
TRANSCRIPT OF PROCEEDINGS

INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

MONDAY, 18 NOVEMBER 2019

(1st day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH QC

Counsel Assisting: Mr Michael Tovey QC

Ms Amber Harris

OPERATION SANDON INVESTIGATION

PUBLIC EXAMINATIONS PURSUANT TO PART 6 OF THE INDEPENDENT
BROAD-BASED ANTI-CORRUPTION COMMISSION ACT 2011

*Every effort is made to ensure the accuracy of transcripts.
Any inaccuracies will be corrected as soon as possible.*

1 COMMISSIONER: Good morning, everyone. For the next three
2 weeks IBAC will be conducting public hearings and shortly
3 I'll ask counsel assisting, Mr Tovey and Ms Harris, to
4 open the matter by outlining the scope and the nature of
5 the hearing. Before we do that, however, there are some
6 preliminary matters that I would like to mention for
7 everyone's interest.

8 The hearings will all be open to the public, but
9 there may be occasions when it will be necessary to make a
10 suppression order or to close the hearing for particular
11 reasons, although I think the occasions for that are
12 likely to be rare. The proceedings are conducted under
13 Part 6 of the Independent Broad-Based Anti-Corruption
14 Commission Act of 2011. The examination is inquisitorial,
15 which means that the Commission is not bound by the rules
16 of evidence and the Commission may regulate the conduct of
17 the examination in any way considered appropriate.

18 I will make an order that all of the witnesses
19 who have been summonsed to give evidence should leave the
20 hearing and the precincts of the hearing, and that extends
21 to the adjoining hearing room where there is a live
22 streaming of the proceedings, until they are called upon
23 to give evidence. The nature of that order, as it is
24 frequently made in the Supreme Court and the County Court,
25 is that the persons who have been summonsed to give
26 evidence must not be present during the examination of any
27 other witness. They must leave the hearing room. They
28 may not speak to a witness about the evidence that that
29 witness has given to the Commission during the public

1 hearings, nor may those persons speak to any other person
2 about the evidence that a witness has given the
3 Commission. The direction is made to support the
4 integrity of the examinations and to ensure that the
5 answers provided to the Commission by relevant witnesses
6 are independent of each other.

7 At the conclusion of counsel assisting's
8 examination of witnesses, legal representatives of
9 interested parties, and if the party is not represented
10 the interested party him or herself, may intimate that
11 they wish to cross-examine the witness. I will entertain
12 an application at that time for cross-examination. But as
13 is indicated in the letters that were written to the legal
14 representatives of interested parties, it will be
15 necessary for the interested party to show that there is
16 some additional matter that they seek to adduce, whether
17 it be by way of an additional fact or on the basis of
18 instructions, that they wish to identify that some
19 specific matter is being challenged. The purpose of that
20 is to ensure that the proceedings are not protracted any
21 further than is strictly necessary.

22 I'll receive indications now from any interested
23 parties or their representatives that anticipate that
24 during the course of the proceedings they may wish to
25 cross-examine. Would those legal representatives or
26 interested parties like to indicate to me now if that's
27 the case?

28 MR JUEBNER: Sir, for Mr Woodman I appear with Ms Bennett.

29 COMMISSIONER: Yes, Mr Juebner.

1 MR JUEBNER: I'm simply foreshadowing that there's a
2 possibility that that might occur.

3 COMMISSIONER: Of course.

4 MR JUEBNER: But I certainly couldn't indicate that that will
5 occur.

6 COMMISSIONER: No, I understand.

7 MR JUEBNER: Whilst I'm on my feet could I also just make one
8 enquiry in relation to the order for witnesses out of
9 court.

10 COMMISSIONER: Yes.

11 MR JUEBNER: I have asked Mr Woodman now to leave the court
12 presently. But does that order extend to the opening as
13 well or only the giving of evidence?

14 COMMISSIONER: No, it won't extend to the opening. I don't
15 anticipate that counsel assisting is going to delve into
16 the evidence in any detail, Mr Juebner.

17 MR JUEBNER: Yes. Thank you for the clarification.

18 COMMISSIONER: Thank you. Any other legal representatives?
19 Mr Wonaski.

20 MR WONASKI: Mr Commissioner, I appear with my learned friend
21 Ms Walton. We appear on behalf of the council and also
22 the CEO of the council at the present time. We just give
23 an indication we may wish to cross-examine.

24 COMMISSIONER: Yes, thank you. I have had an enquiry from
25 someone asking, if it's necessary, will counsel be
26 permitted to get instructions at the conclusion of the
27 counsel assisting's evidence, and of course if that's
28 necessary we will facilitate that. Yes?

29 MR BONGIORNO: My name is Bongiorno. I appear for Councillors

1 Rowe and Stapledon, and I foreshadow that we may, but
2 can't necessarily indicate that we will, at some point
3 apply to cross-examine witnesses.

