollection was that my PA had made the enquiries on the exact ticket values.

Yes?---It was hardly - I couldn't be doing that - I could, but there were many forms on that day.

25 But ultimately - - -?---Yes, it's my responsibility.

It's your responsibility?---Totally accept that.

30 If we go to the next one now, 6335, please. The TRIM number for that last one was 21274, this one is 21272.

COMMISSIONER: Thank you.

35 MR URQUHART: So - - -?---Is this the Myer one?

This is the Myer lunch?---Mm hmm.

40 Incidentally, just with respect to the last one, would I be right that you didn't perform any official functions at that Runway 1 event? Do you want to go back to that?---I can't recall.

45 But if you hadn't, then - - -?---I was speaking at a lot of the events. I just can't tell you on that particular one, whether I was. I do think I spoke at the Myer one, the next one.

All right, if you didn't speak on any of these ones, then there wouldn't be any



consideration?---I don't say that definitively.

No, but it would be harder to contend that - - -?---Yes, I understand.

5 - - - that there was consideration?---Yes.

So 6335?---And maybe there should be a check box for speaking but I do believe I spoke at the Myer lunch. I recall being up on stage.

10 Just being welcomed or did you actually speak?---No - well - - -

Do you know whether it was this year or another year that you've done that?---Are there accompanying documents on yours that show where the event was, because if it was at the Frasers, then I did speak.

15

I can't help you with that, I'm afraid?---It doesn't say.

But I do note that whenever - - -?---We usually stapled - - -

20 - - - you've stated whether you're speaking because I can show you another one a little bit later on, which I will get to, where you did indicate you did give a speech?---I was just going to say that they were often stapled to the invitation, but I don't see that here.

25 So again, the details that were missing on the previous two again appear here?---Yes.

Again, just for your information, you've been allowed to invite a guest to this one and clearly you did because that's specified and the information that we have that that price of \$346 is indicative of a total price for two tickets?---Okay.

30

Okay?---I got it right for once.

You got that one right?---Lucky.

35

So we have looked then at - if we look at the next one, 6337. Busy week for you, Ms Scaffidi, because you're attending another event?---Exhausting.

40 At the PFF on 19 September 2015?---And if you only knew how much I would have loved to have been home in my pyjamas.

You could have said no to these events?---No, I couldn't.

45 No? If you weren't giving a speech?---Look, it should have been marked there and I can't recall.

As I said to you, we will get to another one shortly in which you did give a

speech?---Yes.

And I will ask you a question about that. Once more, you took a guest with you to this event on 19 September?---Yes.

5

2015. Once more, that ticket price is, from what we can find out, is only for an individual ticket?---Okay.

Okay, the information that we have received from the organisers is that these ticket prices, it was \$180?---Okay.

10

Because Ms Scaffidi, am I right in saying that you had, for these events, very good seats?---Of course, yes.

Is it your understanding from your time on the board that there was a price range for tickets?---Yes, there is.

15

Depending on where someone was sitting?---Of course, yes.

And depending on whether - - -?---The front row and then back, correct.

20

Would you agree with me that if a Councillor was to have one of those front row, more expensive seats, then the value of that particular ticket - - -?---Yes, I do accept that.

25

- - - should be received on forms such as this?---Yes.

Rather than the lowest priced ticket?---I totally agree and I think that these were evolving realisations and things that can be improved upon in years to come with these forms, 100 per cent.

30

As you can see there, again, the same details are missing as on the previous ones?---Yes.

When we go to the next one, it's 6339. This is the red coloured numbered embossed over the City of Perth emblem. So this is the next one, 6339. It's for an event with Steph Audino, I think she's a fashion designer, is she not?---She's a young Perth based fashion designer who I've strongly championed because she's quite impressive - incredibly impressive.

40

That's a good plug then for Ms Audino?---She's amazing.

Okay. You've taken a guest with you for this one?---Yes.

Once more, the ticket price there is not only, from our enquiries, less than the single price of a ticket - - -?---Okay.

45

The single price for a ticket was \$180, but even then, if it's specified as \$140.70, it really should be double that?---Okay.

Because you've taken a guest, do you see?---That's a shame, yes.

5 It is a shame, isn't it, that it's repeated over and over again?---I accept that, no issue at all. That's an error and it's regrettable but it wasn't done with any intent. It was the early stages of those forms being completed and I didn't make the calls myself and I presumed that it could have been itemised as a per person price and/or the correct price.

10 But given the fact now that not just you but the other Councillors were fully aware of the importance of making these declarations?---Yes.

15 It would seem that there was - and you're not the only one?---No, I understand.

But there seems to be a lack of care about getting these details as accurate as possible?---Yes, I accept it's carelessness and I accept that we should have been more diligent, but it was such a change from what we had been used to and it is an evolving system and if I was to show you some of the forms from my return in 18, I think there would be quite a difference.

20 But Ms Scaffidi, the form itself is relatively easy to complete though, is it not?---Yes.

25 A value of a gift, it's pretty easy to state the correct value of a gift, is it not?---It should be.

30 If we go now to 6341, thank you, Madam Associate. This is closing night?---Right.

On 20 September?---Yes.

35 Again, you took a guest with you?---Mm hmm.

And again, our enquiries show that the \$201.86, whilst the correct price for a single ticket, would be double that of course for two tickets?---Okay.

40 Okay?---Yes.

So you wouldn't have an issue with that?---It's incorrect.

And again, the same details are missing as before?---Yes.

45 And I gather your explanation for that is the explanations you gave when I showed you the very first one?---Yes.

Thank you. If we go to the next one and this is the final one for declarations you needed to make for 15?---15, yes.

It's 6343?---Yes.

5

Thank you, Madam Associate. Sorry, sir, the TRIM number for that last document was 21271 and this one, it's 21276.

[10.45 am]

10

This one, I know we are dealing with this last but it actually would appear to be the very first event that you attended for the 2015 Perth Fashion Festival because it's the speech that you gave at the launch?---This is launch of Windows in the City, it's not the launch of the Fashion Festival per se.

15

Okay?---It's a little competition to encourage retailers to dress their windows for the Fashion Festival period.

So it's connected in that sense?---Yes.

20

And there, as I said to you before, I was going to bring you to this one. You've actually indicated or it's been indicated there, a speech was given?---Right.

So given the fact that you declared on two occasions on which you gave speeches at events associated with Perth Fashion Festival in 2015?---Yes.

25

If you didn't state - if speech wasn't stated in this declaration form, then it's likely that you didn't give a speech?---Yes, I would accept that. My secretary's very good.

30

And that was a value of \$40 and the Inquiry hasn't been able to find out what the value of that is?---Okay, I don't - I presume she checked, although it is a, "Estimated value", tick or cross, it's not an actual value. My recollection is it was a stand up event and I don't think there was much catering because it was a morning event.

35

I've added this up?---Yes.

And it would seem for those events, just using the Gift Declaration amounts that appear there?---Yes.

40

It still comes to over \$1,000?---Okay.

And then a lot more if in fact you allow for the fact that it would appear that second ticket's value wasn't stated?---Okay, yes.

45

Thank you, Madam Associate, that can come down now. Would you accept then

that even on your stated amounts, these gifts became prohibited?---Yes.

That being the case, if the next sponsorship application for the Perth Fashion Festival was to come up, then you potentially had a financial interest  
5 conflict?---Potentially, but in 15, I do recall, because of the reading I was given for this, that there was reference in the agenda item to an exemption being the Lord Mayor in her role as festival ambassador in the document.

You're referring to the 2015 sponsorship application or the - - -?---Yes, I am. I did  
10 look at that online. Yes, I am.

What about the 2016?---2016, I made an impartiality interest.

Yes?---Yes. I didn't recall - wrongly or rightly, I didn't recall that limit and I  
15 certainly wasn't reminded by Governance, as often was the case with some Councillors getting it - I think all the time actually, Governance were reminding Councillors of the value of tickets they'd received but I don't recall anything else.

Let's go to the Ordinary Council Meeting for 2016 at which this sponsorship  
20 application was considered and I think this material was provided to your lawyers?---Yes, it was.

So that's on 9 August that year. Madam Associate, if we could have a look at - I  
25 am mindful of the time, sir. I'm happy to continue but it might be that others here would prefer a break?---I'm okay.

COMMISSIONER: Ms Scaffidi says she's okay, so let's continue.

MR URQUHART: Thank you, sir. Thank you, Ms Scaffidi. 16.6637, Madam  
30 Associate, TRIM number 23763?---Yes.

So that's just a clarification that it's the correct - - -?---Cover sheet.

- - - Council minutes we are talking about?---Correct.  
35

If we could go now please to the second page, 6638. We can see immediately  
under that heading, "Marketing, Sponsorship and International Engagement  
Committee reports", we can see that the event sponsorship application that had  
40 been made by Perth Fashion Festival appears there. So now we go to 6640, thank you, Madam Associate, just so we can have a look at who was attending this meeting and we can see you were the Presiding Member?---Yes.

And everybody was there except Councillor Green?---Right.

45 Would that be the case?---Okay.

So now we go to 6641, please, and there, that deals with, at the bottom of the page,

a disclosure of members' interests, can you see that?---Yes.

Do you remember I mentioned to you a little earlier that Councillor Yong had declared a direct financial interest?---You did.

5

With respect to the Perth Fashion Festival and there we can see that's been done. The nature of that interest was that he "attended event" and given the fact that this was August of 2016, it would had to have been on of the Perth Fashion Festival events prior to that?---Okay.

10

Prior to 2016?---Yes.

Then we see your declaration that you've made regarding the same item?---Yes.

15

It's an impartiality interest?---That's correct.

Nature, "Lord Mayor Scaffidi is a board member for Telstra Perth Fashion Festival, not remunerated"?---Yes.

20

And if we go over the page just to make sure we have a look at all the other declarations - I don't want to spend too much times on these, Ms Scaffidi, I just want to confirm with you that there's no other declarations that you've made. We can see a number of declarations of a proximity - - -?---There is another one, but it's another item, yes.

25

My apologies, yes. I was just referring to this particular item. Yes, you've made a proximity interest declaration?---Yes.

30

With respect to some lighting. Then at the bottom of the page the Disclosure of Interest regarding the WASO sponsorship matter is dealt with and Councillor Adamos has made a declaration there and if we go to 6643 now, Councillors Davidson, McEvoy and Yong?---Right, okay.

35

And they are all making the same direct financial interest declaration?---Yes.

You see that?---I do.

40

And that's all to do with the fact that they have accepted tickets to the event to various values within a 12 month period?---Correct, and Governance assisted those Councillors directly, yes.

45

Would I be right in saying, Ms Scaffidi, that you would have been aware at the time of the meeting of these financial interests that had been declared?---Yes, I would have seen them at the time.

And you would have seen the reason why they have declared a financial interest?---Yes.

And it's to do with tickets that they'd received?---Yes.

Within a 12 month period?---Correct.

5

Did that ring any bells for you as to what you ought to have declared over and above your impartiality interest declaration?---I don't recall it did trigger any bells because, as I hope you can understand when you're chairing a meeting with many items on the agenda, you're kind of gathering your thoughts about a number of things but I accept that it should have; it didn't.

10

That you should have declared a financial interest?---Yes, but I do repeat that these Councillors would not have recalled their financial interest. They were assisted with Governance help.

15

That may be so, but I'm just asking about you, Ms Scaffidi?---Yes, I accept it.

Then if we go back to 6641, and we can see there that Councillor Yong has made a financial interest declaration with respect to the very same matter - - -?---Correct.

20

- - - that you now accept you ought to have done the same thing?---Yes.

So I'm just asking you, Ms Scaffidi, how could it possibly escape your attention, given all these declarations - - -?---I don't recall.

25

- - - that were being made, that you should have made a similar declaration?---I accept that. I don't recall.

Might one explanation be is that you wanted to vote on the Perth Fashion Festival sponsorship application?---It might be. I just feel that it's more the case that I wasn't consciously focusing on any other interests in the belief that my impartiality interest was enough and I perhaps didn't realise that I had exceeded the values, which we now know I did.

30

But even on your own calculations, it came to in excess of \$1,000 and even subtracting those two events where you may well have had a consideration, it still brings it to amounts very consistent with, for example, the amounts that Councillor Adamos and Councillor Davidson and Councillor McEvoy were declaring for the financial interest they had with the WASO sponsorship application?---Yes, and my response would be that I did factor consideration in more than probably was reasonable because of the overlapping roles as ambassador and board member around that time.

35

40

But you did understand at the time though that if you were to declare just an impartiality interest, you could still participate?---Correct.

45

But if you were to declare a financial interest - - -?---I was out.

- - - you would not be able to?---Yes, I accept that.

5 Ms Scaffidi, in March of that year, so five months earlier, you made it abundantly clear - - -?---Yes.

- - - to your fellow Councillors who were in that WhatsApp group that, "This is no joke"?---Yes.

10 "You now have a conflict"?---Yes.

Do you accept that you weren't practising what you were preaching with respect to this?---I accept I'm not infallible. I accept that there was an error there in the calculations, a regrettable error.

15

Would you agree with me that given all the other declarations that were being made, it is - - -?---A tick, yes, I've already - - -

20 I haven't said whether you are agree with it or not. It is an extraordinary oversight?---It's an oversight.

A very bad oversight?---Well, regrettable, but an oversight. I'm only human.

25 A very bad one?---Mm hmm.

Yes?---Yes.

30 And one that shouldn't be made by a Lord Mayor who ought to be leading by example?---Yes.

So again, that comes back to this question I have for you as to whether you did that and only disclosed an impartiality interest so that you could vote on the matter?---My answer is no.

35 That's my explanation, or a possible explanation for this oversight?---Okay.

40 And your explanation is, well, you were just - you were very busy; is that essentially it?---No, that's an excuse and I don't want to make an excuse. I just recall often at the beginning of these meetings I felt I had covered myself and I accept now it was a careless error.

But you maintain it was not a deliberate error?---Absolutely not deliberate.

45 Ms Scaffidi, I don't know if you have - you may or may not now have a recollection of what happened in this meeting in light of the fact that you were provided with the minutes but the officer recommendation was for a certain amount?---Yes.



To be provided by way of a sponsorship. However, there was an alternate motion filed. So we will just come to that. Are you happy to still continue?---Yes.

5 Thank you. So 6654, if we could go to that, please, Madam Associate. I won't go through the contents of the rather detailed report?---No problem.

I was just asking you to have a look at this particular page and the recommendation. The Marketing, Sponsorship International Engagement  
10 Committee recommendation was that, "Council approves total sponsorship of \$269,315.91", do you see that?---Yes.

So that was the amount recommended by staff?---Okay.

15 It is supported by the Marketing Committee two weeks prior to this meeting?---Right.

So we now go to 6656 and we can see that an alternate motion is moved by Councillor Davidson and seconded by Councillor Adamos?---Yes.

20 Do you see that, "Council approves a total sponsorship of \$299,315.91"?---Yes.

So a \$30,000 increase?---Correct.

25 Do you see that?---I do.

What knowledge did you have prior to this meeting that Ms Davidson was going to move that alternate motion?---Right now, I don't recall. If that's the original - no, that's the minutes. Often the alternative motions were handed out at the meeting.

30 Okay, but what knowledge did you have before the meeting that that's what Councillor Davidson was going to do?---I don't recall what knowledge I had.

Might I suggest to you that given the close relationship that you had with  
35 Councillor Davidson, that it's almost inevitable she would have discussed this with you?---Look, it could well be. I'm not saying she didn't discuss it with me, I just don't have a recollection back in 16 whether she did or not. What I'd like to add to that answer is that Councillor Davidson was equally as passionate about the event as myself.

40 That was going to be the next point I would make?---Okay, sorry.

Therefore, given that fact, that the two of you were probably the most passionate regarding the Perth Fashion Festival, she would have discussed this with you  
45 before she moved that motion?---You say the most passionate, I would include in that Councillor McEvoy and Adamos as well.

Okay, of that group?---Yes, fine.

5 From the investigations undertaken by the Inquiry, of the two Councillors who were still on Council at this time, the two Councillors who attended the most fashion events over the previous 10 years, was certainly yourself and Councillor Davidson?---Okay, no problem.

10 And also, there's definitely regular attendances by other Councillors but it would seem that yourself and Councillor Davidson were the most regular?---I totally accept that and actually, conversely though, I would tell you that Judy McEvoy never attended a Fashion Festival event but she was still a staunch supporter.

Okay. So given all that though?---Yes.

15 I suggest to you that Councillor Davidson would have run this by you before she moved this alternate motion?---I do not recall.

You don't recall?---I don't recall.

20 But that's entirely possible?---Possible.

Given the relationship the two of you and given the fact that both of you were strong supporters?---Possible, but I don't recall.

25 Bearing in mind, Ms Scaffidi, that you, by your own admission, should not have been participating in this, when that alternate motion was put, it was carried. We will just have a look at the voting outcome there. 6657 now, thank you, Madam Associate?---Okay.

30 Votes are recorded as follows: for, yourself, Councillors Adamos, Davidson and McEvoy?---Yes.

Against, Councillors Chen, Harley and Limnios?---Right.

35 So it passed by one vote?---Okay.

If you had excused yourself, it would have been a tie?---M'mm.

40 And correct me if I'm wrong, that would have meant that the alternate motion would not have passed?---No, it would have been a casting vote, wouldn't it?

I don't know, I'm asking you, would it have been a casting vote?---Look, I might be wrong, it's a while now with the Standing Orders, but I think it would have been a casting vote from the deputy.

45

And who was the Deputy Lord Mayor at the time?---16, who was it? Limnios.

Yes?---So he might have gone against it, yes, okay.

Do you see there, so the Perth Fashion Festival got an extra \$30,000 in sponsorship?---Okay.

5

As a result of that vote?---It's Council's prerogative to do that though.

Yes, but Ms Scaffidi, it's not Council's prerogative to remain and vote on an item in which they have a financial interest, is it?---We have established that, but it is Council's prerogative to increase - - -

10

Yes, but the point I'm getting at is, this in all likelihood would have almost inevitably failed had you been out of the room?---I don't know - well, we don't know. You're presuming because I would have to say, I recollect that Linnios voted in 17 and it was unanimous in 15.

15

That might be so but I'm just looking at 2016?---Fair enough.

This is the matter. It doesn't matter about what's happened in the past or in the future. On the face of it, this alternate motion would have failed?---It might have, yes, I accept that.

20

COMMISSIONER: Are you moving to something different now?

MR URQUHART: I am, sir, yes.

25

COMMISSIONER: Given that, the Inquiry will now take the morning adjournment for 15 minutes.

30

**WITNESS WITHDREW**

(Short adjournment)

35

40

45

HEARING RECOMMENCED AT 11.22 AM.

**MS Lisa-Michelle SCAFFIDI, recalled on former oath:**

5

COMMISSIONER: Yes, Mr Urquhart.

MR URQUHART: Thank you, Commissioner.

10

Ms Scaffidi, before I move on beyond that August 2016 Ordinary Council Meeting, can I just clarify a couple of things with you. Can I just ask you this: once you became the board member of Perth Fashion Festival, did you consider that that alone meant that you had a financial interest in any sponsorship applications made by the Perth Fashion Festival?---No, my recollection is, it was a not for profit entity or an incorporated body and it was not remunerated, so there was no financial interest.

15

Did you seek the advice of anyone in Governance for that or was that a decision that you just made yourself?---I don't recall.

20

Ms Scaffidi, you also mentioned before the break, remember I was asking you about if a member had an impartiality interest and I asked whether you considered voluntarily leaving the Chamber?---Yes.

25

When that matter in which that interest arose came up on the agenda?---M'mm.

And you said your understanding was a Councillor wasn't allowed to do that?---Yes.

30

Could I just ask you where that you got that knowledge from?---I don't know where I got it from. My view was that you had to cast a vote.

Yes?---And that you were never allowed to just vacate the Chamber unless it was a financial interest.

35

I see. Did you think that might have been in the legislation somewhere?---Look, I couldn't say.

40

Because I just want to draw your attention to something that's been drawn to my attention and it is a section in the Local Government Act. Madam Associate, could I ask you to get that legislation up on the screen so we can have a look at it. So it would be the Local Government Act 1995 and in particular, it would be around page 144, section 5.21. See the heading, "Voting" and I just wanted to draw your attention to subsection (2) there and I will just read it out for the purposes of those here, "Subject to section 5.67" and that's in relation to a declaration of a financial interest, "each Council member and each member of a committee to which a Local Government power or duty has been delegated who is

45

present at a meeting of the Council or committee is to vote."

?---Okay.

5 Is that where you may well have acquired that knowledge that you had?---Yes, I think it is.

10 Thank you. It would seem, Commissioner, I've been told by Mr Parkinson, that the Court of Appeal hasn't squarely determined whether that means a member is not permitted to excuse themselves. It still hasn't really been determined by the judiciary, one day it might be but in any event, that may well have been where you got that knowledge from?---Yes.

15 Thank you, Ms Scaffidi. Thank you, Madam Associate, that can come down. If I can go back to that time frame that we were talking about before the break. So we have addressed the August 2016 Ordinary Council Meeting. In September of 2016, so a month later, am I right in saying you used free tickets to attend two shows put on by the Perth Fashion Festival for its 2016 event?---I don't remember, can you show me the gift - - -

20 You can't remember that?---No.

25 Tickets provided by the organisers? No, you don't remember? Right. I'm going to show them to you now. Madam Associate, 16.6347, please. Does that assist you with refreshing your memory?---Yes. Just so I'm clear, you're saying this was after the 16 Council meeting?

30 Yes, the Council meeting was on 9 August of 2016?---Yes, that's right. Okay, yes, that's fine.

So, "Event accepted" you've got here, "Date gift was offered: event accepted, 10 August 2016, LM to attend the TPF 2016 TPF 2016" - it's just repeated again, "Future runway event on Friday, 23 September 2016"?---Okay.

35 Once more, you have signed that, although it appears that you signed it in the wrong spot?---Yes.

40 And Mr Mileham has made a pun there but never mind, that's your signature that appears there?---Correct.

And it would seem that you've completed and signed this form on 11 August of 2016?---Yes.

45 Can we just have a look at this again. The value of the gift - can you remember now attending the Fashion Festival?---No, I'm sorry, I don't. If you told me where that event was, that would trigger a memory but if you can't tell me where it was, I can't recall. Was it at the State Theatre is what I'm thinking?

Let me have a look?---It says Ticketmaster.

5 Yes, we will get to that in a moment: so this is the Future Runway event. It was held at the Perth Concert Hall?---Okay, Perth Concert Hall. I don't recall it.

Okay?---Sorry.

10 The value of the gift there has been described as \$49.88 each?---Right, yes.

And then typed out, "Ticket value on Ticketmaster as \$49.88 per adult ticket"?---Correct.

15 Who has completed the typewritten portions of this Gift Declaration?---My PA.

Under your direction?---She was pre-empting what I needed to do so I accept it has to be under my direction but I think she was working ahead, trying to probably do a number of these each time.

20 Do you know whether you received one or two tickets to this event?---I don't recall. It does say "each" there which is good to see, but I don't recall and it doesn't say "with guest" so I couldn't tell you. I feel I went on my own.