4 COMMISSIONER: I understand.

5 MR BONGIORNO: Thank you.

6 COMMISSIONER: Thank you, Mr Bongiorno.

7 MR LEWIS: Commissioner, my name is Lewis, and I seek leave to
8 appear on behalf of witness Megan Schutz. Like other
9 counsel, we foreshadow we may seek leave to cross-examine,
10 depending on the evidence which is adduced.

11 COMMISSIONER: Yes.

12 MR LEWIS: And could I seek to clarify one of the directions
13 that the Commissioner just made?

14 COMMISSIONER: Certainly, yes.

15 MR LEWIS: In relation to the order for witnesses out of court,
16 can I clarify is there any restriction on witnesses
17 reading the transcript that I understand is likely to be
18 made available at the end of each day?

19 COMMISSIONER: Of course there is a restriction on doing so.

20 MR LEWIS: There is?

21 COMMISSIONER: That would defeat the purpose of the order.

22 There is no restriction on counsel, as is normally the
23 case of course, in asking your client questions about
24 issues that have been raised.

25 MR LEWIS: Yes.

26 COMMISSIONER: Counsel will be acutely aware, however, of the
27 need to ensure that there is no intimation given in the
28 course of those conversations as to what the evidence is
29 that has been given. Do you follow the distinction?

1 MR LEWIS: Thank you for the clarification. I do.

2 COMMISSIONER: Yes. Thank you.

3 MS KEATING: Commissioner, my name is Keating.

4 COMMISSIONER: Yes.

5 MS KEATING: I appear on behalf of Mr Thomas Kenessey and

6 I also foreshadow an application to cross-examine should

7 the need arise.

8 COMMISSIONER: Very good. Thank you, Ms Keating.

9 MR CASEMENT: Good morning, Commissioner. My name is Casement.

10 I appear on behalf of Lorraine Wreford and I'm in the same

11 situation as other counsel. I'd seek to make an

12 application if the need arises.

13 COMMISSIONER: Thank you.

14 MR NAPIER: Commissioner, my name is Napier. I appear

15 with - we have instructed Trevor Wallwork as counsel on

16 behalf of Councillor Geoff Ablett and we refer those

17 rights as foreshadowed by my learned friends.

18 COMMISSIONER: Yes.

19 MR NAPIER: Thank you.

20 COMMISSIONER: I might just say for the interests of the legal

21 representatives that in the past there have been occasions

22 in public hearings where my predecessor has suggested that

23 it might be considered forensically sound for counsel to

24 wait until all the evidence has been called before

25 determining whether they wish to cross-examine. That's

26 entirely a matter for counsel to take into account, but

27 I will entertain applications. If counsel feel they

28 wanted to defer cross-examination, I will entertain

29 applications to that effect. Are there any other

1 preliminary matters? Very good. Would you ask Mr Woodman
2 to come into court, please.

3 MR JUEBNER: Mr Woodman is in court, sir.

4 COMMISSIONER: Thank you. Come forward, Mr Woodman.

5 Mr Woodman, have a seat, please. I require you to take
6 either an oath or affirmation. Which do you prefer?

7 MR WOODMAN: The oath, Commissioner.

8 <JOHN CHARLES WOODMAN, sworn and examined:

9 COMMISSIONER: Now, Mr Woodman, at any stage if you are having
10 difficulty hearing or seeing, please let me know, would
11 you, and we will do what we can to assist you.

12 MR JUEBNER: Commissioner, I'm not sure whether it was drawn to
13 your attention, sir, but Mr Woodman has a hearing
14 difficulty.

15 COMMISSIONER: Yes, we hopefully will be able to address that,
16 but we'll find out very quickly if we are not doing so.

17 MR JUEBNER: Thank you, sir.

18 COMMISSIONER: Are you able to hear me now sufficiently,
19 Mr Woodman?---I am just, thank you, Commissioner.

20 Mr Woodman, I'm required to advise you of the nature of the
21 matters in respect of which you will be asked questions by
22 counsel assisting and myself. Just a moment. There are
23 some earmuffs there, Mr Woodman. That might assist you.
24 Have a seat?---Thank you, sir.

25 So I am now to just go through with you the matters about which
26 you may be questioned; do you follow?---Yes, sir.

27 Firstly, your knowledge of the City of Casey Council in
28 relation to consideration of development applications and
29 other planning matters within the City of Casey; the

1 transparency of planning and property development decision
2 making within Victoria, including but not limited to local
3 government, and I might interpose there you may be asked
4 questions from time to time about your general
5 understanding of planning issues and the way in which the
6 Local Government Act requires processes to be followed; 3,
7 whether public officers involved in planning and property
8 development decision making have been improperly
9 influenced through donations, gifts or other hospitality;
10 4, the circumstances surrounding any actual and potential
11 financial benefits obtained by any public officer, their
12 families or their associates, resulting from or otherwise
13 in connection with planning and property development
14 decision making within Victoria; and, 5, the systems and
15 controls in place concerning planning, with particular
16 focus on the existence and adequacy of systems and
17 controls for ensuring the integrity of the planning
18 process, including by detecting instances of public
19 officers providing benefits to themselves, their family,
20 friends or associates.

21 Following questioning by counsel assisting,
22 Mr Juebner will have the opportunity to ask you questions
23 to clarify your answers if he wishes to do so at that
24 stage. Mr Woodman, at the time you were served with a
25 summons to attend, did you receive a document entitled "A
26 statement of rights and obligations"?---Yes, yes.

27 And prior to your examination today have your lawyers explained

28 the content of that document to you?---Yes, Commissioner.

29 Would you like me to again inform you of your rights and

1 obligations?---No, thank you, sir.

2 Now, may I just say this to you, Mr Woodman, and this is really
3 important. Counsel will ask you a lot of open-ended
4 questions, meaning the questions will not suggest any
5 particular answer. But you should not assume that because
6 counsel asks open-ended questions that counsel do not
7 already know the answer to that question; do you
8 follow?---Yes, sir.

9 It's really important that you are truthful in your answers.

10 Now, in relation to your evidence - just pardon me a
11 moment. You understand that so long as you give answers
12 that are truthful, your answers cannot be used in any
13 other jurisdiction against you. They cannot be used in a
14 court of law. They are not admissible. Do you understand
15 that?---Yes, sir.

16 But if you are not truthful in your answers, you remain liable
17 to the offence of perjury and you may be prosecuted for
18 giving false answers and you understand that the charge of
19 perjury may carry with it a very substantial term of
20 imprisonment; do you follow that?---Yes, sir.

21 At any stage during your examination, and I anticipate it will
22 be quite lengthy, Mr Woodman. At any stage should you
23 require a break, please let us know. It is presently my
24 intention that we will break mid-morning for a short break
25 and perhaps again in the afternoon. But your comfort is
26 important because you will be in the witness box,
27 I suspect, for some time. So you let us know at any stage
28 should you require a break?---Thank you, sir.

29 Yes, Mr Tovey.

1 MR TOVEY: Thank you, Mr Commissioner. Before I commence to
2 examine this witness could I ask that the witness be stood
3 down and I will provide our opening remarks.

4 COMMISSIONER: Yes, certainly. Just return to the court for a
5 moment, Mr Woodman.

6 <(THE WITNESS WITHDREW)

7 COMMISSIONER: Yes, Mr Tovey.

8 MR TOVEY: Thank you, Mr Commissioner. On 7 August 2018 the
9 Independent Broad-Based Anti-Corruption Commission, IBAC,
10 commenced of its own motion an investigation into
11 suspected corrupt conduct within the City of Casey
12 council. The investigation to date has focused on whether
13 councillors within the City of Casey have accepted
14 undeclared payments, gifts or other benefits, including
15 political donations, in exchange for favourable council
16 outcomes.

17 Local councils play an important role in our
18 community. Councillors hold a high position of trust.
19 There is an expectation that they carry out their public
20 duty with integrity and act in the best interests of the
21 community they represent and they do so not for personal
22 gain and they do so in a way which gives no appearance
23 that what they are doing might be for personal gain. They
24 are in fact duty bound under the provisions of the Local
25 Government Act to act in the best interests of the
26 community and not for personal gain.

27 The Local Government Act sets out the objectives,
28 role and functions of a council. The primary objective of
29 a council is to achieve the best outcomes for the local

1 community, having regard to the long-term and cumulative
2 effects of decisions. In seeking to achieve this outcome,
3 the Act says a council must have regard to facilitating
4 objectives, which objectives include to promote the
5 social, economic and environmental viability and
6 sustainability of the municipal district, to ensure that
7 resources are used efficiently and effectively and
8 services are provided with the best value principles to
9 best meet the needs of the local community, to improve the
10 overall life of the people in the local community and to
11 ensure transparency and accountability in council decision
12 making.

13 So, in short, we expect our councils to
14 contribute to us living in a comfortable and secure
15 environment, to efficiently provide services and to make
16 decisions, the integrity of which is beyond question.

17 The investigation so far suggests a distinct lack
18 of transparency, accountability and in some cases
19 integrity around certain decisions of the City of Casey
20 Council and raises a disturbing level of suspicion around
21 the relationship between certain councillors and
22 individuals involved in property development. This
23 investigation, which has been named Operation Sandon, has
24 uncovered what appears to be very significant financial
25 relationships between property developers and/or planning
26 consultants and councillors where no conflict of interest
27 has been declared and where those same councillors have
28 either voted on planning or property development matters
29 or attempted to influence how other councillors should

1 vote, the outcome of which votes would impact
2 significantly on the planning decisions being made by not
3 only Casey City Council, but also by the state government,
4 where the decisions of council have been referred onwards
5 for consideration by either tribunals or by the minister.