25 It seems from the Perth Fashion Festival records - - -?---Can you tell from my diary?

- - - relying on information received from the Perth Fashion Festival would suggest that two tickets were given to you?---Okay. I don't recall it.

30 [11.30 am]

There's been a cross next to the phrase, "Actual value", do you see that, "Value of gift"?---Yes.

35 Ms Scaffidi, I will just ask you this, I know you haven't got much of a recollection of this?---Sorry.

40 Can I ask, every time you went to a Perth Fashion Festival event, am I right in saying that you got very good seats?---No, not every time. With the major designer ones, of course, the Lord Mayor would likely be seated in a front row seat, but this one, I just don't recall. Was it a stand up thing? Sometimes you can tell by the price, that they are not - - -

45 Perth Concert Hall, this was. I don't think there's a mosh pit at the Perth Concert Hall?---I don't have any recollection of it, I'm sorry.

You're a board member of the Perth Fashion Festival?---M'mm.

5 In those circumstances, if this ticket was being offered to you by the organisers, they wouldn't be putting you, to use the colloquial term, in the bleachers, would they?---No, they don't necessarily give you front row. Are you saying it was front row?

It might be second row or third row, but it was right up the front?---Okay.

10 Would I be right in saying that?---I really can't even place myself at this event but I'm happy to accept what you're saying.

And there is evidence that you should have been aware of the price of these tickets each for \$160?---Whoa, okay. May I ask where that evidence was?

15 We will get to it?---Okay.

20 There is a box completed for, and then underneath that, "Is this the first gift you have been offered by this person/organisation" and there's a box, "No" and you've got a cross there, so that was correct, wasn't it?---Yes.

"Who will benefit from acceptance of the gift" and there's a, "N/A" appears there?---Yes.

25 Is it your understanding that means not applicable?---Yes.

Is that an adequate answer?---I saw it appearing in a number of these forms that I was given in the pre-reading and I don't recall why N/A was put there. I can, you know - - -

30 The question was, is that an adequate answer?---It's an answer because my response would be that I was a Lord Mayor and/or a board member attending and therefore it was in my line of duty.

35 Ms Scaffidi, I will ask the question for a third time: is it an adequate answer?---Would I use it now? No.

Should have you used it back on 11 August 2016?---It was used a number of times I've seen from the forms.

40 Should it have been used on 11 August of 2016?---It wasn't - look, no, but it wasn't also queried by Governance so I just can't recall but it equally wasn't sent back to me to correct.

45 So would you agree with me it wasn't - you say it wasn't an adequate answer?---I'm happy to say - - -

Now that you accept it wasn't an adequate answer - - -?---Yes, I'm happy to say it's

not an adequate answer.

Let me finish the question?---Sorry.

5 It wasn't an adequate answer on 11 August 2016?---Correct.

Just going a little bit further we have got here that the person offering the gift was, "Fashion Council WA, Telstra Fashion Festival. Contact person: Melissa Brennan" and actual contact details, contact number?---Right.

10

"Relationship with City stakeholder. Are they likely to be subject of a future decision of the City" and, "Yes" is appearing there with a cross?---Mm hmm.

15 Going back to the value of the gift, it's been typed in, "Ticket value on Ticketmaster as \$49.88 per adult ticket"?---Okay.

That may well have been the case but it might not necessarily have been the price of the ticket that you had, would you accept that?---I understand what you're saying, yes.

20

And it was to your knowledge, back in 2016, that there was a grade in prices for tickets?---For that event, I don't recall.

25 But in all likelihood there would be, wouldn't there?---Well, I just don't recall, I'm sorry, because you've said that that's the Concert Hall and I can't even recall the event at all.

When I said, and then asked to be shown the documents regarding the price of \$160?---Mm hmm.

30

We will go to the invitation that was extended to you?---Okay.

35 Madam Associate, if we could go now please to - so this is the 2016 Future Runway Event, so this is now 16.6829. If we then start from the bottom of the email there, it's from Melissa Brennan, you know her, don't you, from the Fashion Council of WA?---Look, I think I've met her. She was involved in a coordination role.

40 This is an email on 2 August 2016. It's addressed to a number of people but correct me if I'm wrong, the only person it's addressed to who has any affiliation with the City of Perth is yourself?---Sorry, we are looking at the bottom half, are we?

45 Yes, except for a CC to Angela Pernat?---Okay, yes, I see me.

And Angela Pernat was your PA at the time?---Yes.



So Ms Brennan has said in this email:

5                   *Hi all, in an event to make the RSVP process easier, and not bombard  
were you a dozen e-invites, this year I've put together the attached  
ticket order form. I can always provide copies much e-invites if you  
would like to forward to your guests and for your reference, tickets and  
wristbands will be - - -*

10                   And we will just go over the page now, Madam Associate, to 6830. Whilst that's  
being done, sir, TRIM number 24816.

COMMISSIONER: Thank you.

15                   MR URQUHART: :

*- be distributed the week commencing 5 September. Any questions,  
please let me know. Thanks, Melissa.*

20                   ?---Mm hmm.

So she refers to an attached ticket order form?---Right.

25                   So we now go and have a look at that and that's 6831. You attended this event on  
Friday, 23 September, so do you see there, "Complimentary ticket allocation", and  
if we just go down to - - -?---What was called again? Future runway?

Future runway?---Yes.

30                   Do you see, "Fashion Paramount, Perth Concert Hall. Number of tickets available:  
two."

COMMISSIONER: Madam Associate, can we have the top half blown up, please.  
Thank you.

35                   MR URQUHART: Do you see that there?---Okay, yes.

40                   Thank you. If we go now and blow up halfway down the page, "Additional ticket  
purchases" so you're going to get two complimentary tickets and then it reads, "If  
you would like to purchase additional tickets, please complete the table below.  
Best efforts will be made to seat your guests next to you"?---Right.

And the second item there that appears in the left-hand column, "Future  
runway"?---Okay, yes, I see.

45                   \$160 per ticket?---Yes.

Would you agree with me that would suggest that the complimentary tickets that

have been offered to you are worth \$160 each?---Totally - not as an excuse, I probably would not have opened the attachment, I would have forwarded the email to Angela to reconcile. I didn't realise that the ticket prices would have been in it.

5 Is that necessarily right, Ms Scaffidi, because you've selected two events to go to?---Okay.

That would suggest to me then that you would have looked at - - -?---Okay, she would have printed it off for me and brought it in, so I accept that, yes, okay.

10

And you accept also that you would have been aware of at least the price of additional tickets?---I wished I had. I can't recall, I now see it very clearly but I don't know what I saw at the time. I don't recall what I saw at the time, and this is 16, right?

15

2016, yes. So using those values?---Yes.

If you had - - -?---It's 320.

20 \$320?---Correct.

Your maths is impeccable?---Not always.

25 On this occasion it is and maybe it wasn't very impeccable when you filled out this form because it would seem \$49.88 - - -?---I totally accept that.

Each is - yes. Ms Scaffidi, it doesn't actually specify that if in fact there were two tickets obtained by you, it doesn't specify that's the case, that there were two tickets?---Okay.

30

And the \$49.88 each may well have been the price of lowest valued ticket on Ticketmaster?---Yes.

But it falls under \$50 by 12 cents?---M'mm.

35

40 So if we go back now to 6347, thank you, Madam Associate - just before you do, maybe we should just go to - if I can just advise you - if we go over to page 6823, the next one before that, we can see that your PA has accepted on 10 August 2016. Do you see that, "Thank you for invitation, the Right Honorable, the Lord Mayor, Lisa M Scaffidi is delighted to accept and attend this event"?---Mm hmm. Yes.

I will just point out that it doesn't indicate whether you accepted one or two tickets or not?---No.

45 But nevertheless, there was at least one ticket?---Yes.

That would seem to have been valued at \$160?---Okay.

If we can go now to the other event that I mentioned that you attended, Ms Scaffidi, at the 2016 Perth Fashion Festival and this is 6349, thank you, Madam Associate, TRIM number, sir, 21268?---This is the same one, is it?

5

No, this is a different one now?---A different one, an international one.

This is the International Runway. The one previous was the Future Runway on 23 September, this is the night before on 22 September?---Mm hmm.

10

So once more, we see a value being given for the tickets, \$70.27 each?---Yes.

Ticket value on Ticketmaster as \$70.27 per adult ticket?---Okay.

15

No doubt you will be able to gather where I'm going from now with this?---Yes.

If we can now go to the invite that was sent regarding this matter, so it's the International Runway Whole 9 Yards Event, you can just make that out?---Right.

20

I know, it's been stamped over by Mr Mileham's stamp, or his office, but it says, "The International Runway, Whole 9 Yards Event on Thursday, 22 September." So Madam Associate, if we can go now to 6823, please, TRIM number, sir, 24815.

COMMISSIONER: Thank you.

25

MR URQUHART: This would seem to be an email that was sent - no, this was the same email that was sent from Melissa Brennan to you but the response from your PA is exactly the same, although it specifies that you'll be attending this particular event, the International Runway Whole 9 Yards Event?--- I see.

30

So two separate events?---Okay

[11.45 pm]

35

I will just go now to the same ticket allocation form that I've shown you earlier and we will just use 6825 for that exercise. Thank you, Madam Associate. This event, six down, "Complimentary ticket allocation", do you see that?---Yes.

40

Two tickets were offered to you, you don't know whether you accepted two or not?---No. I don't know.

45

Again, for the additional ticket purchases, if you have a look at the second column there, maybe just blow that up, please, Madam Associate, it appears about halfway down the page?---Although may I just say, Angela would have said if I was taking a guest probably on the email, which she didn't.

I'm not saying you did, I'm just asking you whether - - ?---I don't think I did.

For the purposes of this exercise, you can see there that for an additional ticket purchase for this particular event, it was going to be \$180 a ticket?---Sorry, I just can't see that one.

5

Where that little hand Madam Associate's kindly used?---There it is, okay.

That being the case, in all likelihood, the ticket that you received was of the same value?---Yes.

10

That means that - thank you, Madam Associate, that comes down. So even though you've had a declaration, these two Gift Declarations the amounts came to just under \$75, a more accurate of the description the value, the combined value would be \$160, plus \$180, \$340?---Yes.

15

And are you able to explain then the importance of that amount?---I agree, it's carelessness and I regret that I didn't look or that I accepted the Ticketek price.

20

Yes, but the importance of the difference between \$75 and \$340 is what?---\$200-and something.

Yes, I don't want to ask you a leading question. It's over \$300, the combined amount becomes a prohibited gift?---Yes.

25

Do you agree?---Yes.

It shouldn't have been accepted?---Right, I accept that.

30

You accept that, because by the tick that you've put on those Gift Declaration Forms, the Perth Fashion Festival might be the subject of a future decision by the City?---Correct.

So again, carelessness?---Sadly so.

35

Even though we are talking about 2016?---Yes.

And you've gone through the CCC investigation regarding declarations - yes? You have to answer rather than nod your head?---Sorry, I'm listening to you, I didn't know you'd finished.

40

So you'd gone through that, that whole saga with the CCC?---Yes. No excuse, the forms were evolutionary but yes, I accept.

45

And then on top of that, we had the two Public Sector Commission reports?---Yes.

Do you agree with me that this is - you've said it's careless, however, it is another example of your failure to comply with your legal obligations?---I accept it's a

careless error and I should have been more vigilant.

And it's a failure to comply with your legal obligations?---Yes.

5 Would you agree with me you've displayed a lack of proper concern for those legal obligations?---Not knowingly.

Well - - -?---I didn't do it with intent.

10 Even though the declared amounts that you made fall within the parameters of a notifiable gift and not a prohibited gift?---Yes.

So that was just a coincidence, you're saying?---I take full responsibility for that. However, I think my caring staff were trying to assist me as well, but I have to take  
15 the responsibility for the error.

So it was just an unfortunate coincidence for you, was the question?---Well, I don't think coincidence is the word, it's just a duplication of error there, with those two  
20 events.

Which just so happened to have those tickets to fall within the notifiable gift range?---Yes, it just so happened, yes.

Which would still entitle you - - -?---Yes.

25 - - - just looking at that exclusively - - -?---I understand what you're saying.

- - - notwithstanding any other interest you had that would prohibit you from - - -  
-?---Yes, and I don't believe it was intentionally done. I just don't recall it strongly  
30 enough now.

I'm going to ask you something else now. These invites were extended, as we have seen, to you on 2 August 2016?---All right.

35 And then the acceptance is made of those tickets on 10 August of 2016?---Okay.

Was there a reason why you chose to accept the tickets on 10 August?---I have no idea. I have no idea, it could have been I hadn't had a chance to go through mail with Angela in the days prior, it could have been I wasn't around, I just don't recall.  
40

On 9 August 2016 was the Ordinary Council Meeting?---I see. Okay. That's where you're going with your angle but no, I honestly believe that it was just when I would get to mail with Angela. Again, if I could see my diary I might be able to pinpoint whether I was around in the office or whatever.  
45

Because one way of looking at that, maybe a cynical mind would look at that and think, "Yes, the Lord Mayor waited" - - -?---Delayed.

Yes, until after - - -?---Yes, I see what you're saying.

5 - - - she had voted on the matter at the Ordinary Council Meeting?---Of course.  
That would be a cynical mind but you're entitled to your view.

I didn't say it was my mind, I was just saying a cynical mind, not my cynical mind?---I understand.

10 But again, you would describe that as just another coincidence?---I have no explanation for it because I can't tell you when I looked - when I sat with Angela, and it wasn't every day that we would do those things.

15 So then there was another sponsorship application on behalf of the Perth Fashion Festival in 2017 and if you looked at the material that was provided to your lawyers?---Yes.

20 You would have seen that was dealt with by Council at its Ordinary Council Meeting on 6 June of 2017?---Okay.

And yes, in this particular matter, you declared a financial interest?---Yes.

For this matter?---Yes.

25 So we will just have a look at the declaration of the financial interest and the reasons why you did it?---Mm hmm.

30 Madam Associate, these are the minutes from that meeting and specifically 6416, so 16.6416. I'm just going straight to - - -?---The bottom of the page.

- - - section of it here, just to save time but we can see there it's the Ordinary Council Meeting from 6 June 2017?---Correct.

35 You're quite right, you've found it there at the bottom of that page, "Disclosure of members' interests: Lord Mayor Scaffidi, event sponsorship, annual event sponsorship, Telstra" and we will go to the next page in a moment but the nature is, "Direct financial interest" and if we go to the next page, please, Madam Associate, 6417, it continues, "Telstra Perth Fashion Festival" and the extent, "The Lord Mayor is on the board of the Telstra Perth Fashion Festival and received  
40 tickets to attend the event last year", those being the two tickets, or those tickets that you declared earlier, whether it was two or four, but I accept what you're saying, it was just two?---I'm pretty sure it was two.

45 That's fine. Am I right in saying that your interest, your financial interest was exactly the same as when the sponsorship application was dealt with the previous year, 2016, to the extent that you were on the board in 2016 and you had received tickets to attend the event the previous year?---Yes.

5 So what you made you acknowledge that your interest with respect to the Perth Fashion Festival was a declarable financial interest on this occasion, rather than the impartial interest which you had declared the previous year?---I have a very clear recollection of, before that Council meeting, we used to gather in the little hallway outside and I - we were just chatting about the meeting as we would ahead of going into the meeting to do the prayer, and I spoke to Mark and Martin, Mark Ridgwell and Martin Mileham and I said, "Oh, and Perth Fashion Festival", I said, "In view of all of this, just remind me, what did you do the last two years? You might find it odd that I don't remember but there is a lot going on", and they said, "Look, I don't know" and there was a conversation that ensued about, "Have you attended events", I said, "Yes", and I reminded them I was on the board and they said, "Well, you need to declare a financial interest and vacate the Chamber" and we had that conversation, and the reason I recollected that conversation, you actually sent, or the Inquiry sent me a transcript of the meeting and there's a reference in there to Councillor Harley asking what we were talking about prior to going in, and that triggered my memory.

20 Excellent, so Councillor Harley's assisted you in this instance?---For a change, yes.

25 Yes, for a change. Excellent. However, up until that point in time you weren't clear whether you had a financial interest to declare?---I was feeling more - as I was becoming more aware of these obligations, I was erring on that side and I'm happy that I did it with everything that's been discussed.

Ms Scaffidi, were you expecting any other Councillor to declare a financial interest for the Perth Fashion Festival?---I don't know. How would I know?

30 Were you expecting another Councillor?---I don't know.

For example, a Councillor who had regularly attended Perth Fashion Festival events in years past?---So you're inferring Councillor Davidson?

35 Councillor Limnios or any other number?---I didn't turn my mind to that.

40 Did you say to her, "Look, Janet, you better check with Governance as to whether you might have the same sort of conflict I have"?---No, because as I just said to you, this was a conversation like a few minutes before the meeting, so they weren't around.

45 But you'd be able to speak to her?---Not at that point, no.

Too late?---Yes. She would already been seated at her chair and I was just outside in the passage. They were all gathered ahead of me going in as the Lord Mayor with the CEO and the Governance guy.

Would there be anything preventing you suggesting to either the CEO or the

Governance Officer, "Look, before this item is called and in light of the discussion we have had, could you just raise with Councillors whether they might" - - -?---I didn't turn my mind to it. I didn't turn my mind to it.

5 Didn't turn your mind to it or didn't - - -?---To suggesting it to others, no, I didn't.

Can you offer an explanation for that?---No.

10 So by this stage in June of 2017, the members of your aligned group had been reduced to six, would that be right? I'll go through the names: yourself, Councillors Davidson, McEvoy, Adamos, Yong and Chen?---If you want to say that. I don't necessarily concur with that.

15 What, that those - - -?---Chen was a bit of a swinging voter, if you want my honest opinion.

I'm just referring to who was on the WhatsApp team at that point in time?---Okay, yes.

20 Councillor Limnios' number had been deleted?---Correct.

I gather you had done that, had you?---Look, probably.

25 So that left those six still on the - - -?---Yes.

Councillor Chen was still there, wasn't she?---Yes, correct.

30 So of those five, two who you were closest to would be Councillors Davidson and McEvoy?---I would have said Davidson, McEvoy and Adamos.

And certainly Councillors Davidson and McEvoy you'd known the longest of those three?---True

35 [12 noon]

Mrs Davidson has told the Inquiry of all the Councillors she served with over the 20 years that she was on Council, you were her closest confidante?---That's lovely.

40 Would you argue with that?---No.

And she informed the Inquiry that you've been a character referee for her, do you remember doing that?---Not really, but I accept that I would have.

45 As I said to you on the last occasion, she cannot recall an occasion in the 18 years you and she were on Council together that she voted differently to how you voted?---You didn't tell me that it was her before.



I'm telling you now?---You're telling me today.

Okay?---Yes.

5 She's also admitted previously that with respect to another sponsorship application, this one by Mellen Events for the renovation of the Piccadilly Theatre, do you remember that?---I do.

10 I asked you some questions about that in the past. I don't want to revisit that matter?---Okay.

But I just say to you that in her evidence, she said she would have followed whatever position you took on that matter?---Really?

15 Okay?---Okay.

So with that information and your knowledge, obviously, of your close friendship with Councillor Davidson, can you tell us what your knowledge was of her intended plans to amend motions at this Ordinary Council Meeting on 6  
20 June?---We are in 17 now?

Yes, 2017?---I do recall that there was an extra amount given again and I think it was \$25,000.

25 An extra amount given to Perth Fashion Festival?---Yes, that's right, and for the reason, and I want to explain this, for the reason that the Administration were dropping back on the funding and if you look at the schedule of years, they had been given higher amounts and they were pegging it back.

30 But Ms Scaffidi, that was across the board though, wasn't it? For many sponsorship applications the amounts were decreasing over the years?---No.

No? Are you certain about that?---I feel I am certain about that.

35 Are you saying then that the reduced amounts that Perth Fashion Festival were receiving was inconsistent with the amounts that were being given to other sponsorship applications?---I have a view on the inconsistency but it's only my view.

40 I'm asking you whether you're saying that it was inconsistent?---I can't be 100 per cent sure, but I feel that there was an inconsistency with how the Fashion Festival was being treated.

45 There was a tightening of requirements and tests to see whether an organisation was entitled to sponsorship?---Triennial sponsorship, yes.

Yes?---And if I recall what I've read it was saying that the Perth Fashion Festival

didn't quite meet that. At the same time, the Administration, in my opinion, weren't helping the Fashion Festival to meet that.

5 We are getting a bit sidetracked now. I was just asking you about that. Getting back to my origin question, what was your knowledge of Councillor Davidson's intentions to propose an alternate motion, and this is prior to the meeting?---I know, and I know now that she did move the \$25,000 but I do not recall that we discussed it ahead of the meeting.

10 Would I be right in saying though, in all likelihood she would have, just like you said in all likelihood she would have discussed with you the increase - - -?---She may have flagged it.

15 - - - the previous year?---She may have flagged it because of the previous year.

I've reminded you - I've told you who she regarded you as, her closest confidante?---Yes.

20 Of all the Councillors that she - - -?---So I'm happy to accept that. I don't have as clear a recollection of it as her but I'm happy to accept that, if that's what she's told you.

25 Are you only prepared to accept that if that's what she's told me?---No, no, I didn't mean it like that. I'm accepting what you're saying.

Were you also aware that she intended to file an alternate motion with respect to the sponsorship of the Hopman Cup at this Ordinary Council Meeting in June of 2017?---So with the Hopman Cup - - -

30 I'm just asking you whether you had prior knowledge of that?---I can't recall if I had prior knowledge but I know that that was unanimously agreed upon because - - -

35 That might be so, Ms Scaffidi, but I'm just asking you - - -?---It's triggering a recollection.

- - - whether you had prior knowledge of that?---I may have, I can't definitively say but I may well have.

40 You may have had prior knowledge of Councillor Davidson's intention to propose an alternate motion to the Hopman Cup sponsorship, reducing that by \$25,000?---M'mm.

45 And then proposing an alternate motion at the same meeting?---Yes.

For the sponsorship amount recommended for the Perth Fashion Festival to be increased by precisely the same amount, \$25,000?---I understand what you're

saying and I don't recall her conflating the issues. I recall unanimity over the Hopman Cup issue.

That might be so?---Sorry, I'm just trying to explain my rationale.

5

I'm trying to ask whether you had knowledge of it?---No, I don't believe that she had discussed it because she knew of my role on the board. Despite what you're saying about her being a confidant to me, she also understands the requirements of the code.

10

The requirements of what code?---Of the way we don't discuss those items and I was declaring an interest.

Yes, but you were declaring an interest - - -?---Just prior.

15

- - - just before you stepped into the meeting?---Yes, but she knew - - -

I'm talking about before that?---I understand.

20

Before that, you hadn't considered whether you had a financial interest or not, as I understand your evidence?---I knew I had an interest.

Yes, but not a financial one?---Janet Davidson also knew that I was a board member and she is very across governance. In fact, I consider her to be a governance expert within the group.

25

Are you really saying that?---I relied on her advice with governance a bit and I felt that she had a good knowledge of the - a better knowledge of the Local Government Act in many respects to me.