6 Justice Gageler in a recent High Court decision
7 defined corruption in a way which was notably succinct.
8 Justice Gageler defined corruption in this way: "One
9 universally recognised form of corruption is for a public
10 official to receive money in a private capacity in
11 circumstances calculated to influence the performance of
12 the official's public duties." And the matters which have
13 been uncovered by the Commission's investigators would
14 suggest that that principle has from time to time been
15 overlooked and indeed it may be gravely overlooked.

16 There have been votes on matters relating to
17 developments where councillors who have been receiving
18 money or other benefits from a developer have not declared
19 the receipt of such benefits . Sometimes there has been a
20 declaration of conflict of interest which has not revealed
21 the extent or the nature of the conflict. Councillors in
22 the thrall of developers have attempted to influence the
23 vote of other councillors even on votes where they have
24 declared a conflict. The decisions which have been
25 affected by these defective processes affect planning in
26 respect of developments worth hundreds of millions of
27 dollars.

28 While the investigation has looked into the
29 planning decisions by the City of Casey Council, more

1 broadly these public examinations will endeavour to focus
2 on three planning matters which occurred throughout the
3 period of the analysis that will be conducted as part of
4 this hearing. The decisions of the council which will
5 come into particular focus will be, firstly, the decision
6 relating to the Cranbourne West precinct structure plan,
7 which was a rezoning application which came to be known as
8 amendment C219 to the Casey planning scheme; secondly, the
9 construction of an intersection in Hall Road in Cranbourne
10 West which was referred to as the H3 intersection and
11 which was in a development which was part of
12 the Cranbourne West precinct structure plan; and, thirdly,
13 focus will be turned towards the development known as
14 Pavilion Estate.

15 In respect of amendment C219, that is the
16 amendment which involved a proposal to amend the
17 Cranbourne West precinct structure plan to rezone land
18 which was initially designated as employment or industrial
19 land to residential land, an urgent matter of business was
20 raised by one of the councillors who was one of the
21 persons of interest to this investigation, Councillor
22 Aziz, that's Sameh S-A-M-E-H Aziz A-Z-I-Z, during the
23 4 February 2014 council meeting. That was a proposal to
24 rezone the land in question. The parcels of land were
25 owned by Leightons and by people, the Kelly family. The
26 rezoning of the land would have increased its value by
27 well over \$100 million.

28 The motion was supported and it was decided that
29 council should liaise with the owners of the industrial

1 zoned land within the Cranbourne West precinct structure
2 plan - and I'll refer to precinct structure plan as PSP
3 hereafter - to validate their request for council to
4 consider the possibility of preparing an amendment to the
5 PSP from industrial to residential and a report on the
6 matter to be provided to council by the first meeting in
7 April 2014. So that resolution effectively put in play
8 the rezoning of the land which became the subject of C219.

9 On 11 February of 2014 Leighton Properties and
10 Watsons, which is a company which is controlled by
11 Mr Woodman, on behalf of the Kelly family wrote to the
12 council requesting council's in principle support to
13 rezone their respective parcels of land within the
14 Cranbourne West precinct structure to allow for
15 residential development. The application after that came
16 to be amendment C219 to the PSP, and Mr Woodman and one of
17 his advisers, Megan Schutz, were engaged as consultants
18 for the purpose of the application.

19 In April of 2014 the council considered a council
20 officer's report in relation to the rezoning request and
21 decided not to provide in principle support for the
22 rezoning, but to carry out a review of the Cranbourne West
23 PSP to identify, in consultation with the proponents,
24 opportunities for alternative forms of development.

25 In October of that year council considered a
26 report following a review of the Cranbourne West PSP.
27 That of course is the report just referred to. The
28 substantive recommendations in that report were that the
29 proposed revisions of the Cranbourne West PSP were to be

1 endorsed by the council and the proposed revisions to be
2 subject to four weeks of public consultations.

3 The proposed revisions to the PSP included that
4 industrial and business park areas be combined and
5 designated as employment land. Employment land is land,
6 as distinct from residential land, which is going to be
7 used for employment purposes and which will include
8 industrial land. And, thirdly, that expanded provision be
9 introduced for alternative forms of development such as
10 mixed use, including residential, in appropriate
11 locations.

12 A community organisation known as Save Cranbourne
13 West Residents Action Group, given the acronym SCWRAG
14 pronounced "scrag" and I will henceforth refer to it as
15 SCWRAG, was established in 2015. The SCWRAG website
16 states that their purpose is to protect their community
17 and provide organised voice to lobby against industry in
18 Cranbourne West, and a significant part of the
19 investigation has been to determine the extent to which
20 Cranbourne West was an independent residents group or
21 whether it was in fact the creature of developers.

22 COMMISSIONER: That's SCWRAG?

23 MR TOVEY: That's SCWRAG, yes. Throughout 2015 the rezoning or
24 amendment C219 remained a live issue and indeed, so far as
25 we can determine, it still is. There was consultation
26 with the community about the rezoning, a community
27 information day attended by the proponents, Schutz
28 Consulting, and some councillors, a preparation to council
29 on the outcome of the public consultation and

1 consideration by council of reports relating to the
2 consultation process.

3 There were numerous council meetings dealing over
4 a long period of time with various aspects of C219. In
5 May of 2015, following the receipt of a petition signed by
6 730 signatories, a motion was carried to accept the
7 petition and to advise that council has sought a meeting
8 with the Honourable Richard Wynne, who was minister for
9 planning, to seek his advice on amendment to the PSP. So
10 by that time the matter had been referred to State
11 Government level.

12 In June of 2015 the minister for planning met
13 with the council and in December of that year he wrote to
14 the mayor authorising amendment C219, subject to certain
15 conditions. What followed was a consultation between the
16 council and landowners and various stakeholders, including
17 the Department of Environment, Land, Water and Planning,
18 VicRoads, Metropolitan Planning Authority and the
19 Department of Economic Development, Jobs, Transport and
20 Resources.

21 In June of 2016 council resolved to include
22 approximately 66 per cent of the 200 hectares of
23 industrial land in the PSP to residential land use. The
24 land removed from the amendment land was that owned by the
25 Kelly family represented by Mr Woodman and the major
26 involvement in promoting that proposal at council level
27 was Councillor Aziz.

28 In July 2015, Councillor Aziz proposed to revise
29 the land use plan adopted in the June meeting and the

1 motion was carried. That motion was later determined to
2 be invalid by reason of its not complying with local law.
3 Amendment C219 to the Casey Planning Scheme was ultimately
4 exhibited between 29 June and 31 July 2017. Submissions
5 relating to the amendment were also considered by Planning
6 Panels Victoria. In May of 2018 the council submitted the
7 amendment to the minister for planning, but on 16 October
8 2018 the minister wrote to the council and advised that he
9 had decided to defer making a decision about an amendment
10 to C219 pending the preparation of an industrial and
11 commercial land supply study for the southern region which
12 he expected to be completed in early 2019.

13 The deferral by the minister happened to coincide
14 with matters relating to the conduct of Casey City Council
15 and the relationship between developers and councillors
16 being ventilated in articles in The Age newspaper. At
17 present the publicly available information accessible to
18 IBAC suggests that still no final decision has been made
19 in respect of amendment C219 to the Casey Planning Scheme.

20 Evidence available to IBAC is that during the
21 period between February 2014 and October 2018 when the
22 City of Casey Council were considering the amendment
23 issue, some councillors received donations, gifts and
24 benefits. They were received from planning consultants
25 and property developers or entities associated with them
26 who were directly or indirectly involved in the
27 application. That's a matter to which I shall be
28 returning fairly shortly.

29 Going now to the H3 intersection, the

1 construction of the H3 intersection or Road is something
2 that was subject of much debate within the council from
3 September of 2018 to a period well into the following
4 year. It also attracted some significant media
5 commentary. Building this intersection was a requirement
6 under the planning permits issued by the council in
7 relation to three estates in the Cranbourne West area, the
8 Alara, Elysian and Lochaven estates, which as we
9 understand it were in the area which surrounded the
10 proposed intersection.

11 Two developers are involved with the development
12 of these estates. One, Dacland, that's D-A-C-L-A-N-D, is
13 developing Lochaven, and Alara and Elysian estates are
14 being developed by a company called Wolfdene, which is
15 closely associated with Mr Woodman.

16 Of particular interest in respect of the H3
17 intersection is the conduct of Councillor Aziz who moved
18 motions in an attempt to ensure the prompt construction of
19 the H3 intersection and not in accordance with
20 the recommendations of the council officer's report.
21 Whilst the recommendations contained in the council
22 officer's report in September 2018 were the council to
23 write to VicRoads to confirm the need to prioritise the
24 Hall Road intersection, Aziz moved a motion well outside
25 the recommendations of the report, the result of which was
26 to impose adverse cost obligations on Dacland and limit
27 their ability to develop in a timely fashion the Lochaven
28 Estate until the H3 intersection was delivered. The
29 decision seemed to considerably favour Wolfdene and

1 removed a considerable financial burden from them.

2 In support of the motion, Aziz relied amongst
3 other things on legal advice he did not provide to his
4 fellow councillors and the source of which he refused to
5 disclose. The solicitor of that advice, it is now apparent,
6 was from those associated with Wolfdene and Mr Woodman's
7 companies in promoting the fast development of the Hall
8 Road intersection in the way which has just been
9 described.

10 The basis of Mr Aziz's submissions was that the
11 safety concerns relating to Hall Road meant that it was in
12 the community interest to build the intersection
13 immediately. Councillor Aziz also moved a motion
14 requiring council officers to report back to the council
15 in October 2018 as to the timing and delivery of the H3
16 intersection and the as soon as practicable timing of the
17 completion of the duplication of Hall Road in its entirety
18 as part of the H3 T-intersection works.