30

And was very compliant with completing accurate Gift Declarations?---I don't know what her situation is.

That's a matter of governance, isn't it?---Yes.

35

So you don't know - - -?---Sorry?

You don't know about the manner in which she completed Gift Declarations?---I don't know what her situation is.

40

But you're saying, given the fact that she was the expert on governance, one would expect her Gift Declarations to be extremely accurate and correct?---Well, I would have relied - I would have expected her to have undertaken her duties appropriately.

45

But let's get back to this?---M'mm.

You didn't declare your financial interest - you didn't believe - let me put it this way, you didn't intend to declare your financial interest until just before the meeting?---No, I was - sorry.

5 Isn't that right, as I understand your evidence?---I was clarifying it with the CEO and the Governance Manager.

10 So it was only just before the meeting you realised, "I've got a financial interest here"?---No, it wasn't that I just realised, I was clarifying it with them, which I'm entitled to do - - -

15 Certainly, but your decision to declare a financial interest was only made just before the meeting?---Well, I wasn't required to announce my decision until I was in the meeting.

Yes, Ms Scaffidi, I understand that. I'm not being critical of this, I'm just establishing what I thought was your evidence?---It is my evidence.

20 Yes. You made a decision to disclose a financial interest just before the meeting and I know, the Act says that you can either advise the CEO before the meeting or before the matter is called at the meeting, you can disclose to Council that you have that interest?---Yes.

25 I just want to get the timeframe right?---I understand and my practice was to do it at the meeting.

So your decision to declare a financial interest was only made just before the meeting?---It was confirmed or consolidated just before the meeting.

30 So what I'm suggesting to you is then, if Councillor Davidson was to discuss what she proposed to do regarding the Hopman Cup and Perth Fashion Festival sponsorship amounts, she would have confided in you at a time when you both believed you would be both voting on the matter?---Okay.

35 Would that be fair to say?---No, because my recollection is that we had discussed - annoyance is the word with the funding for the Hopman Cup, and it wasn't the tickets because I never went to the Hopman Cup anyway, so it wasn't the ticket issue for me. The annoyance with the Hopman Cup was that this was a State event and it was a lot of money.

40 Ms Scaffidi, I don't want to - - -?---Okay.

- - - hear evidence, I just want to know whether - - -?---That's my recollection.

45 - - - what this recollection is that you had of the discussions you had with Ms Davidson regarding her alternate motions. You've said you may well have and I just wanted to confirm that if those discussions were had between the two of you,

it would have been at that stage, on the assumption that both of you would be voting on the two matters?---I don't accept your connection of the Hopman Cup to the Fashion Festival and - - -

5 I'm just saying hypothetically. If you discussed the matter, then you both would have discussed it on the basis that - - -?---I don't accept the hypothetical, I can't accept the hypothetical.

10 I know you're not, so that's why I'm saying if?---But I want to add one other key point that I think is really relevant.

15 I just wanted to get an answer to a question that I thought was relatively straightforward, whether it's a hypothetical or not?---I would prefer it not to be a hypothetical.

20 Yes, I know that, you've told me that again and again, but unfortunately for you, hypotheticals, provided they fall within the Terms of Reference and are not otherwise objectionable, can be put to you. So I'm just simply saying to you, given the timeframe you've told us about when you decided to declare your financial interest, that if, and I emphasise if, you and Councillor Davidson or Councillor Davidson had discussed with you what she intended to do with the Hopman Cup sponsorship and the Perth Fashion Festival sponsorship, if she did that with you prior to the meeting, that would have been - you both would have, or you at least would have had an assumption that you would be voting on both those matters?---Yes, from the hypothetical, but you must also enable me to say that Mariella Harvey Hanrahan was contacting Councillors to seek their ongoing support, which is her entitlement to do so as someone seeking the sponsorship. So Janet's aware of Mariella's concern wasn't subject to being reliant on my information.

30 You thought that was relevant to answer the question I asked of you, I will pass no comment on that but you've said that now? You've completed what you wanted to add?---Yes, thank you.

35 You were present during the Hopman Cup considerations, weren't you?---Yes.

Because you didn't have an interest there and you voted for - - -?---The reduction.

40 The alternate motion?---M'mm.

And you may well be right about it being unanimous, I don't know, it doesn't really matter, but it was passed and so \$25,000 was taken away from the sponsorship amount that had been recommended for the Hopman Cup?---Yes.

45 And then Ms Davidson, just shortly later in the meeting, proposed the alternate motion with respect to the Perth Fashion Festival of exactly the same amount?---Right.

And I know you weren't present there, but having looked at the minutes from that meeting, you would have been aware of what happened?---Yes.

5 And indeed, I gather you would have been told what happened afterwards?---So just on that, you can maybe help me recollect because often alternative motions can be done in writing or just verbally and I don't know if her alternative motion was in writing or if it was verbal.

10 But does that matter?---Yes.

[12.15 pm]

15 As to when you found out?---Because I think if it was done in writing, there was more premeditated - is that the word - thought to it as opposed to doing it from her seat, so to speak, verbally.

I'm saying it was very much premeditated?---Okay.

20 And I'm suggesting to you that given your close relationship you had with her, you would have been aware of it?---My response to that is, I think she was very cognisant of the issues that I had and she is very good in that respect and that was what I was saying in regards to her governance knowledge, that she didn't include me in that conversation but she possibly included whoever seconded it and - - -

25 Her closest confidante?---Yes.

Didn't include you in that?---Correct.

30 Evidence that she's also given to the Inquiry is that she very, very rarely made or sought amendments to motions. It would come down to, she would say on average five or six times a year?---That's probably right.

35 But on this particular night, she did it twice?---Okay.

So what I'm suggesting to you is that you would have been very much aware of what she planned to do prior to the meeting?---I disagree.

40 But you can't rule that out, can you?---No, I can rule it out.

You can rule it out now?---Because I only recall the Hopman Cup - - -

45 You said previously it may well have been possible?---You asked a question along that line and I was answering that question. I am strongly of the view that I accepted the Hopman Cup because there had been discussion of our concerns about the funding of the Hopman Cup. I didn't discuss the Fashion Festival with them.

5 Just going back to an answer you offered to one of my questions which may not have been responsive or not, but as I understand your evidence, you said that Ms Harvey Hanrahan would often contact Councillors and lobby them, wasn't that your evidence?---She would be calling Councillors - - -

10 I'm just asking you whether that was your evidence or not?---Look, I don't know if I used that word but yes, I'm happy to say there was phone calling from a number of people seeking support from the City to ensure that the Councillors understood why and to talk to them about specifics of the event, so if that's lobbying, okay, or it's just making sure that they were across the detail.

15 And would Ms Harvey Hanrahan do that to you as well?---No, I don't believe she did it to me because I would have been aware, but it was standard practice with most proponents that you would get a call from them. So I'm generalising there but I'm thinking of other events, PIAF, Awesome, you know, you would often get the organiser of those events making a round of phone calls to see if we'd been recipients of all the information and were there any questions and trying to get an indication of support or otherwise.

20 I return now to that declaration of a financial interest which you made at this June 2017 meeting?---Mm hmm.

25 That related, in part, to the tickets you received in September of 2016 to go to the Perth Fashion Festival events?---I would say so, yes.

So by that declaration that you made of your financial interest, that would mean that you were not to be involved in any decision-making by Council?---Yes.

30 Regarding City of Perth sponsorship of the Perth Fashion Festival?---Yes.

35 And that would have run as of September of 2016 when you attended those events, would that be correct?---There was no decision-making required until this meeting, yes.

I was asking you the question, okay?---Okay.

40 And you're saying that notwithstanding everything that had come up regarding the acceptance of tickets since the beginning of 2016 and notwithstanding that message you sent to those fellow Councillors on WhatsApp back in March of 2016, it did not cross your mind that as of at least September 2016, you clearly had a financial interest with respect to matters involving - - -?---I thought we'd covered that.

45 - - - sponsorship - yes, I know but I just want to make sure I've got that right?---My evidence hasn't changed from my answers before, that clearly the tote was wrong and the total amount that I had calculated was incorrect, as we have discussed.

Then what made you enquire of the City of Perth officers, just before that June meeting in 2017? Was it your membership of the board of the Perth Fashion Festival or the tickets you had received in 2016, or a combination of both of those factors?---It was the tickets more because I had previously stated that I only had an impartiality as a board member because it wasn't a remunerated board position, but it was an awareness of the, I suppose - what's the word - cumulative value of the tickets and, you know, I'm the first to say that I don't have a governance background and I've been on a steep learning curve with these governance requirements.

Yes, a steep learning curve that would have begun with the CCC investigations?---Yes, absolutely.

Which was some years prior to 2016?---The year prior.

Yes, that's when the report was handed down?---It was 15.

You and I have already gone over regulation 10 of the Local Government (Rules of Conduct) Regulations regarding the email correspondence you had with Mr Lee?---Yes.

And I don't want to rehash that all again?---Okay.

But I just want to remind you what that regulation specified and that was:

*An Elected Member must not direct or attempt to direct a Local Government employee to do or not to do anything in their capacity as a Local Government employee.*

?---Right.

The exception being if it was to do with the Elected Member's deliberations at a Council or a committee meeting, do you remember that?---Yes.

And I asked if you'd breached regulation 10 on any other occasion apart from that one and you said, "I don't recall"?---Mm hmm.

Sorry, instead of "mm hmm" you have to actually answer yes?---Sorry.

That's just for the transcript?---Yes.

If I was to ask you that question again as to whether you'd breached regulation 10 on any other occasions, what would your answer be?---I don't recall.

You still don't recall?---M'mm.



What about the funding that was sought by the Perth Fashion Festival for something it wanted to hold again in 2017, Chinese New Year event?---Okay.

5 Does that ring a bell with you?---The event does. If I sent an email, I don't recall it.

Do you recall that Perth Fashion Festival wanted to participate in that event?---No.

10 No? So 2017, this is the same year that you'd declared you had the financial interest when Council came to consider the sponsorship application on behalf of the Perth Fashion Festival. Can you recall any involvement you had in the Perth Fashion Festival's attempts to get funding for, not its festival in September of 2017, but a 2017 Chinese New Year event?---I'm sorry, I don't but if - I may well have, I just don't recall it.

15 Do you recall arranging a meeting between Ms Battista and a Perth Fashion Festival representative towards the end of 2016?---No.

20 To discuss this very matter?---I'm happy to accept your suggestion that I did. I don't have a recollection of it but there is a recollection that they weren't able to meet with Annaliese easily.

25 So you've now got a recollection that you may well have arranged - - -?---Yes, there's something there.

But that meeting did take place in your mayoral office at the City of Perth?---Okay.

30 I'm just trying to see if this assists now?---No, it doesn't assist, sorry, but okay, I accept what you're saying.

You attended that meeting?---Right.

35 And Ms Battista had Mr Ridgwell, Manager of Governance, also attend that meeting?---Okay, good.

And then there was a representative from the Perth Fashion Festival?---Okay. I still don't recall it, I'm sorry, but I'm happy that it proceeded.

40 Ms Battista recalls this meeting quite clearly?---I'm sure.

Are you saying you're sure because that would indicate that the meeting took place?---No, that would indicate that she's making an issue of something to me.

45 That may be, rightly or wrongly, so that's why I'm questioning you about it now. Her recollection is that you were in support of the City of Perth providing funding to this proposal by the Perth Fashion Festival?---Okay.

And that the Perth Fashion Festival was seeking an amount in the region of \$40,000?---Right.

5 Again, I emphasise this is quite separate from the sponsorship application for its festival later on that year?---I understand.

Of 2017. At that meeting Ms Battista also expressed support for what the Perth Fashion Festival was seeking or seeking to do but she didn't make any commitment to the City of Perth providing - - -?---She wouldn't.

- - - funding?---Well, she shouldn't in such a meeting. It would be a canvassing meeting for want of a descriptor.

15 Subsequently, I suggest to you, you found out that Ms Battista and her officers were not in support - - -?---Okay.

- - - of providing any funding from the City of Perth?---Right.

20 Okay?---Mm hmm.

And this is to do with what the Perth Fashion Festival was seeking for the Chinese New Year celebrations which are held in about February of the year?---Okay, yes.

25 Again, does this ring any bells for you?---I'm sorry, it's not really ringing a lot of bells but let me just add that it's a big part of our international engagement and cultural area to be involved in those kinds of things.

Let me say to you something else that Ms Battista recalled of this meeting. She recalled you saying at this meeting that you believed there was merit in the City supporting this venture because it would activate retailing in the City in a month in which retailers generally struggled?---Fair point.

It being around February?---Okay. That's a fair point, I would accept that.

35 Would you accept that would be a point if you were speaking about this issue, you would say in support of it?---Yes.

40 Was it the case that you would send WhatsApp messages to Ms Battista?---I think for a little while there we were, yes.

I want to show you a WhatsApp message that Ms Battista has given in evidence that she received from you?---Mm hmm.

45 On WhatsApp?---Okay.

Madam Associate, it's 16.6251, please. I'm just starting there - - -

COMMISSIONER: 16?

5 MR URQUHART: Yes, 16.6251, sir, TRIM number 21332. I'm just doing the covering email first before I go to the attachment?---Yes.

[12.30 pm]

10 So this is Ms Battista to Mr Murphy on 27 February 2018?---Right.

And it reads:

*This is a text from the Lord Mayor indicating how unhappy she is about me not providing extra funding for Telstra Perth Fashion Festival.*

15

The reason why I've drawn your attention to that is that this attachment came with an email that Ms Battista has sent from her City of Perth email address, can you see that on the screen there?---Yes. It's November 16, yes.

20 Yes, to her - - -?---To her private email.

Her private address, yes?---Okay, I've got it.

And that's dated 9 November 2016?---Okay.

25

So this is to give it some timeframe?---Thank you.

End of 2016. So if we go now over the page to what she's referring to regarding the texts and that is at 6252, sir. If I didn't give the TRIM number, sir, it's 21332.

30

COMMISSIONER: You did, thank you.

MR URQUHART: Thank you, sir.

35 So that reads in nice big lettering there:

*Update me on where TPFf/CNY is, please. You left off advising me they were asked to finalise a digital strategy. Am I hearing correctly, no funding? If so, no acceptable given your very positive dialogues in meetings. I'm thoroughly confused about the mixed messages.*

40

?---Okay.

45 So does that help jog your memory as to - - -?---Not really, but I do recall digital strategy, that's triggered a little memory.

And TPFf/CNY?---Chinese New Year.

Yes, so Ms Battista's actually given evidence that's a description Telstra Perth Fashion Festival Chinese New Year?---Mm hmm.

5 You'd accept that?---Yes, I do.

It might be a couple of typos there, I will just ask whether you can comment on it or not?---Yes, I'm happy to accept them.

10 Third paragraph there, "Am I hearing correctly", that could be not funding or no funding, I don't suppose it really matters, but would you agree with me that, "If so, no acceptable" should have been - - -?---Not.

"If so, not acceptable given your very positive dialogues in meetings"?---Yes.

15

Again, I want to just ask you now whether that has assisted refreshing your memory?---Not really but I do - yes, it does a little bit in that this was very much a style I observed in Annaliese where she would give very positive commentary in meetings in front of stakeholders but then often go completely the other way with Administration proposals.

20

Would you agree with me that you were expressing your opinion there that funding from the City of Perth should be provided?---No. No, not at all. I think I'm just querying, which I'm entitled to do. I'm not making a judgment on that, nor is it a vote so I am just having a dialogue with her.

25

Were you, though, entitled to have that dialogue, Ms Scaffidi?---I believe I had the best interests of the City at heart there and I was querying the mixed nature of the message.

30

The question is, were you entitled to be seeking, or even corresponding - - -?---I believe so.

- - - with her on these matters?---I feel I was. I was only advocating for the City and for an event that I felt was going to bring a lot of activation to the City.

35

But Ms Scaffidi, if this message was sent on or around 2 November 2016?---2 November 2016, yes.

40 You already had a financial interest - - -?---Well, I hadn't turned my mind to that because I wasn't required to vote on anything until the following year.

Even on your evidence though, you would have - you would accept you had a financial interest in Perth Fashion Festival as of November 2016?---Technically, yes, but in terms of the conversation - - -

45

Not technically, you did?---We have established that.

We haven't established it was a technical financial interest, we have established it was a - - -?---But this is nothing to do - - -

5 No, let me finish?---Sorry.

10 It was a direct financial interest, okay? Now, you are, with respect to this message, asking Ms Battista whether in fact there is no funding and if so, it was not acceptable given the positive dialogues at meetings. You were expressing your opinion that funding should be provided, aren't you?---No, I don't accept that I am suggesting funding should be provided. I am querying my concern about her effusive support shown in a meeting versus a potential no, but it's only a conversation outside of the governance, it's not the governance and it's not a decision.

15 The governance - are you saying governance?---It's a conversation on a WhatsApp with her to ascertain if what I was hearing was right, which I'm entitled to query that.

20 You are saying that the decision not to fund - - -?---Decision not to fund what, sorry?

This sponsorship application - - -?---But was there a decision at that point?

25 Just wait. You are saying, "Am I hearing correctly, no funding", so that would suggest that you'd heard information that funding for this matter was not going to be, or the recommendation was going to be that it not be granted, yes?---I don't recall it.

30 I know you don't recall but I'm just looking at those precise words - - -?---May I ask - - -

No, I ask the questions, Ms Scaffidi. That would suggest that you have heard that the City of Perth is not going to fund this event?---Right.

35 That the Perth Fashion Festival wanted to hold, "Am I hearing correctly, no funding" and then you go on to say, "If so, no" which we have clarified is "not acceptable given your very positive dialogue in meetings." So you're conveying to her that if there was a decision made not to fund, it is not acceptable. That's just the clear reading of those words?---Yes, I accept that.

40 And that's what you were trying to convey to Ms Battista?---But what was the answer?

45 I'm not interested in the answer, I am wanting to know whether you agree with me that is what you were trying to convey to Ms Battista?---I think the third paragraph is what I'm conveying the Ms Battista and the earlier paragraphs are questions.

I don't care about the other paragraphs, I'm concentrating on those. The words speak for themselves, do they not?---They seem to be speaking differently to you than to me.

5

I'm sorry. Those words speak to me as to what they mean, just reading it, "Am I hearing correctly, no funding. If so, not acceptable given your very dialogues in meeting"?---So "not acceptable" is not exclusive, it's not "not acceptable given your positive dialogues in the meetings", it's a sentence. It's not just two words of me expressing an opinion of not acceptable. It's in the context of my being confused by her extremely positive dialogue in the meeting.

10

You're hardly saying to her, "Good idea, there shouldn't be any funding ", are you?---Well, I wouldn't say that either."

15

No, but you're not saying that, are you, in the message?---But I wouldn't say that either.

You're not saying that in the message, are you?---No, but I wouldn't say it either.

20

I'm not saying you said it. What I'm saying to you is that the purpose of this message was to influence Ms Battista and her officers' recommendations that would ultimately be made to the committee and then Council?---I don't accept that.

25

You deny that, do you?---Yes, I do.

You deny that there is no way Ms Battista, if she was to receive a message like that, could feasibly come to that conclusion?---Yes, I'm saying that.

30

There is the Lord Mayor saying to her that it's not acceptable if there is not to be any funding?---No, because it should be a team environment of wanting the best outcome for the City and a constructive discussion about, "What am I missing because you appeared to be so positive in the meeting."

35

But Ms Scaffidi, you shouldn't be having any discussions about this matter because of your financial interest you had?---This was a conversation about something that was relevant to the City in terms of activation.

40

I realise all that. Do you agree or disagree with me that this is - these are discussions you should not have been involved in because of your financial interest in the matter?---I respectfully disagree because I see it was a different item and a different matter.

45

You don't agree with me that you have breached regulation 10 of the Local Government (Rules of Conduct) Regulations with, firstly, arranging a meeting with Ms Battista and someone from the Perth Fashion Festival with you in attendance and then sending this particular message?---You mentioned that Mr Ridgwell

attended the meeting.

Yes?---I'm happy that he did.

5 Leaving aside that, I'm asking you about regulation 10?---I understand.

Which has got nothing to do with Mr Ridgwell?---I understand. I think you're - - -

I'm asking you whether you - - -?---I'm answering.

10

- - - are prepared to accept that you've breached regulation 10?---No, I do not accept it.

All right, let's have a look at - - -?---Because I - - -

15

Because? I was going to remind you what regulation 10 says?---Please proceed.

And then see whether you still maintain that answer. Regulation 10 reads, this is Local Government (Rules of Conduct) Regulations, sub-regulation (1):

20

*A person who is a Council member must not direct or attempt to direct a person who is a Local Government employee to do or not to do anything in the person's capacity as a Local Government employee. Sub-regulation (1) does not apply to anything that a Council member does as part of the deliberations at a Council or committee meeting.*

25

Okay?---Yes.

So I've now read out the entirety of what I regard as a relevant provision, regulation 10?---Mm hmm.

30

Do you still maintain that you've not breached that regulation by the communications that you've had with Ms Battista regarding this matter?---I maintain because of the last sentence in that message, that I was confused about the mixed messages. Her - the more I dwell on it, I still don't remember the meeting but I do remember the Chinese New Year efforts of the organisers around TPF were very sincere in trying to bring an event to that February period.

35

That might well be so?---And Annaliese's style in those meetings with stakeholders was very effusive.

40

Ms Scaffidi, we are getting off track here?---Okay.

Because I've asked you a rather direct question, so I'm going to stop you now, okay?---Okay.

45

So you don't say that you've breached regulation 10 by virtue of that message.

What about the meeting? What about if in fact Ms Battista's evidence is correct and that you did arrange a meeting between her and a representative from the Perth Fashion Festival that you attended yourself, bearing in mind you have a financial interest in the matter?---Bearing that in mind, I still am of the view that was  
5 outside of the festival per se and this was a genuine focus on activating the City in that February time. It was international relations, it is all of the things that - - -

[12.45 pm]

10 Ms Scaffidi, that may well be so. I don't have an issue with that?---That's my evidence.

But what I'm saying to you regarding your involvement and regarding the fact that you had a financial interest with respect to Perth Fashion Festival - - -?---Why  
15 didn't the Governance Manager remind me?

- - - is it appropriate that you should be arranging a meeting with Ms Battista and a representative from the Perth Fashion Festival in your mayoral office and with you participating in the meeting and advocating support for funding from the City of  
20 Perth?---Well, I - - -

Do you regard that as appropriate conduct?---I don't accept your words of "advocating support".

25 That's Ms Battista's evidence?---Okay, so I'm picking up on that.

And I've cited to you what she says you said in the meeting and whilst you say you can't remember the meeting - - -?---Has she got a verbatim - - -

30 Let me finish. Whilst you said you can't remember this meeting, you've said that that would be something you would say about supporting retail in a quiet time of the year, okay?---Yes.

35 So the question comes back, do you regard what you did there, with respect to the fact that you had a financial interest, entirely appropriate?---So I want to just make the point that you say she's advocating - - -

Can you just answer yes or no to that question?---Well, the answer's no.