19 The motion as it related to Dacland was rescinded
20 at the next council meeting following the council
21 receiving independent legal advice that what had been
22 proposed was illegal. Debate was raised about the
23 fairness of the obligations suddenly imposed on Dacland
24 and the apparent favouring of Wolfdene. In the face of
25 that, Councillor Aziz moved a new motion to deliver the
26 construction of the H3 intersection as soon as possible
27 and "that council officers advise the council what further
28 steps might be taken by council to achieve the
29 construction of the H3 intersection at the earliest

1 opportunity to resolve community safety issues." This
2 motion was carried on the deciding vote of a councillor,
3 Councillor Smith, who had been nominated to chair the
4 meeting by Councillor Aziz after the mayor had declared a
5 conflict of interest.

6 Just to explain, the way in which meetings worked
7 was that the chairman of the meeting, if necessary, had a
8 casting vote, so that person effectively had two votes.
9 So, if he was one of the councillors who was in the inner
10 circle supporting Mr Woodman's developments, he would have
11 two votes. If that person excused themselves or could not
12 attend, it would seem that they would arrange for somebody
13 else to chair a meeting in their stead.

14 It is important also I think to note that
15 councillors who disqualified themselves on the basis of an
16 assertion of conflict from the consideration of these
17 issues nevertheless took part in deciding who it was who
18 would chair the meeting.

19 In October of 2018 council considered a request
20 from Dacland for council to support an out of sequence
21 release of stages 10 and 11 of the Lochaven Estate prior
22 to the construction of H3. A report was submitted to
23 council recommending that the request be supported and
24 indicating support from VicRoads and council's subdivision
25 and development engineering team. The report stated that
26 the "traffics group do not identify the construction of
27 the H3 intersection as a standalone piece of work that
28 will improve safety and that no safety or traffic
29 implications would justify refusing the application."

1 Notwithstanding the recommendations, Councillors
2 Aziz and Crestani moved a motion against supporting the
3 request and to commence the construction of the H3
4 intersection immediately. Our investigations have
5 discovered that the early development of the H3
6 intersection would have provided windfall profits for
7 Wolfdene enabling it to develop land well ahead of the
8 time where it otherwise would have been able to. This
9 motion was carried once again on the casting vote of
10 Councillor Smith who had been nominated by Aziz to chair
11 the meeting.

12 The developer lodged an appeal against the
13 decision of the council with VCAT. Evidence available to
14 IBAC suggests that the timing of the delivery of the H3
15 intersection was of great importance, as I just indicated.
16 Whilst the rush was couched under the auspices of
17 community safety, it would appear that the motivation was
18 in fact financial and IBAC has identified financial links
19 between the relevant parties involved in both considering
20 and advocating for the H3 intersection.

21 Might we indicate that in respect of both the
22 C219 issues and the H3 intersection issues, investigations
23 have disclosed that SCWRAG made submissions supporting
24 Mr Woodman's clients in respect of both of those.
25 Investigations have disclosed that there was a close
26 association between SCWRAG and Mr Woodman's companies and
27 those who worked for him in respect of the development of
28 these proposals.

29 Consultants representing Wolfdene in their

1 dealings with the City of Casey Council in relation to the
2 H3 intersection were Watsons and Schutz Consulting. John
3 Woodman, as I have already indicated, is a director of
4 Watsons. Megan Schutz is an associate of Mr Woodman with
5 links also to Wolfdene.

6 At the relevant time the council was consulting
7 and considering the H3 intersection, payments were made
8 into the bank accounts of two councillors, one of those
9 being Councillor Aziz and the other being Councillor Geoff
10 Ablett. IBAC accountants have traced those payments as
11 coming from Watsons, Mr Woodman's company. Further, the
12 Woodmans and their associated entity Wolfdene stood to
13 make very considerable financial gain as a result of the
14 H3 intersection going ahead and there was obviously
15 considerable financial gain to be achieved if their
16 obligations, that is their obligations under the original
17 permit in respect of building the intersection, were moved
18 to Dacland or to the council.

19 The local residents action group, SCWRAG, were
20 campaigning hard for the prompt construction of the
21 intersection, citing community safety as their motivation.
22 Investigations to date have revealed that payments were
23 made into an account associated with the SCWRAG president
24 and that Leightons and Woodman entities also made
25 donations to the SCWRAG organisation. IBAC accountants
26 have discovered that these payments were made by Watsons
27 and Ms Schutz of Schutz Consulting and that those payments
28 amounted in total to \$193,000.