40 You don't regard it as entirely appropriate?---No, sorry. I'm confused with what you said, that I believe it was an exploratory meeting and the fact that I was there was not picked up by Governance, who could have reminded me of my obligations, although it is my responsibility, but I don't see it as anything other than advocating to do the best for the City that is possible.  
45

So you regard that conduct by you as entirely appropriate?---Appropriate.



Do you?---I don't accept the message as received because of that last sentence.

We have moved on from that, I'm just talking about the meeting now?---I'm sorry.

5 We have moved on?---Okay, so just the meeting?

Moved on, yes?---Okay.

10 You've said that your conduct in sending that message was entirely appropriate, wasn't in breach of regulation 10, so I've moved on from there?---There were probably many - - -

15 Let me finish. I'm now asking you about the meeting. You've disagreed with me that that was in breach of regulation 10 so now I'm just asking you whether you, in arranging that meeting, supporting - - -?---No.

20 - - - this funding and having it in the Lord Mayor's office, entirely appropriate given the fact that you were a board member of the Perth Fashion Festival and, of course, had a financial interest at the time, albeit not to your knowledge, you still regard it as entirely appropriate?---May I respond now?

Do you regard it as entirely appropriate? If the answer is yes, we will move on?---I do.

25 Okay.

COMMISSIONER: Do you want this taken down?

30 MR URQUHART: No, in fact it's going to stay up there just for a moment, sir, because I'm going to ask Ms Scaffidi just one more question regarding this and just in a matter of fairness to you to let you know what Ms Battista said about the receipt of the message. I understand the fractions that existed between yourself and Ms Battista?---I understand.

35 Sir, this was Ms Battista's evidence, on page 49 on 24 June of this year, commencing at line 1. Ms Battista was asked this:

40 *So I'm wondering if you can explain to the Inquiry to your understanding what the purpose of this message was if this was a proposal that a Lord Mayor would ultimately vote on.*

We will just pause there because by virtue of the fact that you had a financial interest - - -?---Correct.

45 - - - you would not have been entitled to vote on this?---I get that.

Are you sure, as of November of 2016 you did not have an understanding - - -?---I

hadn't turned my mind to it in November because I wasn't required to until June the following year.

5 Again, if we can just go - can you explain to the Inquiry to your understanding what the purpose of this message was if this was a proposal that the Lord Mayor would ultimately vote on, and Ms Battista's answer was:

*To influence my officers' recommendation or my recommendation to committee and Council.*

10

Ms Battista was then asked:

*Why do you say that?---I can't see any other reason for sending the message. There's no other outcomes that the Lord Mayor would expect to achieve, I guess, except to tell me off. That was my interpretation of it.*

15

20 So that was her understanding upon receiving this - - -?---And it suits her to say that. It suits her to use the word "influence" and it suits her to undermine me, which she was doing for some time because of her alliance to the other three.

Ms Scaffidi, it's the other way around. You were undermining Ms Battista?---I'm sorry?

25 You were undermining Ms Battista, weren't you, with this message?---No, I was not undermining, I was upholding her.

30 Do you accept though - do you understand why she would regard an email such as this as you telling her off?---No, I don't, as I've already said because I am confused about the messages I saw in person in the meeting with what I was hearing and I was only ask her if what I was hearing was correct.

35 However, though, you've also said in that message, "If so, not acceptable"?---No, not exclusively - - -

40 "Given your very positive dialogues"?---"If so, not acceptable given your positive dialogue in the meeting." That is a different context to the way you say it, "If so, not acceptable." "If so not acceptable given your dialogue in the meetings" is a completely different meaning.

45 It's the person receiving the message, that's what I've quoted directly from the evidence of Ms Battista. It's not coming from me?---Okay.

It's coming from her. Do you at least accept why she might think that this message, amongst other things, was a message telling her off?---No, I do not accept it but I do - I have a view about it.

Was this another example of your emotions getting the better of you?---Not at all.

Do you see how your behaviour here could come across as attempting to influence City of Perth officers - - -?---Not at all, I am not influencing.

5

- - - in their decision-making?---No, I am dialoguing, which I'm entitled to do as I don't believe I have breached anything and I'm looking out for the best interests of the City. So in this case, there are no emotions, as you referred to them. My view is confusion because of her effusive style in front of people and that view is shared also by - - -

10

By many others, I don't want to go there. I'm going to cut you off there now?---No, by the PFF as well.

15

I know where you're going?---Annaliese was - - -

Ms Scaffidi, did I ask you about the PFF's view of Ms Battista? Did I ask you that?---I'm trying to expand on my answer.

20

Did I ask you that?---No, you did not.

You see, isn't this a matter that you were required by law not to be involved in, given your financial interest?---I've already answered that and I don't believe that I shouldn't have been involved. I was advocating for the City, I was advocating for activation of the City.

25

Just in conclusion, can I ask you this: would I be at least right in saying that you never expected your time as Lord Mayor to be as closely scrutinised as it has been in the last few years, beginning with the CCC investigations?---I think that would apply for - - -

30

I'm just asking about - - -?---Correct, I agree with you.

And then I'm going to suggest to you this, that as of 2016, Councillors not in your team began questioning the conduct of you and your fellow team members, didn't they?---Conversely, my response would be that I had three - - -

35

I'm just asking you whether you agree or disagree with that?---No, I don't agree.

40

You don't agree that Councillors Green and Harley began questioning the conduct of you and other members of your team?---May I respond another way?

I'm asking you whether you agree or not with that proposition. I would have thought, Ms Scaffidi, the answer is a resounding yes?---It is a yes but I would like to expand on it.

45

You didn't like that, did you?---No, that's not - no, that is your spin on it.

No, it's not my opinion spin on it. I'm asking you whether you liked it?---I had three Councillors continually undermining me.

5 Ms Scaffidi, then the answer to that is clearly no, you didn't like it?---I answered I didn't like it but I think the - - -

Okay - - -?---Reason - - -

10 Even if their questions raised legitimate concerns, you just dismissed them?---No, I don't agree with that.

I'm just going to give you one example of why I put that question to you and this, Madam Associate, is 16.0798. Just please bear with me everybody, including you,  
15 Ms Scaffidi, while I find my copy of this. This is an email from 31 March 2016?---Right.

It's to the Lord Mayor and Councillors and a number of other officers from the City of Perth have been CCed in. The subject is, "Online Gift and Travel  
20 Registers" and it's from Mr Ridgwell, the Manager of Governance:

*Dear Lord Mayor and Councillors, please find attached the online Gift and Travel Register that will be uploaded to the website 2 pm today, Regards."*

25 ?---Mm hmm.

Is that a common email that would be sent to yourself and Councillors?---No.

30 Do you recall receiving other emails to this effect from Mr Ridgwell?---No.

No?---No.

35 We will just have a look now at - can we just go now to 799 and see what the attachment is. We can see there - you're familiar with this sort of document, are you not?---No.

No?---It's an old version of a gift register, I think.

40 But you're familiar with it, though, from 2016?---Okay. I haven't seen it for a while. Let me just take it in. Right.

You're not there?---Okay.

45 And a number of other Councillors are. I'm just interested in the description of the gifts referring to the 40 Under 40 Awards Dinner?---Okay.

That Councillor Green attended?---Yes.

And also Councillor Yong?---Mm hmm.

5 The Momentum Business Forum - sorry, that's the Italian Chamber of Commerce.  
I'm pretty much interested in just Mr Yong's there, ICCI Momentum Business  
Forum, Italian Chamber of Commerce?---Yes.

[1.00 pm]

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"Date gift was received: 17 March 2016. Estimated value of gift: \$270. Nature of relationship: between the relevant person. Person who made the gift: sponsorship." Do you agree with me that it's important, and I think we have already established this, that the value of gifts, that it's very important to get the amounts right?---Yes.

And indeed, to disclose, if it is in fact a ticket, the number of tickets that the Councillor received?---Yes.

10 So there we go. Mr Yong has declared there that the estimated value of the gift was \$270. Of course, if that was an error, it's appropriate that should be identified, shouldn't it?---Of course.

Whether it's from Governance or anybody else who's picked up the error?---I'm sorry, I don't know where you're going with it but - - -

Don't worry?--- - - - yes.

Don't worry, I'm just asking you generally?---Mm hmm.

20 Yes?---Yes.

And someone who has picked up an error in the Gift Register should be applauded for detecting that error, shouldn't they?---Yes.

25 And no doubt, if you became aware of that, you would have thanked them for picking up the error?---Yes.

30 It's the obvious thing to do as someone in your position as Lord Mayor, wouldn't it be?---Okay, yes.

If we could go now, please, Madam Associate, to 16.0812. That last document, sir, the TRIM number was 24717 for both documents.

35 COMMISSIONER: Thank you.

MR URQUHART: I want to just put this in context now, Ms Scaffidi?---Mm hmm.

40 The bottom email there sent by Mr Ridgwell is exactly the same email that we have just had a look at?---Okay.

And the attachment was exactly the same attachment we have just looked at?---Right.

45 So there we go, 31 March 2016, 11.59 am. Mr Harley has sent an email to Mr Ridgwell and also to yourself and Councillors?---Mm hmm.

And other City of Perth officers, do you see that?---I do.

5 Bearing in mind that Mr Ridgwell has said that, "This online Gift and Travel Register will be uploaded to the website 2 pm today" and this means it goes on the public record, doesn't it?---Yes.

Gift Declarations?---Yes.

10 So it's another reason why it's important to get the details right, do you agree?---Yes.

So Mr Harley has said:

15 *I also note Councillor Yong attended and brought a friend. Keith, it would be a good idea to submit the relevant form ASAP, Yours sincerely, Reece Harley.*

?---Okay.

20 So this is an example of those questions, when you asked me where am I going with this, this is one such example, isn't it?---Yes.

25 Where a Councillor has pointed out to another Councillor that they might need to amend the form as quickly as possible before it's posted online, yes?---Yes.

Sound advice, isn't it?---Yes.

30 Helpful advice, yes?---Yes.

Advice that should be commended, yes?---Yes.

Do you remember how you responded to this email?---No.

35 It should have been a response thanking him for drawing that to a fellow Councillor's attention, shouldn't it have been?---I will explain why it won't be in a minute.

40 Is that because it was from Councillor Harley?---No.

No? So you do know what your response was, do you?---I don't recall it, no.

45 You don't, but you're thinking it wasn't complimentary?---No, because - well, I will see the response and then I will answer.

811, thank you, Madam Associate. Bottom of the page, you responded in 23 minutes:

*No need to be Policeman Reece.*

- ?---Where do I say that?  
5 Right at the bottom?---Okay.
- Do you see that?---Yes.
- 10 If we go over the page to 812 we can see your signature block, so that was the end of the message, do you accept that?---I see. I follow it now, yes.
- "No need to be Policeman Reece", he shouldn't have to be Policeman Reece, should he, Ms Scaffidi?---Reece delighted in - - -  
15 No, he shouldn't have to be Policeman Reece?---No, but he delighted in it.
- He delighted in it?---Yes.
- 20 Whether he delighted in it or not, it's very helpful advice though, as you've agreed?---Can we just go back to my response, please?
- "No need to be Policeman Reece", yes, we have done that?---No, the other page.
- 25 You didn't respond on the other page?---No, the page you just showed me.
- Sorry, you didn't respond on the previous page?---I don't know if I - - -
- You didn't?---No, but I'm asking you to go back to 811, I think.  
30 812?---Sorry, I don't know which way it's going.
- I'm sorry, yes. I don't know why we are on 812. 811, there we go, "No need to be Policeman Reece"?---So up the top.  
35 No, I'm just concentrating on that for the moment. We will get to the others, don't worry. It's not the appropriate response, was it?---I disagree. It's my response, appropriateness or otherwise, it's my response.
- 40 It's not an appropriate response though, is it?---No, you don't understand the context of Councillor Harley.
- So you would agree or disagree that it's not an appropriate response?---I disagree about your view on this response.  
45 Would I be right in saying though that if it was a response by, say, if one of the other Councillors had pointed that out to Councillor Yong, you wouldn't say to



them, "No need to be a policeman"?---Exactly right.

5 Yes, you wouldn't?---Because Reece had a particular style of always wanting to highlight people's inadequacies and I think my answer at the top says, "All Councillors have read it."

10 We will get to that in a moment but this is not an inadequacy of Councillor Harley, is it? He's surely to be commended for what he did in this instance at least, not with respect to anything else he's done? At least with respect to this matter, surely he has done the right thing, hasn't he, with respect to this matter?---Why couldn't he have telephoned Keith?

15 With respect to this matter, he's done the right thing, hasn't he?---Yes, he's done the right thing but the methodology is more public than it needed to be.

20 You see, Ms Scaffidi, if he was such a nasty, nasty person, wouldn't he have allowed Councillor Yong to make a false declaration for that gift that then went online and then expose it? Would you agree with me that would be far more nasty?---That's really suggesting deviance and - - -

That would be far more nasty though, wouldn't it?---Yes.

We will deal with the other emails. So Mr Harley then responds to yours:

25 *I'm not. You've read my email in the wrong way. I'm looking out for others. If I wasn't, I'd just let them make an incorrect declaration, Yours sincerely, Reece Harley.*

30 See, and you've just agreed with me that he could have done that?---I just feel he could have done it more privately with Keith one-on-one and maybe copied Martin. He didn't need to - yes, I just thought it was - - -

35 But Ms Scaffidi, there's a whole lot of things that could have been done better, we are finding out in this Inquiry. This isn't just the only one but nevertheless - - -?---It's the only one you're pointing to me.

40 - - - nevertheless, he could have been far more nasty with this matter if he wanted to be?---I'm happy to accept that. If you want nasty, when do I get a chance to give my evidence?

I'm going to ask you - - -?---The emails leaks and other things.

45 I'm going to ask you about your response, "All Councillors have read it similarly, Reece, as they came to me stating such." Would I be right in saying these were Councillors who were aligned in your team?---I don't recall at this point in time.

"Look after yourself. Take that the right way too"?---Yes.

That's a passive/aggressive response, is it not?---No.

5 No? But you're hardly commending a fellow Councillor who's just raised the fact that a Councillor may well - - -?---The style of it goes on in any organisation.

10 Let me finish - may well have submitted an inaccurate declaration, is it? Look, I accept, Ms Scaffidi, there was a less than favourable relationship between you and several other Councillors, I accept that?---But we haven't explored why.

I accept all that. However, Councillors should treat each other - - -?---They should.

15 - - - with proper respect?---And that was my stance until I was so viciously undermined by three in particular.

20 Of course. So do you at least agree with me that you could have handled this exchange of emails a little better?---I don't find that email rude. I'm just saying, you know, what I felt at the time. It's not any different to any conversations that would go on in a number of workplaces, irrespective of the fact that it now comes before an Inquiry, as it does.

Thank you, Ms Scaffidi. That's all the questions I have, sir.

25 COMMISSIONER: Thank you, Mr Urquhart. Ms Scaffidi, how are you feeling?---I would like to go to the bathroom.

MR URQUHART: Sorry, sir, I wasn't - I lost track of time.

30 COMMISSIONER: Can I just hold you up for one minute, please?---Okay.

35 Thank you. Could I just have an indication, please, from those of you at the Bar table, I would normally go from one counsel to the next but given what Ms Scaffidi has just said to me, I might just get you to indicate by rising to your feet if you intend to make an application.

MR ZAPPIA: Yes, sir, I intend to make an application.

40 COMMISSIONER: Very well. Mr Yeldon?

MR YELDON: Sorry, Commissioner. No, I do not.

45 COMMISSIONER: So I just have the one application then from you, Mr Zappia. ? Yes.

COMMISSIONER: Can you indicate to me how long you think you might be if I grant you leave on all matters? I don't propose to be longer than 10 minutes. There

are a couple of discrete points.

COMMISSIONER: In that case, what I will do now, Mr Zappia, is I will adjourn the Inquiry for five minutes?---Yes, that's fine.

5

To allow Ms Scaffidi to get some comfort and then we will resume?---Thank you, Commissioner

**WITNESS WITHDREW**

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(Short adjournment).

HEARING RECOMMENCED AT 1.18 PM

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**MS Lisa-Michelle SCAFFIDI, recalled on former oath:**

COMMISSIONER: Ms Scaffidi, I will now have you formally excused from the hearing room so I can hear Mr Zappia's application?---Okay.

20

Thank you.

**WITNESS WITHDREW.**

COMMISSIONER: Yes, Mr Zappia.

25

MR ZAPPIA: Sir, I seek to re-examine on two issues, factual issues relating to whether or not something constitutes a gift, whether or not something constitutes a financial interest. A large part of Counsel Assisting the Inquiry's questions this morning were predicated on the assumption that the tickets recorded in the Gift Declarations did in fact meet the definition of gift under section 5.82(4) of the Act. We know that's an objective test.

30

My friend's aware, I'm sure everyone in this room is aware of the Court of Appeal's decision, *Scaffidi v. Chief Executive Officer, Department of Local Government* [2017] WASCA 222 that goes into the relevant factual matters that one must have regard to, ascertaining whether or not something constitutes a gift for the purpose of the relevant provision. So my re-examination would focus on those relevant factual matters, and to would assist the Commission in establishing whether objectively, those tickets which Mrs Scaffidi declared were gifts, were in fact gifts under the relevant legislation.

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Similarly, there's a much narrower issue in relation to financial interest and that focusses on whether or not Mrs Scaffidi had a financial interest by mere virtue of a position on the board of an incorporated association. The incorporated association, being Fashion Council WA, was incorporated under the State Act until 9 December 2016. So at the time of the 9 August 2016 meeting, it wasn't registered under the Corporations Act, and we say that's a point of difference, and

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a point of difference between declaring a financial and not declaring a financial interest in 2016 and declaring a financial interest in 2017.

So that's the remit of my re-examination.

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COMMISSIONER: How do you expect Ms Scaffidi to assist on the second topic? On the second topic, assisting me on her understanding as to - well, there's a reference in the minutes of 9 August 2016 to Fashion Council WA already being incorporated under the Corporations Act as at 9 August 2016.

10

COMMISSIONER: Yes.

MR ZAPPIA: So I was going to ask Mrs Scaffidi to confirm whether or not that is in fact the case but if my friends are aware of when it was incorporated under the Corporations Act, then we can dispense with that.

15

COMMISSIONER: Yes, it seems to me that's a matter on which questions directed at Ms Scaffidi might not be as helpful as the official records being produced and the legal submissions being made.

20

MR ZAPPIA: Yes. It's one question. I've got the company search but I can deal with it out of Inquiry time with my friends.

COMMISSIONER: Yes. Let me just hear from Mr Urquhart on those two matters. Mr Urquhart?

25

MR URQUHART: With respect to the second matter, sir, it's my submission that would be a matter for submissions, if required and indeed, I did ask Ms Scaffidi as to 2015, whether she regarded the fact that she was a board member meant that she had a financial interest and she said it did not. So that was covered for that year in any event.

30

With respect to the other matters, I am fully aware of the Court of Appeal decision, having quoted large sections of it in my opening yesterday. In my submission, sir, though, I did cover those particular tickets in which it could be considered that Ms Scaffidi had rendered consideration for the tickets, bearing in mind the decision of the Court of Appeal, and that was with respect to the speeches that she gave at those events. So in my submission, sir, there really isn't anything further that needs to be clarified, unless my learned friend is of the view that there might be something else by way of consideration with respect to the other four or five events that she attended in which there was no specification as to whether she gave a speech or not.

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COMMISSIONER: And you are inviting him, in essence, to identify those matters now for the Inquiry?

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MR URQUHART: Yes, I am, sir.

COMMISSIONER: Thank you, Mr Urquhart. Mr Zappia, are you able to do that?

5 MR ZAPPIA: I can. If one turns to - if Madam Associate could bring up document 16.6329, when one has regard to description of the gift, it records that Mrs Scaffidi attended in her role as ambassador and one will see that there's a number of these. 16.6331, where it records her as attending as the TPF  
10 ambassador. So in order to ascertain whether or not there was consideration, one would need to enquire as to what her role was as an ambassador and what in particular she was required to do at that event.

COMMISSIONER: I understand that. Is that the only matter? Yes.

15 COMMISSIONER: That's the limit of your questions on the first topic? That's the limit, sir.

COMMISSIONER: Yes, I think that's entirely appropriate. Mr Zappia, I will give you leave on that first topic. For the reasons which you, as I understand it, accept,  
20 I'm not going to give you leave in relation to the second topic because it doesn't seem necessary.

MR ZAPPIA: No, that's right.

25 COMMISSIONER: Thank you. Madam Associate, will you please have Ms Scaffidi brought back into the hearing room. Thank you, Ms Scaffidi. Please resume your seat in the witness box.

**MS Lisa-Michelle SCAFFIDI, recalled on former oath:**

30 COMMISSIONER: Ms Scaffidi, in your absence I heard an application by your counsel to examine you under the Practice Directions and I have given him leave to examine you on one topic?---Right.

35 Which he will now do?---Thank you.

**EXAMINATION BY MR ZAPPIA**

40 If Madam Associate could turn to document 16.6329. Mrs Scaffidi, if you could look at the row which contains the description, "Description of gift", do you see that?---Yes.

Do you see it says, "Lisa M Scaffidi to attend TPF 20th WA Fashion Awards as ambassador." Can you tell the Inquiry what that reference to ambassador  
45 is?---Yes, I was the ambassador from 2008 and ambassador means, advocate, strong advocate for the event.

5 So at this time, when it says you were going as the ambassador to this particular event, what was your understanding of the roles you had to perform at the event as ambassador?---Yes. So Fashion Awards, if it's the event I recall, it was at the State Theatre and I was presenting awards and I was speaking, although I see it doesn't say "speech" there.

10 If Madam Associate could turn to document 16.6331, please. If you could go to the same section on this document as I took you to the last document, "Description", you will see in parentheses at the end of the, "Description of gift" it refers to, "TPFF ambassador"?---Yes.

Were you attending that event as the ambassador?---Yes.

15 Can you tell us whether or not you recall that you gave a speech?---Lord Mayor and ambassador, so yes, it says, "Speech" there.

20 Who prepared the speech?---I always prepared my own speeches. There might have been some dot points given to me from marketing but I would put a lot of effort and passion into my speeches.

You say a lot of effort, are you able to give some kind of approximation as to how much time that took you?---Absolutely, hours. On that particular speech, maybe not several hours. On that particular speech, probably a good hour to two.

25 Let's break down the night?---Yes.

So on the night you give the speech, how long is the speech?---The speech for that might have gone for five or six minutes, is my recollection.

30 And can you tell us whether or not that concluded what your understanding of what was expected of you?---No, I would be very much, to coin a phrase, working the room during those pre-reception and post-reception time periods, trying to - not trying to but talking up the City, talking up the Fashion Festival, talking up the creative industry sector, which was a passion of mine, still is to this day, to really encourage people to appreciate the value of this sector to our economy and of course, we know there's so much talk about diversifying away from our predominant reliance on oil and gas and mining, and people do not appreciate the young creatives that exist in this City. They also don't create the associated events - - -

40 MR URQUHART: I think, sir, we are getting a bit off the topic of the question now.

45 COMMISSIONER: Yes.

MR ZAPPIA: Can you just tell me how long the event lasted?---This one?

Yes?---It would have been a few hours

[1.30]

5 I neglected to ask you in relation to - we don't have to bring it up - the previous event, document 16.6329, do you recall how long that event lasted?---Can you just show me that event again, sorry?

We will bring it up?---339.

10

Yes, the very first document?---Fashion awards, a few hours.

15 If I could just take - if Madam Associate could bring up document 16.6333. This one doesn't specify a speech and you've already given evidence about that, but can you tell the Commissioner whether or not the functions that you understood you were expected to perform in relation to this event differ from the event we just spoke about?---No, the same.

20 How long did that event last, this event up on the screen now?---My recollection, that there were two parades on the one night when it said Runway 1 and Runway 2 and there would be an interval type thing, so there would be pre -drinks, the event, an interval, then another event and then another post-event drinks.

25 If Madam Associate could bring up 16.6335. That's been brought up. You can see the description of event, this is the Perth Fashion Festival Myer Lunch?---Yes.

30 Just to short-cut this, there's no speech but can you tell us whether or not what you were required to perform as ambassador differed in relation to the previous two examples?---No, same.

Can you tell us how long that event took?---That event was another three hours.

35 Thank you. Now if Madam Associate could please bring up 16.6337. Is this the Runway 2 event that you were referring to - - -?---Is it the same date? Yes. Sorry.

Just for clarification, when you're talking about the Runway 1 event, you said it was a few hours?---It's often the same night.

40 But collectively those two, Runway 1 and Runway 2 events, overall, how long were those two events together?---From the time you arrive until the time you go, four to five hours.

45 Thank you. If Madam Associate could bring up document 16.6339, please. Can you just have a look at the description of, "Gift"?---Yes.

Did your functions as ambassador differ in any way from the previous events we discussed?---No.

How long did that event - - -?---Four to five hours.

Perhaps what I will do is, I'm going to take you to the next event?---Yes.

5

And you can tell me whether or not it differed in terms of your role and responsibility and time?---Yes, got it. Thank you.

If Madam Associate could bring up 16.6341?---Same, four to five.

10

And same responsibilities?---Correct.

16.6343?---This one might have been less. I have a feeling, and I just wish the accompanying document was with it, that it was a morning event. It might have been one to two hours.

15

I see it references a speech?---Yes.

Who prepared the speech?---It would have been a mix. It was some key points that the City wanted made in reference to sponsorship support, et cetera, but I would always add and put in my flair and really try and up-sell the creative sectors.

20

So how much time would you estimate you put in to preparing the speech?---That speech?

25

Yes?---Probably an hour.

No further questions, Commissioner.

30

COMMISSIONER: Thank you, Mr Zappia. Mr Urquhart, anything arising out of those?

MR URQUHART: Very briefly, sir.

35

COMMISSIONER: Yes.

MR URQUHART: Ms Scaffidi, I won't be long. With respect to those events that Mr Zappia's just been through and those occasions when you took a guest, did your guest perform any official functions?---The recollection of the guest I took was a potential board member so they were not doing - they were attending, they weren't doing any duties per se.

40

Thank you. Thank you, sir, that's the only question I have.

45

COMMISSIONER: Thank you. Are there any housekeeping matters before I adjourn?



MR URQUHART: No, there wouldn't be, sir.

COMMISSIONER: Thank you very much, Mr Urquhart. Ms Scaffidi, thank you very much for your assistance this morning?---No problem.

5

And this afternoon?---Thank you.

It's much appreciated. I will now adjourn until 2.30 pm.

10 MR URQUHART: If we make it 2.30, sir and we should finish on the schedule today if we start at 2.30.

COMMISSIONER: You've picked the reason for my hesitation.

15 MR URQUHART: Thank you, sir.

**(Luncheon Adjournment)**

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HEARING RECOMMENCED AT 2.33 PM.

COMMISSIONER: Mr Urquhart.

5 MR URQUHART: Thank you, sir. The next witness will be James Limnios and I have noticed that Mr Limnios is in the back of the hearing room.

COMMISSIONER: Thank you. Mr Limnios, please come forward and take a seat in the witness box. Mr Limnios, I understand you wish to take an oath?

10

MR LIMNIOS: Yes, sir.

COMMISSIONER: Thank you. Madam Associate

15 **MR Dimitrios Athanasios LIMNIOS, sworn:**

COMMISSIONER: Thank you, Mr Limnios. Please take a seat. Mr Vandongen?

20 MR VANDONGEN: Commissioner, I seek leave to appear on behalf of Mr Limnios. I also seek leave of Mr Skinner to appear on behalf of Mr Limnios.

COMMISSIONER: Thank you, Mr Vandongen. I can't imagine there would be any objection?

25 MR URQUHART: No. No objection, nor with the other applications that are going to be made, sir.

COMMISSIONER: Thank you very much, Mr Urquhart. Mr Yeldon?

30 MR YELDON: In that case, with your leave, Commissioner, I continue to appear for Janet Davidson.

COMMISSIONER: Thank you, Mr Yeldon, leave it granted.

35 MR YELDON: Jolly good, thank you, Commissioner.

COMMISSIONER: Mr Tuohy?

40 MR TUOHY: Commissioner, I seek leave to continue to appear for Mr Mileham.

COMMISSIONER: Yes, leave is granted, Mr Tuohy.

MR TUOHY: Thank you.

45 COMMISSIONER: Mr Malone?

MR MALONE: I seek leave to represent Mr Harley, Commissioner, with your

leave.

COMMISSIONER: Yes, leave is granted. Thank you, Mr Malone. Mr Urquhart.

5 MR URQUHART: Thank you very much, Commissioner.

Mr Limnios, I gather you're aware of the general topic I will be asking you questions about this afternoon?---Yes, Mr Urquhart.

10 And the Inquiry forwarded a number of documents to your lawyers last week; have you had an opportunity of looking at those?---Yes, Mr Urquhart.

Excellent, thank you. Mr Limnios, I just want to start off with a general question: in your time as a Councillor, and let's just deal with the last three years that you  
15 were a Councillor, what did you understand your obligations were with respect to disclosing gifts you had received in your role as a Councillor?---That we were to disclose gifts.

Yes. Was there an emphasis placed on the value of those gifts?---Yes, between  
20 \$50 and \$300.

MR VANDONGEN: Can I just raise an objection? My learned friend asked "in the last three years" and it may be that Mr Limnios understanding has changed in that period of time, so if the question could be made more specific, that might be  
25 fairer to the witness.

COMMISSIONER: That's a fair point. Thank you, Mr Vandongen.  
Mr Urquhart.

30 MR URQUHART: Do you understand the objection that your counsel has raised?---Yes.

I'm just dealing with your last term as an Elected Member, what did you understand your obligations to be?---In 2015 a new policy was introduced whereby  
35 we had to disclose gifts that - as a result of the issue to do with Lord Mayor Scaffidi, that that policy was introduced.

So from then on, all right, did you understand your obligations were?---To disclose gifts that were valued between \$50 and \$300.

40 Can you remember the term that was given to those gifts by the regulations? Does "notifiable gifts" ring a bell?---Yes, it does.

Did you understand that they were notifiable gifts?---Yes.

45 And what about gifts that were worth \$300 or more, would different obligations apply in those circumstances?---I thought it was up to \$300 was permissible, from

\$300, or \$301 was prohibited.

Do you recall that the description for those gifts that were the \$300 and above bracket, were regarded as prohibited gifts?---Yes.

5

What did you understand if a Councillor was to be offered a gift that fell within the definition of a prohibited gift?---You weren't allowed to accept it.

10 What was your understanding as to the reason for that or why that was the case?---That was the Act.

15 Did you also have an understanding about circumstances in which a person or organisation might offer two or more gifts within a specified period and the combined value of those gifts brought it to a certain amount?---That was later on, I realised that.

When was it that you realised that?---Very recently.

20 As in when?---The last week or two.

I see, just from following the evidence that's been given at this Inquiry?---Yes.

25 You weren't aware of what the regulations required a Councillor to do in those situations whilst you were a Councillor?---This policy was enacted in 2015, it was all very new to all of us. I thought at any time that I received what was defined as a gift, because I didn't think that I received any gifts, that I had to disclose.

Did you in fact do that?---Yes, I did.

30 So with your knowledge that you had back then from 2015 to when you were suspended, that timeframe there, can I ask, what would you do - it might well be a hypothetical, it might have applied to you, I'd just like to know what you would have done - you receive a gift from someone that has a value of between \$50 and \$300, okay, and you make a declaration of that gift. Then if, within a six month  
35 period after that, you received another gift from the same person and the combined value of those gifts raised it to beyond \$300, did you understand what your obligations would be in those circumstances?---Now I do.

40 Now you do?---Now I do and I would never receive the second, whatever that gift is.

But at the time when your knowledge was less of that, you would have still accepted it?---Yes. Actually I would have seen it as two separate, two different.

45 So can I ask you then what was the adequacy of your knowledge regarding gifts and if and when they had to be declared, from 2015?---We started a policy, a form was created and we were advised. I asked for a register of events or anything that I

had recorded, and that you needed to record anything that fell within that.

Okay?---I can't recall, sir, specifically if I asked for a register but I remember thinking about them, sorry.

5

In your time as a Councillor, what was your understanding of when an Elected Member had a financial interest in a matter, and again if we can just stay with 2015 to 2018?---If they had a business involvement or if they were in partnership with an organisation, I thought it was - yes, some business or working relationship.

10

Did you know whether there was any connection between the recipient or the receiving of gifts giving rise to a financial interest?---No, I didn't realise at that time.

15

Did you subsequently come to realise that there was that connection?---Today.

Today?---M'mm.

20

Only today?---In the last week.

Last week? Can I ask you what it was that furthered your knowledge in that regard?---My legal advice.

25

I see. What is your understanding now of the connection between the receipt of gifts and a financial interest?---That it may be seen as a financial interest if you have attended an event for a particular organisation, because you actually attended that event, that could be seen as a financial interest, which I did not understand before.

30

So your understanding of that was only as of last week?---Today even more clearly.

35

Today even more clearly? Again, staying with that timeframe of 2015 to 2018, did you understand what it meant under the Local Government Act if someone was a "closely associated person" with an Elected Member?---I thought it was your family or probably business partner and associate, like that, yes.

40

Again, had you made any connection between whether someone's a closely associated person if they were to provide gifts to a Councillor? You're shaking your head?---Sorry, Mr Urquhart. I'm trying to think about your question. Can you please ask me that question again?

[2.45 pm]

45

Did you understand in your time from 2015 to 18 whether the receipt of gifts from a person by a Councillor may give rise to that person becoming a closely associated person with that Councillor?---Okay, I understand your question. No.

Mr Limnios, just a general question now. In your time as Councillor, again with those three years, who did you regard as being responsible for making sure, first, a Councillor declared a gift if it needed to be declared? Who was responsible for making sure that happened? Was it the Councillor himself or herself or was it somebody else?---Well, we relied a lot upon Governance to actually provide us guidance in that area because it was all very new but also I would think that consciously as a Councillor you would be thinking about those things as well, in particular with the issues associated with 215.

So the interests with 215?---With the publicity surrounding the Gift Declarations of the Lord Mayor.

I see. You described that as 215?---Or 16 and 17, all that period of time.

I see. Sorry, 2015?---I'm talking about the last three years.

Thank you. So I've asked you that in regards to tickets. What about a Councillor's obligations to disclose financial interests in a matter, does the responsibility rest with the Councillor?---Councillor.

Or Governance or a combination of the two?---I would think Governance would be reminding us constantly, but also very much the Councillor.

Again, relying on your knowledge from 2015 to 2018, what was your knowledge if an Elected Member had a financial interest in a matter before Council? Were you aware of what that Councillor was required to do?---To disclose the financial interest.

So you were aware of that, and disclose the interest to whom?---To the meeting.

Right, to the meeting, and then if there were no exemptions that applied, what was that Councillor do when that item was called?---Not to vote on the item.

Not to vote?---To remove from the Chambers, yes.

To leave Chambers, and was that always your understanding from 2015?---Yes.

As to a person's obligation who had a financial interest?---Yes.

Did you know the difference between a direct and indirect financial interest, again between 2015 and 2018?---Not 100 per cent clear. On direct, I would think that you've personally got an investment and indirect, that you might have a closely associated person as part of, I would assume.

Instead of saying I'm talking about 2015 and 2018 - - -?---I accept it.

It will be a given from now on, if that's okay?---Yes, Mr Urquhart.

5 Did you have any understanding of how long, from when a financial interest arose, when it first arose, must a Councillor make that disclosure of a financial interest?---If my memory serves me correctly, I think it's within 10 days.

That's with respect to the declaration as a gift, for example, yes?---Yes.

10 But I'm saying now that if in fact a Councillor was to have a financial interest in a matter, how long from when they first had that financial interest, how long thereafter did they have to disclose that financial interest to Council?---I didn't know because I only looked at matters that came before me. So I would realise at that particular point. I wasn't privy in many cases as to matters, when they would arise and wouldn't arise.

15 Councillor Limnios, you've been a member of a Local Government for a number of years, is that right, at least 10 years?---2009, October.

20 2009 to 2018, so nine years. Can I just get your personal views to assist the Inquiry as to how easy it was for you personally to follow and understand all these requirements regarding financial interests and declarations of gifts?---It wasn't an easy process and it only started to bubble up to the surface from - in the period that we are talking about.

25 Who do you think was responsible for that, because obviously from what you're saying, you could have had more information provided to you, who was responsible for not making sure that Councillors did have this information?---Ultimately, I would say the CEO, head of Administration, and then the relevant Director of Governance.

30 Given what you know now regarding these matters that we have been discussing, do you think more information could have been given to you prior to the suspension of the Council?---Yes, Mr Urquhart.

35 Were you given any guidance by way of briefing sessions or anything of that nature, regarding these particular matters?---If I recall correctly, during this period we did have a briefing on these matters or parts of these matters.

40 And was that briefing helpful?---Definitely, it definitely was helpful but I'm not sure how much it expanded.

Mr Limnios, I want to ask you some specific questions now regarding the Perth Fashion Festival?---Yes, sir.

45 Do you recall voting on sponsorship applications with respect to that annual Perth Fashion Festival?---Yes, Mr Urquhart.

Did you always vote in favour of sponsoring that particular festival?---Most times. There was one particular time that I think I voted against.

5 Can you recall when that was?---It was a time when Councillor Davidson was moving to increase the amount of sponsorship dollars, more than what was assessed to be the correct amount.

10 Yes, I'm aware of that particular meeting and we will get to that in due course. Apart from that at that event or that meeting, can I ask why it was that you did vote in favour of the sponsorship by the City of this particular event?---I felt that it was an event that all the capital cities around Australia had. It was an event that, for all intents and purposes and the reporting that we received and the information that we received, was extremely popular amongst the retailers as well and the City stakeholders and I felt that it was a good way of promoting our capital, creating a bit more vibrancy. I was very much a supporter of vibrancy and economic development for our capital city and I didn't want the capital to be sort of left behind.

20 Do you recall if there were some Councillors who more strongly supported the festival than others?---Yes, I do.

25 Can you identify who they were?---The Lord Mayor. I think the Lord Mayor was a patron, an ambassador; Councillor Davidson, Councillor McEvoy, Councillor Adamos, Councillor Chen, Councillor Yong, they were very much enthusiastic about the event.

Could also their enthusiasm for the event be gauged by who actually went to the event?---Yes.

30 Where would you put yourself in that category, strong supporter, supporter or just - -?---Mr Urquhart, I went to those events because I felt that I had to show my face, that I had to be seen on a couple of fronts, number one to understand the event and the impact of the event so I can make an informed decision, and number two, I didn't want the retailers and the City stakeholders to feel that I was an anti retail and fashion Councillor.

So my question - - -?---Sorry. So in my heart, it wasn't something that I really was passionate about. Sorry for not answering directly there.

40 So just a supporter?---Just a supporter, yes, Mr Urquhart.

45 In your time as a Councillor with the City of Perth, am I right in saying that you would receive free tickets provided by the organisers to attend events put on by the Perth Fashion Festival, and now I'm going a bit beyond 2015, just to put this in context?---Yes, Mr Urquhart.

Is that right, you did?---No, Mr Urquhart. We received tickets from the



Administration, so we were asked by Administration, "We have these tickets available, do any Elected Members wish to represent the City at this event."

5 But you didn't have to pay for those, did you?---No, Mr Urquhart.

So they were though, tickets provided by the organisers of the Perth Fashion Festival, were they not?---Yes, Mr Urquhart.

10 Did you regularly attend the festival with those tickets that had been provided?---I didn't attend all events but I would probably attend the major parts, like possibly the opening and the closing. The in between, if I could get out of it, I would.

15 You went over the course of a number of years?---It wouldn't surprise me if I did. I don't remember specifically how many times or which years I went to the opening or which years I went to the closing, sorry.

There's evidence before the Inquiry which suggests you attended in 2011?---Yes.

20 2012, 2014 and 2015?---Yes, okay.

Would you agree or disagree that?---No, I would agree. If there's evidence there, 100 per cent agree.

25 Mr Limnios, do you recall the investigation by the Public Sector Commissioner into the supply of free tickets to government bodies for events that they had sponsored?---For the government departments?

Yes?---Yes, I do.

30 You do have a recollection of that?---Yes.

And that report was handed down in February of 2016?---Yes, sir.

35 If my recollection is correct, I think that report was provided to your lawyers; do you remember having a look at that?---Yes, Mr Urquhart.

Did that lead to the City of Perth and its Council re-evaluating the acceptance of free tickets to events that the City had sponsored?---Possibly. I think it did.

40 Did you understand that the findings in this report meant that those Councillors who had received free tickets to events that the City had sponsored might not be able to participate in considering sponsorship applications for those same events in the future?---No, Mr Urquhart.

45 You didn't understand that?---No, Mr Urquhart. If I can give some context to why I say no.

5 Please do?---There was a bit of confusion as to how Elected Members for the capital city were considered, whether we were considered as bureaucrats in the same form or that we were considered as elected politicians, so therefore there was investigation by the Council as to where we sort of sat in that space. That is my memory.

10 From your memory, where did you sit?---They were giving us information on that. I don't recall the specifics of the information coming back but towards the end of that period, we adopted that we couldn't attend anything that was above \$300, or accept gifts that were valued that.

I'm going to show you some WhatsApp communications now?---Yes, sir

15 [3.00 pm]

That might help you to see when it was that you realised that that situation existed?---Okay.

20 So Madam Associate, if we could have a look, please, at 14.0179. While that's happening, just to put it in context, Mr Limnios, that report that was provided by the Inquiry to your lawyers which you've been able to have a look at, that was handed down in mid-February of 2016. These WhatsApp messages I'm about to refer you to from the WhatsApp Team that Ms Scaffidi dubbed it, of which you were a member for a little while?---Yes.

25 Do you know the one I'm talking about?---Yes, Mr Urquhart.

30 It's the one which Ms Scaffidi created in October of 2015 and had you and I think six other Councillors as part of the group?---Yes, Mr Urquhart.

What we are looking at now is a page from these WhatsApp messages, TRIM number, sir, 13609.

35 COMMISSIONER: Thank you.

MR URQUHART: I want to draw your attention to the first full message that we can see there that starts, "Yes, Janet is right", do you see that at the very top, near where the hand is that Madam Associate's assisting you with?---Yes.

40 So that was sent from Ms Scaffidi on 24 March 2016, so about a month after the report that I've referred to was handed down, and it reads:

45 *Yes, Janet is right. Gifts equal hospitality and tickets and in case some of you still don't get that, if you voted on events and attended them in the past, you well could have voted with a financial conflict. This is no joke.*

Then there's a reference to another Councillor which is not particularly relevant to what I wanted to draw your attention to. I know this message was posted some three and a half years ago, almost to the day, but nevertheless, in all likelihood would you have had the opportunity of reading that?---That message?

5

Yes?---Possibly. I don't really remember it specifically.

I can take you to a message that you posted just half an hour later?---Mm hmm.

10 If you want, which might well suggest that you were following, but in any event, if I could just take you down now to another message at 12.29 pm which is - Madam Associate's about to indicate and assist us with that. Do you see where the hand is and it starts off, "Good example", do you see that?---Yes, I do.

15 So again another message from Ms Scaffidi which reads:

*Good example, you all voted to Christmas Pageant and then attend party and Pageant with your family. You voted with a conflict, same with ballet, opera, PIAF - which would be Perth International Arts Festival - the list goes on and on.*

20

Do you see that?---Yes.

25 Having looked at that, Mr Limnios, would you accept that if you had read those messages, you would be aware of potential conflicts that might arise?---If I can answer you with a yes, but context around the yes. We didn't have a lot of information around that time of time and I remember thinking, because the Lord Mayor was very conscious of ensuring that we all felt that we were in the same position as her. I didn't have information, other than what you're showing me now.  
30 I don't really recall anything else.

Maybe this will assist you because the Inquiry has got evidence, and I will refer to you specifically with respect to what you did?---Okay.

35 In or about this time, Councillors proceeded to complete Gift Declarations regarding events that they had received free tickets for prior to 2016?---Okay.

Do you have a recollection of completing Gift Declaration Forms for events that you had received free tickets to at or about this time?---2016?

40

Yes?---Yes.

March 2016, you've got a recollection of that?---Yes, I think it was in the file of information that we got.

45

That's right?---Two of them.

Yes, exactly right?---Yes.

And that was at or about the same date as these messages were posted?---Okay.

5 What recollection do you have of what it was that caused you to complete those two Gift Declarations?---We were - I think Administration had advised us to do so.

Did you understand why it was that they were advising you to do so?---As part of the new policy, is what I understood.

10

When you say "new policy"?---Of the policies that were being implemented.

As a result of that Public Sector Commission report?---It doesn't surprise me if it was. Probably, yes.

15

In that case, Mr Limnios, I will take you to those two Gift Declarations that you've obviously already had a look at. Madam Associate, that can come down and if we can look at 16.6387, TRIM number 21250.

20 COMMISSIONER: Thank you.

MR URQUHART: That's one of the two Gift Declarations. That's your handwriting, is it?---Yes. There was - no, not all of it is my handwriting.

25 We will get to that in a moment. Firstly, that's your signature?---Yes.

Towards the bottom of the page and it's dated 30 March 2016?---Yes, Mr Urquhart.

30 So it was six days after those WhatsApp messages that I've referred you to, okay?---Okay.

There's obviously some things that have been typed out there. Do you recall who it was who typed those out?---It would have been the Administration.

35

I see. And you were referring to the handwriting?---Yes.

Can you identify to us whose handwriting that is there?---The 45, the figure 45 is different to the other 45 that I've done and I'm not sure whether that's - - -

40

Are you referring to the amount that's written on the other declaration?---Yes, the 4.

45 We see that there's a filled in 4, if I can describe it that way, on this page, and you're quite right, there's a different way in which the 4 is written on the other page?---Yes, so it could have been someone from admin that was preparing it and then I filled in the balance.

This is opening night of the Perth Fashion Festival from the previous year, do you see that?---Yes.