29 It is expected that examination of this matter

1 will illustrate how Mr Woodman attempted to curry favour
2 with people he believed would assist in influencing
3 planning matters in which he had an interest. Part of the
4 motion passed by Councillor Aziz in September 2018 was for
5 council to write to and meet with VicRoads as well as the
6 elected member for Cranbourne, Mr Jude Perera MP, and
7 Labor's candidate for Cranbourne, Ms Pauline Richards, to
8 outline safety concerns relating to Hall Road's existing
9 conditions as expressed by local residents seeking
10 affirmation that an upgrade of the Hall Road/Evans Road
11 intersection and the Hall Road/Cranbourne-Frankston Road
12 intersection be a top election priority.

13 Public examinations will look at, amongst other
14 things, the motivation to move the initial motion as well
15 as that of councillors who voted in support of the motion
16 and any improper conduct on behalf of councillors in
17 receiving money, gifts or benefits and the conduct of
18 interested parties to the planning matter who may have
19 attempted to influence the outcome by offering or giving
20 payments or benefits to councillors.

21 I move now on to Pavilion Estate. In December
22 2017 Schutz Consulting, on behalf of the property
23 developer Wolfdene, made an application to council seeking
24 to delete and make amendments to a planning permit
25 relating to the Pavilion Estate development, which if
26 granted would result in additional land being developed
27 within the estate. The requested amendments included the
28 reduction in road reserve width and deleting a condition
29 requiring certain active open space area in the

1 development.

2 So, the nature of the amendment to the previously
3 provided planning permit was such to make provision for
4 less land for public use and more land to be sold. The
5 City of Casey planning officers prepared a report for the
6 council meeting recommending that the amendments to the
7 permit not be made. The report noted, "The loss of the
8 linear open space area will result in a poor outcome for
9 residents of the Pavilion Estate and the users of the
10 Casey Fields regional sports complex."

11 The report cited legal advice which supported the
12 fact that the relevant planning permit condition relating
13 to the linear open space area was legitimate and likely to
14 withstand any legal challenge at VCAT should the applicant
15 make one. Further, the legal advice was the road width
16 conditions in the PSP were clear and supported the
17 condition relating to road width. Council officers also
18 expressed the view that a reduction in the road width as
19 sought would have a negative impact on both the operation
20 and further development of the Casey Fields regional
21 sports complex.

22 On 3 April 2018 Councillor Aziz moved a motion
23 contrary to the report in favour of the deleting of the
24 conditions relating to road width and open space and
25 issuing an amended planning permit and the motion was
26 carried. Of significance is the fact that in early 2017
27 the developers, Wolfdene, and their planning consultants,
28 Watsons, and council officers involved in a consultation
29 process prior to the planning permit being issued.

1 As part of that consultation process, the matter
2 of reducing the road width as well as reducing the open
3 space areas appears to have been well ventilated between
4 the parties. The report of council officers indicates
5 that the requirement relating to the road width under the
6 Cranbourne East PSP was made clear to the developers well
7 before they lodged their original application for a
8 planning permit. Developers knew the council officers'
9 position on these matters when they advised council
10 officers that they were generally satisfied - and this is
11 a quote - they were "generally satisfied with
12 the conditions proposed to be included in the planning
13 permit and requesting that council issue the planning
14 permit without delay."

15 A planning permit was issued on 22 November 2017
16 and inside a month the application for amendment was made
17 on 20 December 2017. IBAC intends to investigate this
18 matter and any connection between the decision to move the
19 motion for the 3rd April with the commencement of regular
20 payments to Councillor Aziz by Watsons, payments which
21 seem to have commenced in February '18. Having said that,
22 it must be pointed out that it will become apparent that
23 there were payments being made to Councillor Aziz in
24 various forms well before that. However, the form changed
25 at about that time.

26 IBAC is also interested in what appears to be a
27 failure by Councillor Aziz to declare any conflict of
28 interest, perceived or otherwise, in respect of Watsons
29 and/or Woodman and indeed, so far as our enquiries have

1 been able to obtain access to council records and minutes,
2 it would appear that in respect of all these developments
3 Councillor Aziz voted time and time again in a manner
4 which favoured the developers without ever indicating that
5 he had what we would say was an obvious financial
6 relationship with Watsons and with Mr Woodman.

7 The investigators have identified that a common
8 connection with each of these projects is the property
9 developer John Woodman. Evidence suggests that Mr Woodman
10 and some of his associates have considerable access to
11 certain councillors and what might be seen as unusual
12 input and influence over decisions in which those
13 councillors are involved. Investigations to date also
14 strongly support the notion that certain councillors have
15 benefited in various ways, including financially, from
16 Mr Woodman or his companies or his associated entities or
17 representatives.