5 So you agree you went to the opening night on Tuesday, 15 September, the previous year?---Yes.

The amount of \$45, you say that's not your handwriting, is that right?---It doesn't look like mine.

10

It doesn't look like yours?---But that was - yes. No.

I was going to ask you then, where did that amount come from?---Okay. When I would fill out these forms, I would seek the amount, the value from the lady who was responsible for our Administration, administrative assistant, Cecilia Firth, or her - what's the word - or someone who was filling in for her if she wasn't present.

15

Why would you seek that information from Ms Firth with respect to the Perth Fashion Festival?---For all my declarations, I would ask her to seek that information through the relevant department or the relevant people to give me a value because I never had any documentation to tell me, this is worth X amount or that's worth that amount. So that's how I got that value.

20

Did you give information to Ms Firth as to what value you thought this free ticket would have been?---No, because I had no idea.

25

Did you advise her, for example, as to where you would have been sitting for the event?---No, because - - -

Or anything like that?---No, because I was asking her to speak to the relevant Director that was responsible for the sponsorship negotiations.

30

Yes?---To give us that advice, what the value was.

Mr Limnios, wouldn't have a more appropriate channel been to contact the organisers of the Perth Fashion Festival?---I wasn't dealing with the organisers, Mr Urquhart.

35

I'm asking you, wouldn't it have been a better exercise to have approached them?---I never considered it.

40

Why not?---Because it wasn't something that we did independently as Councillors.

But you were aware now by this stage of the fact that a Gift Declaration needs to be made with respect to free tickets that you had received for sponsored events?---Yes.

45

You realised that?---Yes.

5 And am I right in saying that that's your tick that appears about two-thirds of the way down where a gift has been accepted and you've ticked, "I declare this information is accurate"?---Yes.

10 How did you know then that this information was accurate regarding the price of the ticket?---Because after our - Cecilia made the enquiry, the value was given to me and we went by the value that she gave us.

15 Did you know how it was that Ms Firth came to note this value?---To the best of my knowledge, I think she spoke to the people within the relevant department of the City.

20 Mr Limnios, how did you determine that the value of the other ticket that you completed the Gift Declaration for, was \$45?---Because I asked Cecilia again to please tell us what is the amount or the estimated value.

25 Can you remember where you sat when you attended this event at the Perth Concert Hall?---There were a lot of events, there were somewhere they were stand up and others, they were sit down and when there was a sit down event, we sat - there was a very long row of stools and we sat on the first row of those stools.

30 You had a prime seat, would that be fair to say?---No, it was towards the left or the right.

35 But you had a good seat?---Yes.

40 A VIP seat?---If it's called - we were at the front row.

45 Yes, and am I right in saying that also for this opening night, you were invited to attend a pre-event function at the Concert Hall?---I can't remember.

50 Have a think now, where you were allowed to go - there was a cordoned off area and you were provided with free drinks and food?---That is not strange. Definitely, I could have attended something like that.

55 And would I also be right in saying that for this particular event, that you received what I've described previously as a show bag, like a little bag with mementos and things like that?---A lot of ladies' products, I didn't - - -

60 But you got that as well?---They were on the seat, so I can't remember taking them.

65 Bearing in mind, Mr Limnios, then what it was that you actually got for your ticket, do you agree with me that it seems to be a little low, that value of \$45 that's been given there?---I relied on the advice that I received, Mr Urquhart

[3.15 pm]

5 That might be so but the question is, do you agree with me that appears to be a little low?---Possibly, yes.

Do you remember that the Lord Mayor attended this event as well?---Specifics I don't remember but I remember the Lord Mayor attending many.

10 Would you sit near or close by to her?---I have done in the past.

Evidence that the Inquiry has received from the organisers of this event is that the value of the ticket you received was \$200?---Okay.

15 Given the fact that you were at that event, would you agree with me that sounds more like the amount of the ticket, the value of the ticket rather than the \$45 that's specified?---Mr Urquhart, I don't know how they make these - how the valuation comes. I didn't think about it in that way. I sought advice and they gave me the advice. I put it on the form.

20 I appreciate all of that - - -?---And - - -

But you to sign the form saying it was an accurate?---Yes.

25 Just thinking now with the benefit of hindsight, do you think you ought to have made a few more enquiries?---It wasn't common at all, Mr Urquhart, for us to contact organisers and speak to people.

30 I'm just going to show you now the Gift Declaration by the then Lord Mayor for that same event?---Okay.

Madam Associate, if you could bring up 6331, please. There we go?---Okay.

35 And we have had established from evidence that we have heard from Ms Scaffidi that the tickets she specified as \$201.86 was for each ticket and she actually received two, okay? So the price that she's given for a ticket, \$201.86, accords with would the Inquiry has investigated as to the price of the tickets?---Yes.

40 MR VANDONGEN: Is that the price for two tickets, is what you're saying?

MR URQUHART: Individual.

MR VANDONGEN: Right.

45 MR URQUHART: So if we can go back now, thank you, Madam Associate, to 6387, can I just go to the, "Value of the gift" box there and underneath we have got three dot points, do you see that, "Less than \$50 (exempt), between \$50 and \$300

(notifiable), \$300 or more (prohibited)"?---Yes.

And I think we have been through those categories earlier?---Yes, Mr Urquhart.

5 Do you see then if this ticket has a value of \$45, it would be a gift that's exempted, at least on its own, exempted from being declared?---Yes, Mr Urquhart.

Are you sure it wasn't you who wrote down that price, \$45, because you have done with respect to the other four and then that has just been copied by Ms Firth?---No,  
10 Mr Urquhart. I used to ask - I used to ask for advice on this and I can't remember doing - following any other practice.

Underneath the box dealing with, "Value of the gift" we have got the box that appears, "Is this the first gift you've been offered by this person/organisation" and  
15 have you ticked the box, "No" there?---Yes.

And then alongside there, "Who will benefit from acceptance of the gift" and you've written, "City of Perth and stakeholders", is that right?---Yes.

20 Have not you also received a benefit?---No, I would - I was doing my job. I attended as an Elected Member representing those people.

If we go to the next declaration that you made, and Madam Associate, we find that at 6389, TRIM number, sir, 21251.

25 COMMISSIONER: Thank you.

MR URQUHART: So there's that other declaration that you completed on 30 March, is that right?---Yes, Mr Urquhart.

30 Is that all your handwriting that appears on that?---It appears to be, yes, Mr Urquhart.

Again, the value of the gift, you've handwritten in \$45?---Yes, Mr Urquhart.

35 MR VANDONGEN: I say again, I think - - -

COMMISSIONER: I take it in the way that your objection is framed, I understand.

40 MR URQUHART: Sorry.

COMMISSIONER: I recall the evidence about the previous figure.

45 MR URQUHART: Yes.

So the \$45 is in your handwriting, yes?---Yes.



And you're saying you would have received that information from Ms Firth?---Yes, from Administration.

5 And not the other way around, Ms Firth receiving that information from you?---No.

And that's why she's completed \$45 on the other form?---I don't recall that.

10 Is there any reason why you did not write the amount on the other form when you completed it?---I would often just go to the front desk on the 10th floor and say, "Cecilia, I need to fill out these forms, can you please help me out with getting the value of the gift and let me know" and - - -

15 Is it your recollection though with respect to these forms, these had already been partly prepared by way of typing out the description of the gift and then they were handed to you?---Yes.

Isn't that your recollection?---Yes - I think so.

20 With respect to the price of - the value of the gift, rather, you see there \$45?---Mm hmm.

Is that your tick that appears there as, "Estimated value"?---It looks like it, yes.

25 Once more, investigations by the Inquiry have revealed that for this closing night event, the Wheels & Dollbaby on Sunday, 20 September 2015 at Ascot, the price of the tickets, if you had to pay for one, was \$200, okay? Indeed, with respect to the declaration for the same event that the Lord Mayor completed, she too  
30 identified the amount - sir, this is at 16.6341 - as being the price per ticket as \$201?---Mm hmm.

35 Again, would you accept that in fact the \$45 amount that's been given may well have been an estimate that wasn't very close to the actual value?---With the benefit of hindsight, yes.

Once more, you've indicated there, "Who will benefit from acceptance of the gift" you've again identified, "City of Perth and stakeholders", do you see that?---Yes.

40 By your attendance and by your presence, and you've already told us that the idea was for you to convey to retailers that you were a supporter of this event?---Yes, a supporter of business and activation, yes.

45 So therefore, there was a benefit for you by attending this event, wasn't there?---I didn't see it. I saw it was doing my job, Mr Urquhart.

The question was, it was a benefit for you as well, just by your own evidence, isn't

that right?---I don't recall exactly what I said about half an hour ago. What I meant to say was that I supported events like the Fashion Festival because I wanted to do my job.

5 The transcript will bear out what you said previously?---Yes.

And we have a lot of diligent very intelligent lawyers here at the Bar table and if I paraphrased your evidence incorrectly, I have no doubt I would be stood corrected?---No.

10

Mr Limnios, if in fact the value of these two tickets that you received for this event - incidentally, did you just receive one or two tickets to each of these events?---Sometimes my wife came with me and other times, my wife didn't come with me.

15

Do you know, do you have a recollection of what happened on this occasion?---On which occasion?

20

On either of these occasions, whether your wife came with you?---I can't remember if she did or she didn't specifically on these ones, but I remember having to find baby-sitters for functions.

25

If in fact it is correct to say that the value, combined value of those two tickets was \$400?---Mm hmm.

Can you see then that that puts a different complexion on the receipt of these gifts?---Yes.

30

And it's now - - -

MR VANDONGEN: Can I raise a matter arising out of that question in the absence of Mr Limnios?

35

COMMISSIONER: Yes, of course. Mr Limnios, I'm going to ask you to be excused. Thank you.

**WITNESS WITHDREW.**

40

COMMISSIONER: Yes, Mr Vandongen.

45

MR VANDONGEN: I take it the import of the question that's being put that it's in some way in contravention of some rule of law or regulation. I assume that the premise of it is that if it was in excess of \$200, then it was in breach of the Local Government (Rules of Conduct) Regulations. I assume that's what the import of the question is, and if it is, it's not clear to me because I'm not present at all times, and I don't know what the Inquiry knows.

COMMISSIONER: Yes.

MR VANDONGEN: But as you would know, Commissioner, it's not all gifts that fall within that particular provision. I'm talking about regulation 12.

5

COMMISSIONER: Yes.

MR VANDONGEN: And there are requirements that the activity involving a Local Government discretion includes either something that cannot be undertaken without authorisation from Local Government and as I understand it from what I'm aware of, the Fashion Festival does not fall within that part of the definition and the only other aspect of that is that the activity, namely the Perth Fashion Festival, was by way of a commercial dealing with the Local Government and as I say, I'm not aware whether the Inquiry is aware of anything of that nature but if it's not, then the premise of the question is - the question is unfair because the premise not established in the evidence.

10  
15

COMMISSIONER: I understand. Thank you, Mr Vandongen. Mr Urquhart, do you need time to consider that?

20

MR URQUHART: No, sir. I'm not going to make any accusation whatsoever that there's been any breach of the law. I'm just simply positing that if in fact there was - the value of those tickets was \$400, that meant that there were different requirements, different rules and regulations that may have applied. It goes beyond regulation 12 and it also goes to whether this made the Fashion Festival a closely associated person with respect to this Councillor. I won't be making - if what my learned friend is raising now, as to whether there's any breach of any law or regulations, that would surely be, in my respectful submission, a matter for submissions should that arise.

25

30

COMMISSIONER: Thank you, Mr Urquhart.

[3.30 pm]

MR URQUHART: In my submission, it's only in the interests of procedural fairness that I put this question to the witness.

35

COMMISSIONER: Yes. Thank you, Mr Urquhart. Mr Vandongen, you've heard what Mr Urquhart has to say, do you wish to reply?

40

MR VANDONGEN: My concern is that the question as put does invite my client to admit, potentially admit a contravention of the regulations or the Local Government Act, bearing in mind what my friend talks about when he talks about the closely associated person definition. There are issues about that as well as to whether or not, at this particular time, that was a relevant definition to be applied into Mr Limnios and the festival. If the question was not asked with a view to getting his comment about whether or not he was potentially or actually in breach

45

of those regulations or the Act, it's difficult to understand how that my assist the Inquiry, in my respectful submission.

Can I very quickly deal with the associated person issue?

5

COMMISSIONER: Yes.

MR VANDONGEN: Again, I'm sure you know much more about it than I do, but a closely associated person, the relevant part of that definition which is in 5.62 of the Act, talks about a relevant person being "a Council member receiving a notifiable gift" and that goes back to whether the regulations apply or not, which is the import of my first submission. There is a potential for it to operate when the relevant person gets a gift that section 5.82 of the Act applies and having done some research very quickly while it became apparent that that may be where my learned friend was going, not in relation to the regulations, it may be that the Inquiry needs to look at when the prescribed amount came into effect.

From my quick researches, it would seem that that came into operation on 5 March 2016, and of course we are dealing here with gifts, and I use that word in a very general way - - -

20

COMMISSIONER: I know you do, yes.

MR VANDONGEN: - - - received in September of 2015 before that time. So I understand what my friend is trying to do but underpinning all of that is some legal complexities which I don't want my client to stumble into without understanding exactly what the premise of those questions is.

25

COMMISSIONER: Your concern is well justified. Mr Urquhart - - -

30

MR URQUHART: I will ask - - -

COMMISSIONER: I don't want to keep going to and fro across the Bar table but it seems to me that there is a way of dealing with this without enlivening the very real concerns of Mr Vandongen.

35

MR URQUHART: I have thought about that, yes, and I think exactly the sort of question to ask the witness which may avoid the concerns my learned friend has.

COMMISSIONER: Yes, all right. Mr Vandongen, can I just indicate to you before that happens that I do appreciate the concerns that you do have and I can tell you that if, by some remote chance given what Mr Urquhart has just said, that your client, as you put it, stumbles into something, I will treat that evidence accordingly.

40

MR VANDONGEN: Thank you, Your Honour - Commissioner I should say. I've promoted you again, like many other people, not undeservedly, but there you go. I

assume, and I have assumed all along that notwithstanding evidence of that nature, given that it is underpinned by some legal considerations, that we will be given an opportunity to make submissions about those things at some relevant time.

5 COMMISSIONER: Yes, of course you will, and the other thing I'm sure you appreciate, Mr Vandongen, is that the sorts of topics that are being examined now might be relevant in a different sense to recommendations that are made in the report.

10 MR VANDONGEN: I understood the effect and import of my learned friend's introductory questions, certainly.

COMMISSIONER: Thank you very much. Mr Yeldon, you're rising as well?

15 MR YELDON: May I just seize the moment while the witness is out of the room, because my learned friend, Counsel Assisting, is referring the witness to notifiable gifts and of course, there's a different definition of a notifiable gift in section 5.62 of the Act than there is in the conduct regulations and it's 5.62 of the Act which deals with what is a closely associated person. They are not the same definition,  
20 so there is the potential for some further confusion if the precise form of notifiable gift is not mentioned, but I can address the point by reference to the definition in 5.62, if you're not presently confused by my submission.

COMMISSIONER: I'm not confused, but please feel free to do so.

25

MR YELDON: In 5.62 of the Act, it's all to do with an election, a gift that's received in the context of an election. This is the definition of a closely associated person.

30 COMMISSIONER: Yes.

MR YELDON: In 5.62 of the Act.

COMMISSIONER: Yes, I have it.

35

MR YELDON: Subsection (2) operates upon the meaning of notifiable gift in subsection (1). It does not have the same definition as is in the conduct rules. There are two types of notifiable gifts.

40 COMMISSIONER: Mr Yeldon, this won't surprise you but it is possible that I will be making some recommendations about this legislative regime in the report.

MR YELDON: Yes. Jolly good, Commissioner. I hope I've ventilated my concern and I trust I've done it at the appropriate time.

45

COMMISSIONER: Of course. Thank you.

MR YELDON: Thank you.

COMMISSIONER: Mr Urquhart, I don't need to hear from you on that.

5 MR URQUHART: Jolly good, sir.

COMMISSIONER: Madam Associate, would you please bring Mr Limnios back into the hearing room. Thank you, Mr Limnios. Please resume your seat in the witness box.

10

**MR Dimitrios Athanasios LIMNIOS, recalled on former oath:**

COMMISSIONER: Mr Limnios, let me start by saying your exclusion from the hearing room is no reflection on you?---Thank you, sir.

15

In your absence, I heard an objection from your counsel and also from Mr Yeldon, and Mr Yeldon acts for Councillor Davidson, and the matter has been satisfactorily resolved?---Thank you, sir.

20 Mr Urquhart.

MR URQUHART: Thank you, Commissioner.

25 Mr Limnios, if I can ask you this question: would you agree with me that the value of a gift provided to a Councillor can have an outcome on what the Councillor may or may not do with respect to a matter involving the person who's provided the gift?---I can't speak for others, but not for me.

30 No, but I'm just talking generally now as a general proposition, that the value of the gift provided to a Councillor can have an outcome on what a Councillor may or may not do with respect to a matter?---Possibly.

35 Yes, and that is to do with varying amounts that are specified in the regulations and the Act - when I say the Act, I mean the Local Government Act?---That is to do with varying amounts?

Yes, it all depends on what the value of the gift is and when it was provided and matters of that nature?---Possibly.

40 And again, I think we have already established this from you in your evidence earlier, but it can be, in your position as a Councillor, extremely confusing, could you agree with that?---What can be confusing?

45 The whole thing about when gifts have to be declared?---The whole policy and process?

Yes?---Yes.

I want to take you now to 2016 and am I right in saying that you were a member of the Marketing, Sponsorship and International Engagement Committee in that year?---Yes, Mr Urquhart.

5

Together with Councillors Chen and Yong?---Yes, Mr Urquhart.

From now on if I'm referring to that committee, I will either say the committee or the Marketing Committee?---Yes, sir.

10

On 26 July 2016, that committee considered the sponsorship application on behalf of the Perth Fashion Festival for its 2016 event in September, okay? The minutes of that meeting state that you were on leave of absence and that Councillor Davidson deputised for you?---Yes.

15

But you were in attendance at the Ordinary Council Meeting on 9 August of 2016 which considered this sponsorship application on behalf of the Perth Fashion Festival?---Mm hmm.

20

So I'm just going to take you to that now and I think you might have had an opportunity of looking at that within the last week or so, would that be right?---Yes.

25

Madam Associate, that will be 16.6637, please. You can just see that being the cover page, just so we know what minutes we are talking about, and if we can just go to 6638, thank you, Madam Associate. Incidentally, sir, the TRIM number is 23763.

30

COMMISSIONER: Thank you.

MR URQUHART: You will see just past halfway down that one of the sponsorship applications that was going to be dealt with at this committee meeting was the Perth Fashion Festival, do you see that?---(No audible response).

35

Thank you. Now we go to 6640 and we just see who is in attendance?---Mm hmm.

40

And there are eight Councillors present, including yourself and it would seem that the Councillor who was absent was Councillor Green, okay? I want to go now to 6641, thank you, Madam Associate. There is a disclosure of members' interests, do you see that?---Yes.

45

And Councillor Yong declared a financial interest for the Perth Fashion Festival 2016 application, do you see that?---Yes, Mr Urquhart.

And the nature and extent of the interest was, "Direct financial interest" and the nature was, "Attended event. Extent: less than prescribed amount", okay? Then

continuing, there's a declaration by Lord Mayor Scaffidi for an impartiality interest and then over the page to 6642 there's some further disclosures of interest from Councillors Davidson, Adamos, Harley, Adamos again, the Lord Mayor again and Councillor Adamos again, do you see that?---(No audible response).

5

Then at the bottom of the page there's some disclosures of interest of a direct nature with respect to the West Australian Symphony Orchestra sponsorship application that was also being considered at that meeting and declarations have been made by Councillor Adamos, Madam Associate, if we can go to 6643, Councillor Davidson, Councillor McEvoy and Council Yong, okay? A rather large number of interests declared at that meeting?---M'mm.

10

Do you agree with that?---Yes.

15

Did you consider whether you needed to make any disclosure at that meeting with respect to the Perth Fashion Festival?---No, but can I give you some context?

Yes, please, because I was going to why so I gather you had to answer, yes?---I thought that the Lord Mayor had to disclose because of her involvement on the board.

20

Yes?---And I also thought at the time that - because in that environment, there's a lot of ruckus and, "Disclosure of this", "I disclose that", there's a lot of toing and froing, so it's not a measured and sort of concise sort of environment. There's a lot of energy in the room and I always thought that Councillor Yong had some involvement with the organisation and I never really sat down and read the minutes with a fine tooth comb afterwards to see why they had put the financial disclosures. So I didn't think that I had to and that's why I didn't. If I did, I would have

25

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[3.45 pm]

Can you recall whether you addressed your mind to it?---No, not really. I just kept going and whatever I knew that I had to disclose or thought I had to disclose, I would disclose.

35

So if we go now to 6656, please and this is where an alternate motion was put up by Councillor Davidson that was to increase the sponsorship by an additional \$30,000 and I gather you've already read these minutes recently and you'd know that the recommended amount, not only just from the officer but also from the Marketing Committee was an amount of \$269,315.91?---Mm hmm.

40

But Councillor Davidson moved an alternate motion that it be increased by \$30,000?---Yes.

45

Do you have a recollection of that?---Yes.



Did you know she was going to do that?---No.

Do you have a memory of whether you knew or not?---I don't remember. It's a long time ago.

5

Yes, I understand that?---No.

COMMISSIONER: So you're saying you don't remember this?---I remember the meeting, sir.

10

Do you remember this alternate motion?---Yes, now reading it I do remember it, absolutely.

MR URQUHART: So what's then your recollection at the meeting? When this alternate motion was put, can you recall whether you were surprised by it or were you expecting it, or you don't have a recollection?---It wouldn't have surprised me.

15

Why was that?---Because when it came to this particular organisation, Councillor Davidson regularly put alternative motions to increase the sponsorship.

20

So that was seconded by Councillor Adamos and if we can go to 6657, and I think you were actually referred to this earlier on in your evidence, right at the very beginning?---Mm hmm.

25

The votes are recorded as follows when the alternate motion was put and carried. You will see there were four votes for and three votes against, of which you were one?---Yes.

30

So am I right in saying that you were prepared to accept what the Marketing Committee and the officer had recommended, being \$269,000 but not an increase of \$30,000?---In this instance, yes.

Thank you, Madam Associate, that can come down. Can you recall why it was that you voted against that alternate motion?---I didn't think that they - I was a firm believer that they had received quite a bit of funding from the City and I didn't think they needed any more, in terms of, other than the recommendation.

35

Mr Limnios, that's the sponsorship that was provided for the 2016 Perth Fashion Festival which would have been held a short time after that in September, okay? Do you recall if you received any tickets to go to the Fashion Festival that year?---Wouldn't surprise me if I did, but not specifically.

40

I can tell you now, the Inquiry doesn't know the answer to that question so that's why I'm asking you from your memory, whether you attended in 2016?---Mr Urquhart, I don't recall.

45

I just want to take you now to the Marketing Committee meeting on 23 May of

2017, so this is the following year now and once again, the Perth Fashion Festival sponsorship application was up for consideration?---Yes.

For the 2017 Fashion Festival?---Yes.

5

And I again, I think it was the case that you might have had an opportunity of looking at this particular meeting as well?---The minute?

Yes?---The information that was in it?

10

Yes?---Yes.

So 16.6800, thank you, Madam Associate. That's just the front page to confirm that we are talking about this meeting.

15

MR VANDONGEN: Can I just approach my friend?

COMMISSIONER: Yes, of course.

20

MR VANDONGEN: It might assist him with the last question.

MR URQUHART: I'm obliged to my friend, we have just clarified that.

COMMISSIONER: Thank you both.

25

MR URQUHART: Mr Limnios, if we can just go to 6801, thank you, Madam Associate. We can see that there were two committee members present being yourself and Councillor Yong and Councillor Chen was absent, we can see that from the bottom of the page?---Mm hmm.

30

And it doesn't appear that anybody deputised for her at this meeting?---M'mm.

If we go over to the next page, 6802 and disclosures of members' interests, there were nil disclosures made by either yourself or Mr Yong and with respect to the Perth Fashion Festival, would I be right in saying you didn't make any disclosure of any interest in that matter because you did not think that was necessary?---Yes.

35

Thank you. At this meeting, if we go to 6804, and this dealt with the Perth Fashion Festival matter, it was moved by you and seconded by Councillor Yong that, "Council approves the event sponsorship of \$230,000 excluding GST, to the Fashion Council of WA for the Telstra Perth Fashion Festival 2017", and if you don't have a recollection of this, but it would seem that that was the amount that was recommended by the officer, okay?---Yes.

40

That's a lower amount than the \$269,000 that the officer recommended the previous year, but is it your recollection that at this time the City was applying more stringent processes to determining - - -?---To assess.

45

- - - the amount of sponsorships, yes.

COMMISSIONER: Is that yes? You said "to assess"?---To assess it, yes.

5

MR URQUHART: I gather you were in agreement with those tighter controls?---Yes.

I want to go now to the minutes of the Ordinary Council Meeting on 6 June of 2017, please. Again, this is another one that you may well have had an opportunity of having a look at. Madam Associate, 6414. That's just to confirm that the cover page for the minutes we are about to look at. If we go now to 6415, just confirm who was in attendance.

15 MR YELDON: I object.

MR URQUHART: I will just approach.

COMMISSIONER: Do you want me to hear an objection, Mr Yeldon?

20

MR YELDON: Yes.

MR URQUHART: My learned friend is raising an objection because the minutes are incomplete. The reason why the minutes are incomplete is that I only intend taking the witness to those portions that are relevant to the questioning of this witness and I just can't understand the basis for an objection to say that the minutes are incomplete, particularly coming from Mr Yeldon, who's not acting for the witness in the witness box. That's going to be my response if Mr Yeldon wishes to pursue with this line of objection.

30

COMMISSIONER: Thank you. I don't think Mr Limnios needs to be excused for this, Mr Yeldon.

MR YELDON: Yes.

35

COMMISSIONER: What's the difficulty?

MR YELDON: It's not fair to a witness and the witness could give an answer prejudicial to my client when I'm not able to see pages 6-19 inclusive. All that you have in this minute is pages 1-5 and then we skip to page 20. The complete document's not being put before the witness and in my submission, that is not a proper way to proceed.

40

COMMISSIONER: Thank you, Mr Yeldon. Mr Urquhart - - -

45

MR URQUHART: Sir, you've already heard my response to the objection.

COMMISSIONER: I did, but I want to ask you a question.

MR URQUHART: Certainly, sir.

5 COMMISSIONER: If I may.

MR URQUHART: By all means.

10 COMMISSIONER: Does the Inquiry have a complete set of the minutes somewhere?

MR URQUHART: I have no doubt that we would, but not here.

15 COMMISSIONER: I know that, otherwise you would have given it to Mr Yeldon by now. Mr Yeldon, do you want me to adjourn the Inquiry while that full set is found?

MR YELDON: I would be much obliged, Commissioner.

20 MR URQUHART: I'm going to oppose that suggestion, if I may, sir, and advise my learned friend for when his client gives evidence, a full disclosure of every single page of the minutes with respect to any matter involving her will be provided to him.

25 COMMISSIONER: Mr Urquhart, I understand your sentiments. It would assist me if you could tell me, how much longer do you expect to be with Mr Limnios?

MR URQUHART: I was rather hoping to finish at a reasonable hour of - - -

30 COMMISSIONER: If you give me an estimate of time.

MR URQUHART: I was hoping I could finish my questioning in 30 minutes.

35 COMMISSIONER: Right. In that case, Mr Yeldon, I am going to adjourn the Inquiry until you have the full set of minutes, out of a sense of innate fairness to you and your client.

MR YELDON: I'm much obliged. Thank you, Commissioner.

40 **WITNESS WITHDREW**

(Short adjournment)

45

HEARING RECOMMENCED AT 4.05 PM

**MR Dimitrios Athanasios LIMNIOS, recalled on former oath:**

5 COMMISSIONER: Mr Yeldon.

MR YELDON: Yes. I thank Mr Parkinson, he's provided me with the document and I'm content to proceed, thank you, Commissioner.

10 COMMISSIONER: Mr Yeldon, was this the same set of minutes that you had a concern about yesterday?

MR YELDON: Yes, it is.

15 COMMISSIONER: Just for future reference, if you have internet access, a complete set of all of the minutes of the Perth City Council, bar a few which are very old, are available on the Perth City Council website.

MR YELDON: Thank you, Commissioner. I didn't know that.

20 COMMISSIONER: Just for future reference.

MR YELDON: Yes, thank you.

25 COMMISSIONER: Thank you, Mr Urquhart.

MR URQUHART: Thank you, Commissioner.

30 Before that short break, Mr Limnios, I was taking you to these Ordinary Council Meeting minutes from 6 June of 2017. We had got to this particular page where we can see that there was a full house, as it were, with respect to Councillors attending, do you see that?---Yes.

35 Thank you. Now we go to, Madam Associate, 6416 and there was again some disclosure of members' interests, a disclosure made by Councillor Yong, yourself on this occasion, relating to a matter other than the Perth City - - -?---The Fashion Festival.

40 The Perth Fashion Festival, yes, thank you, and then there's one from Councillor Adamos, a proximity interest, a direct financial interest disclosure from the Lord Mayor Scaffidi, and if we go on to the next page, 6417, we can see that's in relation to Perth Fashion Festival, and then we have got a disclosure of an impartiality interest from Councillor Chen and an indirect financial interest disclosure by Councillor Green. Again, there's no disclosures made by  
45 you?---Mm hmm.

And as I understand, your answer would be that's because you didn't think you

were required to make a disclosure of any interest?---Yes, Mr Urquhart.

Thank you. If I can deal now with 6418, thank you, Madam Associate. We are just going to digress slightly and consider what was done regarding the Hopman Cup, okay, Mr Limnios. We can see there that there was an event sponsorship, a triennial event sponsorship 2017-2020 application - sorry, agenda item and it was moved by you, seconded by Councillor Chen, that there be "approval of a triennial sponsorship of \$125,000 per annum to Tennis Australia for MasterCard Hopman Cup for the years 17/18, 18/19, 19/20", do you see that?---Mm hmm.

Then there was a motion to amend moved by Councillor Davidson, seconded by Councillor McEvoy that the triennial event sponsorship be reduced to \$100,000 per year for the three years, do you see that?---Yes, Mr Urquhart.

The motion to amend was put and carried and the votes were recorded as follows: there were eight Councillors in support and one against, being yourself?---M'mm.

Can you recall why it was that you opposed this motion to amend?---I thought that the tennis event was a very important one - is a very important one. I could feel where this was coming - was it was heading in terms of to take off the Hopman Cup and to put it on the Fashion Festival.

I see, so you had that feeling at this point in time?---Possibly.

Possibly?---Because now I do.

Yes, now you do, but just at the time there?---At the time there, look, I thought the Hopman Cup was extremely, extremely important. It actually internationally showcased from the television, Perth to the rest of the world.

Yes?---And I was a very big supporter of it.

Were you aware before it happened that Councillor Davidson was going to move this motion to amend?---If my memory serves me correctly, at the marketing meeting, I think there was an attempt to change it at a marketing meeting and Councillor Chen and I opposed it, if my memory serves me correctly. So when this matter arose at the previous Marketing Committee - - -

I think you might be a little - your recollection might not be right there?---Okay.

I just had a quick look at the Marketing Committee meeting, that was just attended by yourself and Councillor Yong?---Okay. Sorry, my mistake. There was one that I remember reading in the recent papers that that happened.

Certainly, but just stay with this?---Sorry about that, I apologise.

That's all right, that's fine. We will go back now to where we were considering.

So there we go, that deals with the matter regarding the Hopman Cup. Then the Council considered the very next item, being 13.6, the Telstra Perth Fashion Festival. So if we can go now, Madam Associate, to 6419. Sir, if I haven't already said it, TRIM number 21227 for this item.

5

COMMISSIONER: Thank you.

MR URQUHART: If we just go towards the bottom of the page there, 7.16 pm, the Lord Mayor declared an interest in item 13.6, being the Perth Fashion Festival matter, and departed the meeting and you assumed the Chair, do you see that?---Yes.

10

And I gather you assumed the Chair because you were Deputy Lord Mayor at the tie?---That's correct.

15

At the very bottom of the page there is that the committee recommendation, being the Marketing Committee to the Council, is the same as that recommended by the officers and if we go over the page to 6420 now, thank you, Madam Associate, and it was moved by Councillor Chen and seconded by Councillor Yong that there's an annual event sponsorship approval of \$230,000 for the Perth Fashion Festival, item 1 there, do you see that?---Yes, Mr Urquhart.

20

Then there's a motion to amend moved by Councillor Davidson, seconded by Councillor McEvoy that, "The Council amends the officer and committee recommendation as follows: approves annual event sponsorship of" and \$230,000 is ruled out and \$255,000 is added "to the Fashion Council of WA for the Telstra Perth Fashion Festival 2017", and the motion to amend was put and carried and it was supported by five votes to three, and you were in the minority?---(No audible response).

30

Do you have a recollection of what happened at the meeting when this motion to amend was put?---I think - usually there's a debate, some talk and then it gets put to a vote, yes.

35

Have you had the opportunity of reading the transcript?---The one - yes.

And did that help jog your memory?---A little bit, yes.

40

A little bit?---I just remember more what I was sort of saying.

Yes. I suppose we can put it up on the screen. Madam Associate, if we go now to that transcript, please, and go directly to 6810, TRIM number, sir, 24768.

45

COMMISSIONER: Thank you.

MR URQUHART: Just in respect of what you were saying, again this is during the course of the debate on the matter. See at the top there just above line 10, you

have said:

5                   *The CEO mentioned that earlier on, that we are applying some robust criteria now, putting some standards on the process of analysing all these requests so we can make informed decisions.*

Do you still maintain that view today?---Yes.

10                   Then there were some comments made by Mr Mileham, the CEO at the time, we can see there at line 15. Mr Mileham states through the Chair:

15                   *The report, I believe, is pretty fulsome and the attachment, albeit unnumbered. Each of the, I guess, parameters assessed and scored, as you will see, public outcomes in the City of Perth, economic impact, sustainability, et cetera, and it continues, so there's several criteria and Daniel would be able to probably again talk to the detail. However, there's also a large panel, I believe seven officers in.*

20                   Then Mr High, who is in fact Daniel High says, "Seven officers across three Directorates." Mr Mileham repeats, "Across three Directorates" and Mr High adds, "And including two Directors." Then he continues with the detail of how comprehensive this report was. Mr Limnios, from you personally, were you satisfied with the detail of this report and the conclusions that it had made?---Yes

25                   [4.15 pm]

30                   I want to now actually - I know we have got the transcript there but I now actually want to play some of the audio and this will - it will start, hopefully, with what you say, Mr Limnios, just above line 40, "Councillor Chen, have you finished or have you got any - okay. Anyone else wish to speak." Madam Associate, this is 16.6665.

(Audio played to the court).

35                   MR URQUHART: Just stop there for a moment. So I think there, Madam Associate, you heard Ms Scaffidi vacating the Chair but that might have been a little earlier.

40                   MR YELDON: That's right.

MR URQUHART: Yes, that's right, page 1 is a little earlier than page 3.

MR YELDON: I was just trying to be helpful.

45                   COMMISSIONER: Let's move on.

MR URQUHART: Madam Associate, if we can actually start it at 6 minutes 10



seconds, if we can.

(Audio played to the court).

5 MR URQUHART: That will be sufficient. Mr Limnios, I played that for you so we can hear a little bit more about what was said, rather than what appears in the transcript and we heard some laughter just before you said, "Sorry, okay, so we have got an amendment"?---Yes.

10 Mr Limnios, would I be right in saying that was you having a little chuckle?---Yes.

And can you tell us why it was that you were chuckling at that point in time?---I - someone would have looked at me from around the Chamber, possibly. Someone would have, like, given me the, here we go again sort of thing. I just can't  
15 remember specifically but someone in the crowd or around the Chamber would have looked at me funny and I would have laughed and I'd like to probably keep things as light-hearted as I could.

When you're referring to "here we go again", what was that you were referring to?---Possibly the motion, to amend another motion.  
20

Yes, for exactly the same amount that had been deducted from the Hopman Cup sponsorship application?---That's correct, Mr Urquhart.

25 As I understand it, you were making the connection to the two at the time?---Yes, Mr Urquhart, probably was.

I just want to take you to something you said just before the vote was made on this matter. Madam Associate, we can stop with the audio now, thank you, and if we  
30 can go back to the transcript and in particular, page 6818. You can see there that you were making some points starting at line 15?---Yes, Mr Urquhart.

I just want to draw your attention to what you were saying at line 30.

35 COMMISSIONER: Could we have that enlarged, please, Madam Associate.

MR URQUHART: Thank you, sir.

COMMISSIONER: Thank you.

40

MR URQUHART: You say:

*I do support the Fashion Festival but I don't support how we're constantly giving this particular event so much attention and money. We need to be very conscious of this and careful that we are not seen by our constituents as having, you know, a preference over one versus the other group. We need to be fair and equitable and utilise our funds*  
45

*as wisely as we can in encouraging the growth of other things.*

Then you go on to refer to some other matters. Mr Limnios, do you stand by those comments that you made there that I've directly quoted?---Yes, Mr Urquhart.

5

Thank you for that, Madam Associate. Can I then just ask you though as to how you then voted on the amended motion. So if we can go back, please, Madam Associate, to the Ordinary Council Meeting minutes of 6 June 2017 and in particular - just bear with me for one moment whilst I find the right page - 6421.

10

So you voted against the motion to amend but that was passed and then so the primary motion as amended was put. So therefore that increase in \$25,000, are you with me?---Yes.

So therefore the amended motion was put and carried and then the votes here have you voting for the increased amount. Was that a - is that correct? It seems to be because - - -?---It seems to be, this is the minute.

15

Because the transcript says that you did?---Yes.

You actually read out your name as voting for?---Yes.

20

Can I just ask you, Mr Limnios, why it was that you changed your mind?---I didn't change my mind about the particular increase, but I kept my opinion consistent and that was that I believe in events like this that encourage economic activity and growth and activation and I just thought it's important to support it. I don't agree with the constant amounts of money, at that level of money and I didn't agree with increasing it by another \$25,000, but the event in itself is an event that I think is a good event for the capital city.

25

It's just the reason why I asked whether you changed your mind and you disagreed, I was just referring to the fact that you have voted against the motion to amend?---Yes, the price.

30

You see, and you're in the minority there?---M'mm.

35

But then, because you're in the minority, the amended motion was put but then you voted for it?---Yes.

So you were voting for that increase?---I didn't - I must have gotten confused because I believed I was voting for - I see your point now.

40

Yes?---I believed I was voting for the Telstra Perth Fashion Festival. I didn't at that particular time thinking of it as, I'm voting to take away from Hopman Cup and give another \$25,000. I was voting for that actual event, supporting the event, is what I felt.

45

COMMISSIONER: Or was it that the only motion that you could vote on at that

stage was the amended motion?---Exactly right. That was the only one I had a choice of voting on and I didn't want to not vote.

5 MR URQUHART: So just hypothetically then, had the amended motion been defeated, what would have happened then?---I would have voted for the motion as was advised.

10 Is that right, then the Council - I'm not familiar with the process?---Okay. Would you like me to explain?

15 Yes. So an amended motion is initially carried but it's then defeated?---I think to give you your answer, I think it might be easier if I just tell you this: in the event that - just say as per the Commissioner's comment just then, if that became a particular - - -

20 COMMISSIONER: Question?---Question, sorry, sir.

25 That's all right?---If that became a particular motion just to vote on the increase, right, I would have voted against the increase.

30 MR URQUHART: I see?---And then if they went to the motion, the main motion of, would you support the Telstra Fashion Festival in its recommended form, I would have voted for it in its recommended form, if I had that opportunity.

35 But you didn't have that opportunity?---No.

I'm just asking you then if the amended motion was defeated - - -?---Yes.

40 - - - at the vote, is there - - -?---The original one goes back.

The original one goes back, so the original one would have gone back and you could have voted on that?---Yes, Mr Urquhart.

45 Then I'm just wondering why you would have maintained your vote against the amended motion so that if it was defeated it would go back to the original motion?---Because I thought that was the only motion that I had to vote on, Mr Urquhart.

I see, all right?---My apologies if it wasn't clear.

50 Thank you, Madam Associate. That can come down now. Mr Limnios, I want to just conclude by asking you some questions regarding the Hellenic Community?---Yes, Mr Urquhart.

55 I am mindful of the time, sir - - -

COMMISSIONER: No, keep going. If you're able to, keep going.

MR URQUHART: Yes.

5 Have I got that pronounced right, is it the Hellenic Community?---Of Western Australia.

So you a member of the Hellenic Community of WA?---Yes.

10 How long have you been a member of that organisation?---I think my mum made me a member when I turned 18 or - my parents did it.

So some time ago?---Yes - not that long. I'm only 47.

15 I think, Mr Limnios, you and I are about the same age so all right, I will agree with you, it wasn't that long ago. What does the Hellenic Community of WA do?---We have a benevolent association that looks after the elderly. It has a Greek Orthodox day school called St Andrew's Grammar, it has a church, it has a function hall that albeit now is turned into a gym and we have our parish. We have a parish of St Constantine and Helene.

20 So it promotes the interests of members of the Greek community?---Yes, of our religion and of our culture.

25 Yes. Other members of your family have been or are associated with the Hellenic Community?---Yes. My dad was the president in 1989 until 1995 and the founder of St Andrew's Grammar and the founder of the Hellenic Aged Care during his presidency.

30 And does the Hellenic Community of WA have some involvement with both those institutions, did they?---They own them.

And you mentioned that the Hellenic Community was responsible for one Greek Orthodox church?---Yes.

35 That is the one in Northbridge?---Yes.

Was it also responsible and helped build the two others in West Perth and Dianella?---No.

40 No?---I don't - that was before my time. I'm not sure.

Was the Hellenic Community responsible for organising the Perth Greek Glendi Festival?---I think it was. I think it was a subcommittee of the Glendi.

45 Glendi, G-l-e-n-d-i?---Yes.

Can you tell us, please, what festival was that?---A celebration of Greek culture

and food and dancing.

5 And it would be a one or two day event that was held within the precincts of the City of Perth?---I think it was a two day event on the weekend, on a particular weekend.

Is it your recollection that began in 2015 after an hiatus or an absence for some years?---Yes.

10 Am I right in saying the City of Perth sponsored that festival for a number of years?---Mm hmm.

15 Instead of saying, "Mm hmm", you just have to say yes?---Yes, sorry. My apologies.

You're not the first witness to do that?---My apologies.

20 Was the Hellenic Community also involved in the organising of services at the Greek Orthodox church during the Greek Orthodox Easter period?---Yes.

And I gather you and your immediate family attend the church, the Greek Orthodox church?---I attend.

25 You attend?---I attended at the one in Carr Street, the corner of Carr Street and Charles Street, just before you get on the freeway, Our Lady.

Is that the one in West Perth?---The one in West Perth, that's the one I attend. I try and get there every Sunday

30 [4.30 pm]

35 Did your kids or do your kids attend the St Andrew's school?---No, but they attend Greek school classes on Saturday, which is separate. It's like - some parents have created some Greek school Saturday learning.

And did the Hellenic Community of WA have any involvement in that?---Yes, yes, but I paid for those lessons.

40 You mentioned the City of Perth sponsored the Glendi Festival?---Yes.

Is it also your recollection that the Hellenic Community received donations from the City of Perth to organise the Greek Orthodox Easter services?---Yes.

45 With respect to the sponsorship by the City of Perth of the Glendi Festival, I don't want to take you necessarily to the minutes but it would seem that an application for sponsorship by the City of Perth was first considered at a Marketing Committee meeting on 4 November of 2014?---Yes.

And that you were a member of that committee and that you declared an impartiality interest before the sponsorship of the Glendi Festival was discussed?---Yes, I did so at anything to do with the Greek community.

5

As I understand it, you made that disclosure under regulation 11 of the Local Government (Rules of Conduct) Regulations?---I have no idea what the regulation is but I thought it was the right thing to do.

10 Yes. That regulation also concerns if a Councillor has a membership of an association?---Mm hmm.

Okay?---Yes.

15 The regulations don't require a Councillor with such an interest to exclude themselves from considering the matter, was that your understanding?---Yes, Mr Urquhart.

20 Did you know whether or not a Councillor with an impartiality interest could voluntarily exclude themselves?---No, I was always told that I didn't have to, that I could stay in the room because I specifically asked once, I think.

There are, of course, varying degrees of an impartiality interest, would you agree with that?---Yes.

25

They might be relatively insignificant or quite significant, yes?---Yes.

Do you just want to clean your glasses for a moment?---No, I'm listening to you.

30 I'm just asking this from your own personal point of view and to assist the Inquiry as to whether it ought to make recommendations or not along these lines. I just want to ask your view as to whether you would believe that there could be cases when an Elected Member's impartiality is so great with respect to a matter that's before Council that they ought to be required to exclude themselves?---Possibly, Mr Urquhart, yes.

35

Could you think of situations where that would be appropriate?---If you were having financial gains from the - by the organisation, or employed by the organisation.

40

That actually becomes a financial interest?---Okay.

So I'm just referring to a situation where someone doesn't have a financial interest?---I can't think off-hand.

45

No. Another subject, I would like your comments on is whether you would consider it appropriate for a Councillor who has disclosed an impartiality interest

to participate, by all means, in the decision-making process but not be involved in trying to amend an officer's recommendation, for example, that the association might receive a greater benefit?---I can see that that is probably best practice.

5 Because otherwise it might look like the Councillor - - -?---Is influencing.

Yes, is not being impartial. I do want to take you now to the minutes of that Marketing Committee meeting of 4 November of 2014. This was some of the material that has already been provided to your lawyers. Madam Associate,  
10 16.0535, please.

COMMISSIONER: I just record for the transcript that Mr Yeldon has excused himself from the Bar table.

15 MR URQUHART: I've already used a line - - -

COMMISSIONER: No, just carry on, Mr Urquhart.

MR URQUHART: 16.0535, thank you, Madam Associate. I know this is nearly  
20 five years ago, so I hope you'll be assisted with recalling this particular meeting if we can. So there's the cover page to the meeting and if we turn now to 537, please, 16.0537. The TRIM number, sir, for the entirety of this document is 21164.

COMMISSIONER: Thank you.  
25

MR URQUHART: We can see that you're in attendance, together with Councillor Adamos and Councillor McEvoy, okay?---Yes.

And then if we go to 538, the next page, we see there that you've made a disclosure  
30 of your impartiality interest?---Yes, Mr Urquhart.

And now we go to 540, please, and we can see there that there's been an officer  
35 recommendation that \$20,000 be provided for the Perth Glendi Festival, do you see that?---Yes, Mr Urquhart.

Then we go now to 545 and this will make it even more clear. The application is  
40 recommended for approval, at the top there, we have got, "Hellenic Community of WA Inc, Perth Greek Glendi Festival", the requested amount is \$40,000. The recommended sponsorship amount by the officer is \$20,000, can you see that?---Yes, Mr Urquhart.

If we go now to 548, please, one quarter of the way down there it starts:

45 *The Marketing and Administration Committee agreed to amend part 1.1A of the officer recommendation as follows: (a), Hellenic Community of WA Inc -*

And there's a line through \$20,000 and it's replaced with an amount of \$25,000, do you see that?---Yes, Mr Urquhart.

5 The primary motion as amended was put and it was moved by Councillor McEvoy and seconded by Councillor Adamos. So then the items were put to the vote and if we go to 549, it was passed unanimously, do you see that?---Yes.

10 Would you agree with me, given that you've had the opportunity of looking at these minutes earlier, that the only change that was made to the recommended amounts for those various organisations and their sponsorship was the Hellenic Community one?---Mm hmm.

Yes?---I didn't focus on that but I remember the Hellenic Community was one.

15 Do you recall how that amendment came about?---I think Councillor McEvoy suggested an increase and it was seconded by Councillor Adamos.

20 Did you have any input in raising the amount by \$5,000?---No, because if I did, I would have moved it. I don't recall. I was probably quite careful about that sort of ---

Okay. How good is your recollection though of what was discussed at the meeting because I gather you've attended 100 meetings on Council since November 2014?---Since 2009, yes.

25 2009 as well?---Yes.

I'm just going to show you an email exchange between Councillor McEvoy and the then Lord Mayor?---Mm hmm.

30 And that's at 16.532, please, Madam Associate. So you weren't included in this email exchange.

35 COMMISSIONER: Could you enlarge that, please, Madam Associate? Sorry for the interruption, Mr Urquhart.

MR URQUHART: That's fine, thank you, sir.

40 So it's 4 November 2014, which was the same day as this Marketing Committee meeting?---Mm hmm.

45 *Just got back from marketing and then works. Snow land item we referred back for more discussion. There was a representative from Pro-Tramp so we all listened. There was a bit of discussion and then we put it to bed. No press at the meeting, cheers, Judy.*

It would appear that Ms McEvoy is referring to the works meeting that she



attended to rather than the marketing. Anyway, it does not matter but there was some further exchange of emails that I will take you to regarding the Lord Mayor and Ms McEvoy. 531 now, thank you, Madam Associate. This is TRIM number, sir, 21163, as was the previous page.

5

COMMISSIONER: Thank you.

MR URQUHART: Ms Scaffidi responds, still on 4 November:

10

*Thanks, good to hear. What did you think when you heard the presentation and Martin too, L.*

Then Ms McEvoy responds:

15

*The presentation was short, apart from James deciding to have a Q & I with a proponent. Had to give Martin the old, we don't allow this. He then corrected James. Martin did not say a lot as we already suggested we defer. Just between you and I, James made a big song and dance about the Glendi Festival only receiving \$20,000 instead of the requested \$40,000. We gave in and added an extra \$5,000. Don't know how you feel but I thought it was very inappropriate for him to make such an issue about it. He had declared an interest as a member of the Greek community! JM.*

20

25

So it seems to be a contemporaneous email that was sent by Ms McEvoy to the Lord Mayor. Does that help you - assist with your involvement in having the amount increased?---I disagree with that. Councillor McEvoy has never liked me, she has never liked me and that is her words and her language. From what I know of Councillor McEvoy, she is very - she doesn't get pushed around by anybody, she's very capable of making her own decisions.

30

Right?---I just don't remember making a song and dance about it. I don't remember that.

35

Might it have happened if you haven't got a recollection?---No. I like to think that I'm quite a professional person, Mr Urquhart.

40

This is 2014, I know you had a split from, for want of a better term, the Lord Mayor's team but that was several years later, was it not?---A couple of years or 18 months, or whatever, but Judy and I were never friends.

Although you haven't got a specific recollection about the meeting, you would say that's an embellishment by Ms McEvoy of what took place at the meeting?---I would think so.

45

Thank you, that can come down now, Madam Associate. Just for your information, Mr Limnios, if you weren't already aware of this, the Council, on 7

June 2016, subsequently approved the \$25,000 sponsorship to the Glendi Festival and indeed, I think that amount continued for two or three more years after that; does that accord with your recollection?---If that's what the evidence suggests, I've no reason to disagree, sir

5

[4.45 pm]

I have just got one more area to cover, if I may. After the October 2017 election, the positions on the various committees were re-assigned. Is that how things are done, after each election obviously there could be new members so therefore - - -?---Yes.

10

- - - the committee positions are declared open?---Yes.

15

You were not appointed to the Marketing Committee, is that your recollection?---To the best of my knowledge, yes.

It would appear that the Special Council Meeting that addressed this, that you sought a nomination for yourself, you haven't got a recollection of doing that?---No, it wouldn't surprise me.

20

And then you withdraw that nomination when more than three people applied?---It doesn't surprise me, because I've been on that committee for a long time and if others wanted it, absolutely.

25

I just want to go now to what would have been the next Marketing Committee meeting after the new appointments were made and that was on 7 November 2017, okay? So this is page 650, 16.650, thank you, Madam Associate. TRIM number, sir, 21165.

30

COMMISSIONER: Thank you.

MR URQUHART: There we go, just simply to confirm this is the meeting we are talking about and if we could go to 651 now, thank you. You see the members in attendance, Councillor Chen, Councillor Barton, Councillor Hasluck and then if we go down to observers, we can see that Councillor Harley and yourself attended, yes?---Mm hmm.

35

Again, sorry, Mr Limnios, you're going to have to say yes?---Yes. I'm sorry, Mr Urquhart.

40

That's fine?---I don't realise it.

That's fine. Can you recall why it was you attended this particular committee?---I have an interest in certain matters, it was probably - from what I recall there was a Hellenic Community matter.

45

Yes?---So I would have attended, having an interest in that, to see what happened.

Indeed, if we go now to 653 and look at disclosure of members' interests?---Mm hmm.

5

You've actually made an impartiality interest disclosure again, do you see that?---Yes, probably because I was going to speak. I possibly made a disclosure because I was going to speak.

10 I see, speak in support of - - -?---No, no, to ask a question.

To ask a question, right?---Because as a person that's sitting in the gallery or an observer, you don't disclose, you're just in the - - -

15 Yes?---So I would have either had a question or something.

Should that not be recorded in the minutes if you did have a question?---I'm not sure.

20 Should it have been?---Probably, best practice.

We can have a look at that. So if we go now to 655 for the event sponsorship round 2 that also included a consideration of the sponsorship application by the Hellenic Community for the Glendi Festival?---There was another reason. There was also the HBF Fun Run because there was also concerns around about the protocols around that and that was also a matter that was of interest to me.

25

I see?---Because what used to happen is that they would close the streets and they would close them off much earlier than they should have and I had tried to insist that, out of courtesy to the residents and to the business community, that they would close off the streets that parking and, put all our goods and that, at a time that was convenient. That's why.

30

You see there that you departed the meeting at 5.20 and returned at 5.27 pm?---Yes.

35

Can you recall why it was that you left the meeting?---Maybe my phone rang, I'm not sure.

40 Do you remember whether you returned whilst the item, which involved the event sponsorship round, was still being considered?---I don't remember, Mr Urquhart, specifics.

So if we just go over the page now to 656, we can see there that the officer recommendation was that - see at 2.2, "Declines sponsorship to the following applicants"?---Mm hmm.

45

And 2.2, one of those applicants was the Perth Glendi Association of WA for Greek Festival, Perth Glendi?---Yes.

5 And is it your recollection that this was the first time that the sponsorship application that had than made by the Hellenic Community for the Glendi Festival had been refused, or at least recommended for refusal?---Yes.

10 Then indeed, if we go now to the bottom of that page, we can see that there was an amendment made. You see, "Moved with amendment. Moved, Councillor Hasluck, seconded, Councillor Barton." There was only a reduction in the amount for item 1.2 and then if we can go to 658, you will see that the Perth Glendi Association of WA's application for sponsorship is still being declined?---Mm hmm.

15 And then finally to 659, we can see there, that motion was put and carried, do you see that?---Yes, sir.

I just want to refer you now to a meeting note that appears there ?---Mm hmm.

20 Do you see that, "Councillor Limnios requested the Administration contact the Hellenic Community of WA Inc to advise they are ineligible for this program. However, they can apply for a donation"?---Yes.

25 Can I ask, why did you do that?---Because I was advised - from what I can recall through discussions that I've had, I am trying to jog my memory reading this, that because of the change of how applications were assessed, organisations couldn't go any more for grants, I think they had to call it donations and that's why there was recommendations for not accepting it and because this is a volunteer group, the Hellenic Community, I wanted to ensure that they were aware, because there was  
30 no doubt that they would ask - someone would ask me at church or whatever, "What happened, how come you didn't support our Easter", or whatever, that there was a change in the process and that is why, because I had become aware that the process had changed and that was the reason why it was recommended for decline.

35 Again, I just ask you for your comment here?---Yes.

40 Given the interest that you did have in the Hellenic Community, did you still, notwithstanding that interest or because of that interest, did you still regard your request as appropriate?---I didn't think I was doing anything wrong because I was told, it's an impartiality interest and I wasn't supporting - I wasn't trying to get them to change their mind or do anything different. I actually voted as per the recommendation. All I was trying to do was at least be on the record for saying, can you please let the organisation know that things have changed.

45 Would I be right in saying though that on a personal level you were disappointed by the officer's recommendation to decline the sponsorship application made by the Hellenic Community?---That is a very fair question, Mr Urquhart. I - when I

became - - -

5 Thank you for that, Mr Limnios?---Sorry. When I became aware of the reasons, there wasn't a reason to be disappointed, it was just a change of processes, change of procedure, change of the way in which organisations like this had to apply.

So you had no feelings of disappointment?---Not really, no.

10 Not even a little bit?---No.

Because this was an organisation that you were involved in, that your family had been involved in for a number of years?---I was surprised initially but when I became aware as to the reasons, I didn't - I wasn't upset.

15 Do you recall emailing the Director of Economic Development and Activation, Ms Battista, just before?---Yes, yes.

20 This Marketing Committee meeting?---Is that the email you're referring to that was in the pack that we received?

Yes, exactly right?---Absolutely. I don't recall it but my memory got refreshed when I - - -

25 This will be the final item that we will be looking at insofar as my questioning is concerned. We will just have a look at that now, 648, thank you, Madam Associate a TRIM number, sir, 21396.

COMMISSIONER: Thank you.

30 MR URQUHART: We will go up and we have to start at the bottom for the email trail as usual, but there it is, we can see an email that you sent on 5 November 2017, so that was the - - -?---The Sunday.

35 That was a Sunday, so it was the following day you had the - - -?---No, committee meetings were always Tuesdays.

Always Tuesdays, so three days before. You said Sunday, I thought you said same day?---Sorry, Sunday, I meant.

40 Sorry, long day for you, longer day for me. So, "Greek Glendi and Easter" is the subject:

*Hi Annaliese, I note that they are both declined. May I have information as to why?*

45 ?---Yes.

Had you become aware that the officer was recommending they be declined because you were able to access - - -?---We get minutes.

Yes, you were able to access - - -?---And you try and read your minutes.

5

Not the minutes, but the agenda?---The agenda, sorry.

You had access to the agenda?---My apologies.

10 Do you still maintain it was appropriate for you to make these enquiries of Ms Battista?---Yes, I just wanted to know to be further educated as to what's happening, in case I asked the question, out of - - -

15 But it was because of your association with the Hellenic Community that you were making these enquiries?---Mr Urquhart, if I can answer you with a little bit of context, if that was the Chung Wah Association or any other association that was long established, part of the Perth community, I would have asked the same question if there was a sudden change. It wasn't specifically, and I can see how you could draw that together because of my membership of the Hellenic  
20 Community and I am a very proud Greek Orthodox and member of the Hellenic Community, but it was just to find out - I felt it strange, sir.

Mr Limnios, you hadn't requested information regarding any of the other applicants that had missed out?---Yes, fair call.

25

It was only the Hellenic Community's application?---I see your point, I see your point. I don't want to drag this - I see your point.

30 Might it be the case that because of your association with the Hellenic Community, that you were following up just that particular declining?---I genuinely wanted to be educated around it.

That might be so but is it because of the association that you had with that particular organisation that led you to raise this?---Quite possibly, but today, as I sit here, I don't feel that way, but quite possibly, Mr Urquhart.

35

Then we go to Ms Battista's response at 647, thank you, Madam Associate. So Monday, 6 November 2017 at 9.10 am, Ms Battista says, "Of course, Councillor Limnios" and then she goes to explain why it was that both the Glendi Festival sponsorship application and also the Greek Orthodox Easter celebration donation or request for donation had been declined, can you see that?---Yes, Mr Urquhart.

40

I just want to take you to the answer that she gave regarding the Greek Orthodox Easter celebration.

45

COMMISSIONER: Just enlarge that, please, Madam Associate. Thank you.

MR URQUHART: Because I should actually remind you that with respect to that those minutes that we looked at, I've been referring you to the Glendi Association, but I forgot to also draw your attention to the fact that the Hellenic Community of WA had also applied for sponsorship for the Greek Orthodox Easter celebration as well, okay?---Mm hmm.

And I gather that's why in your email to Ms Battista, you had headed it, "Re Greek Glendi and Easter"?---Mm hmm.

10 With reference to both. Okay, that's good. You can see there for the Greek Orthodox Easter celebration she states:

15 *This has previously been provided, a donation by the City. The City advised the Hellenic Community in 2016 that under Council's new Sponsorships, Partnerships and Grants Policy, this event would no longer be eligible for a donation.*

Do you see that?---Mm hmm.

20 [5.00 pm]

If we then go to what you requested at the meeting, do you remember that? The meeting note read, this is three days later:

25 *Councillor Limnios requested the Administration contact the Hellenic Community of WA Inc to advise they are ineligible for this program, however, they are can apply for a donation.*

30 Do you see there, it looks like you already had the answer?---I think it could be a bit of a confusion, a confusion here because I think the only reason why I would have said that is I would have been advised by Administration or by Annaliese Battista that they can only apply for a donation, not a sponsorship and I think in this email, that's where it could have muddled up. I would never have - I wanted clarification to the organisation but based on the advice that I had received,  
35 because I would be - - -

Advice you received from Ms Battista or somebody else?---Possibly from Ms Battista, afterwards we probably would have spoken about it.

40 Let's go to that. You responded to the email that Ms Battista sent at 9.10 am on 6 November at 11.05 am on 6 November?---M'mm.

Do you see that, right at the top of the page?---Yes.

45 "Let's have a chat"?---Yes.

Do you know whether - can you recall whether you did have that chat?---I spoke

very regularly with Ms Battista because of her role in the activation and economic development. I could have and it wouldn't surprise me if I did, but I don't remember specifically.

5 Did that chat involve a conversation of maybe persuading her or one of her officers to endorse or support the sponsorship?---No, I would not do that.

You shouldn't do that, a Councillor shouldn't do that, should they?---I agree with you.

10

Yes. So therefore I'm just asking you as to what it was that you wanted to have a chat with her about?---Just to give clarity.

15

Given the rather this rather detailed email she provided to you?---Probably to get clarity and to see how we could communicate that, because we were quite big in communicating and making sure that there was no - - -

20

What required clarity for her - - -?---For me, for me to understand how the new processes worked, the new assessments, but I don't recall specifically having a conversation. That's what I meant by, "Let's have a chat" but not to influence Ms Battista in any way.

You're quite certain about that?---To the best of my knowledge, I don't recall.

25

Can you point to anything in her email that you did not understand? Can you do that now for us?---Okay.

Once you've finished, we can go over the page as well, just to put it in its entirety there, Mr Limnios?---If we can go back, sorry, ma'am.

30

Do you just want to read the last bit there? I think you should, and then you can take us to what parts you want us to?---Yes.

So you see that, she's actually attached the round 2 event applications?---Yes.

35

And the full officer's reports?---Mm hmm.

Getting back to my original question, what was it in the email that you believed required - - -?---Can we go - - -

40

- - - clarification. You want to go to 647?---Yes, please.

Certainly?---Okay. Where it says here "no longer eligible", so if I go, "This has previously been provided" - - -

45

Sorry, can you just take us to - - -?---Greek Orthodox Easter.



"Greek Orthodox Easter Celebration" heading, yes?---:

5                   *This has previously been provided a donation by the City. The City advised the Hellenic Community in 2016 that the Council's new Sponsorships, Partnerships and Grant Policy, this event will no longer be eligible for a donation. The group applied for the sponsorship, though we had provided this advice.*

10                  So what she's saying is that - I thought she's saying that they applied for a donation when we had told them that they weren't eligible - sorry, they had applied for a sponsorship when we'd told them they weren't eligible for a sponsorship, so I got confused between donation and sponsorship, thinking that there was - I remember being told, and I can't remember how, but they were eligible for one and not the other. That is what I recall.

15                  So you got confused as to what was a donation and what was a sponsorship?---No, no. I remember being told at some point here, when I was trying to just get some clarity, that the Hellenic Community was eligible for either a donation or a sponsorship, with the new change of circumstances, and that is the only reason  
20                  why I went to that committee meeting and asked to speak, just to ensure that there was good communication between the City and the Hellenic Community who's just shy of 100 years old being in the City of Perth. That was it.

25                  Mr Limnios, looking at that paragraph that appears under, "Greek Orthodox Easter celebration" heading, it seems very self-explanatory:

30                   *The committee advised the Hellenic Community in 2016 that under Council's new Sponsorships, Partnerships and Grants Policy this event would no longer be eligible for a donation. The group applied for a sponsorship, though we had provided this advice in 2016.*

Then she goes on to say:

35                   *To be as fair as we could, we assessed it alongside the other proposed sponsorships and it scored lowest of the 16 at 40 per cent.*

40                  So correct me if I'm wrong, but it's clear from the email that she's advising you that the Easter celebration event, no longer eligible for a donation. Nevertheless, it did consider it as a sponsorship application and it scored lowest of the 16 at 40 per cent?---I read it to say that the group then subsequently applied for a sponsorship.

45                  Yes, that's right, so it wasn't eligible for a donation, it had applied for a sponsorship and it had the lowest score of all 16?---I apologise for my misunderstanding but I recall being told that they were eligible for one and not the other, after making enquiries. So if I've got it wrong, I do apologise but I voted as per the recommendation, I wasn't trying - - -

You weren't voting?---No, no.

This was about when you were - - -?---Yes, sorry.

5 You weren't voting on this?---Yes, okay. Sorry, I was thinking out loud.

Certainly. So you still maintain that notwithstanding the contents of that email, you still required further clarification?---Yes.

10 COMMISSIONER: Yes, Mr Vandongen.

MR VANDONGEN: Commissioner, you probably know what I'm going to object to but my friend is making commentary about what - and I'm aware that the witness is here but on its face, I would be submitting that it is confusing and that  
15 the witness' answers are consistent with comment that he drew the witness' attention to in the minutes in the meeting note, that there was a distinction being drawn between a donation and a sponsorship.

COMMISSIONER: Yes. Thank you, Mr Vandongen.

20 MR URQUHART: I'm grateful to my friend.

COMMISSIONER: Mr Urquhart, before you ask the next question, do you mind if I just ask one of Mr Limnios?

25 MR URQUHART: Certainly, sir.

COMMISSIONER: Mr Limnios, would you just look at the last sentence of that paragraph under the heading, "Greek Orthodox Easter celebration" for me, please.  
30 This is the sentence that begins, "To be as fair as we could"?---"To be as fair as we could" - - -

Just read that to yourself?---Sorry.

35 You don't need to read it out loud?---Yes.

If you can, when you got this email, can you remember whether or not you understood how that scoring system worked?---Absolutely not. No, this was all new. It was very confusing.

40 Thank you. Mr Urquhart.

MR URQUHART: Thank you, sir.

45 Mr Limnios, did you read the attachments to this email?---Mr Urquhart, I can't remember. I honestly can't remember.

But if you had, would you agree with me that you would have been provided with all the clarification you needed?--I would have been confused.

MR VANDONGEN: I object to that one.

5

COMMISSIONER: Yes, I understand, Mr Vandongen. Mr Limnios has been very clear about what he can and cannot remember and sometimes you're just not able to discover certain things.

10 MR URQUHART: In that case, sir, I will just confer very quickly with my learned friend and I hope that will be the end of my questioning.

COMMISSIONER: Thank you.

15 MR URQUHART: That might give him a hint. Thank you, sir, that's all the questions I have for Mr Limnios.

COMMISSIONER: Thank you, Mr Urquhart. I will now hear applications and if there are none, then Mr Limnios will not need to be excused from the hearing  
20 room. Mr Malone, do you have an application?

MR MALONE: No application to make, Commissioner.

COMMISSIONER: Thank you. Mr Tuohy, do you have one?

25

MR TUOHY: No application, Commissioner.

COMMISSIONER: Mr Vandongen?

30 MR VANDONGEN: No application, Commissioner.

COMMISSIONER: Thank you. In that case, it remains for me to do three things. First of all, Mr Limnios, to thank you for your assistance to the Inquiry and to apologise to you for the inconvenience of keeping you beyond the normal time for  
35 concluding the hearing. I also want to thank all counsel who have remained for their indulgence and patience in allowing a late sitting of the Inquiry this afternoon. It's very much appreciated. Finally, I will otherwise adjourn the Inquiry until 10 am tomorrow morning.

40 MR VANDONGEN: Can I confirm, and I asked this question on a previous occasion and I will probably get the same answer, is Mr Limnios now excused from his summons or does it remain in force?

COMMISSIONER: It's the same answer, I'm afraid, Mr Vandongen. He's  
45 excused for today but he remains under summons.

MR VANDONGEN: Thank you, Commissioner.

COMMISSIONER: Thank you.

**WITNESS WITHDREW**

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**AT 5.11 PM THE MATTER WAS ADJOURNED  
UNTIL THURSDAY, 26 SEPTEMBER 2019**

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