18 IBAC forensic accountants estimate that two
19 councillors have received payments personally or to
20 entities relating to them of a combined total in excess of
21 \$1.2 million. Mr Aziz, the analysis suggests, has
22 received close to \$900,000 and Mr Ablett over \$330,000.
23 But the payments are just some of the devices used to
24 provide benefits to councillors. Mr Woodman and those who
25 worked for him or represented him kept a very close and
26 controlling association with a core group of councillors
27 who were expected to and did line up votes in favour of
28 his interests. Benefits ranged from what appears to be
29 patently corrupt cash payments through structured

1 arrangements designed to disguise the flow of funds from
2 Mr Woodman or Woodman related entities to arrangements
3 which appeared to be the purchase of services from
4 consultancies but where those services or indeed the
5 existence of the consultancies is in doubt or of dubious
6 worth. These devices were calculated to have considerable
7 impact not only on the integrity of the decision-making
8 process, but also on the structure of the council itself
9 and to some extent on the ability of its employees to act
10 independently.

11 The evidence available to IBAC suggests that
12 Mr Woodman also donates to the election campaigns of
13 political candidates that may be able to have some
14 influence in respect of projects in which he has an
15 interest and that those persons knowingly or otherwise are
16 expected to involve themselves in pursuing his interests
17 in respect of planning decisions which have become part of
18 the process of political consideration. So, his reach it
19 is apparent is not limited to local council, but appears
20 to extend to State Government. Over the last three
21 elections he and organisations associated with him have
22 contributed over \$400,000 to state political campaigns.

23 Of interest to IBAC also is the use of such
24 donations and of lobbyists to obtain access to public
25 officials and to members of parliament and the influence
26 such access may have had on planning decisions in which
27 Mr Woodman had an interest. Also of interest is the way
28 in which political donations were structured and directed
29 towards specific candidates from areas where Mr Woodman

1 had interests as a developer.

2 At the local government level, the Local
3 Government Act of 1989 outlines the requirements for
4 candidates at a local government election to disclose any
5 donation or gift or services where the amount of value
6 exceeds \$500. The payments to which I have referred were
7 not disclosed in those returns.

8 COMMISSIONER: I'm sorry, are not?

9 MR TOVEY: Are not disclosed in those returns. The City of
10 Casey gifts and hospitality policy requires councillors to
11 decline gifts over \$50. Requirements relating to the
12 disclosure of donations for state elections have recently
13 been amended, but for the time period of interest to the
14 investigation were far less rigorous than those relating
15 to local government. Two councillors, Councillors Ablett
16 and Stapledon, were candidates in the 2014 state election.
17 A Victorian ombudsman investigation revealed that both
18 councillors received significant donations to their
19 campaign funds from the property developer Watsons Pty
20 Ltd.

21 IBAC is interested in any nexus between donations
22 to political election campaigns of councillors by property
23 developers and/or planning consultants and planning
24 decisions that favour those donors. It is intended to
25 explore whether sufficient transparency exists within the
26 donation requirements to be able to adequately identify
27 actual or perceived conflicts of interest and/or corrupt
28 conduct associated with political donations and planning
29 decisions.

1 These public examinations will also seek to
2 investigate whether Mr Woodman has influenced or attempted
3 to influence, either directly or indirectly, planning
4 decisions in favour of companies in which he has an
5 interest or which he represents by using political
6 donations as leverage.

7 As to conflict of interest, the Local Government
8 Act says that councillors must avoid conflicts between
9 their public duties and their personal interests. This
10 obligation is also reflected in the Casey Council's own
11 policy and procedures document and the councillors' code
12 of conduct. The failure by a councillor to disclose a
13 conflict of interest as required under the Local
14 Government Act may amount to a misuse of their position.
15 If it is found that a councillor misused his or her
16 position in circumstance in which he or she gained or
17 attempted to gain an advantage for himself or herself or
18 another, fines and penalties of imprisonment may be
19 imposed.

20 The legislation sets out how a conflict of
21 interest in a matter should be disclosed. The disclosure
22 can either be made to the council at the council meeting
23 before the matter is considered or to the chief executive
24 officer in writing before the meeting. Either method
25 requires councillors to disclose the type of interest as
26 either direct or indirect interest and to describe the
27 nature of the interest. Where councillors disclose a
28 conflict to the CEO, they need only inform council during
29 the meeting of a class of interest disclosed and only

1 immediately prior to a matter being considered by council.

2 The investigation to date has uncovered what
3 appear to be examples of councillors failing to disclose
4 conflicts of interest that ought to have been disclosed or
5 disclosing them in a manner which is not permitted under
6 the Act. IBAC is interested to uncover the circumstances
7 giving rise to the conflicts of interest and the reasons
8 for non-disclosure or non-compliance with the Act. It is
9 yet to be established whether the non-disclosures were
10 deliberate or due to a lack of understanding of what
11 constitutes a conflict and what should be and what should
12 not be disclosed.

13 Having said that, it is apparent on occasion that
14 where conflicts were disclosed that they gave the
15 impression of being inadequate, disingenuous and indeed
16 misleading. It may be that, Mr Commissioner, IBAC will
17 ultimately turn its mind as to the adequacy of the current
18 regulations relating to the identification of conflicts of
19 interest and the declaration of those conflicts. Except
20 in certain circumstances, failing to disclose a conflict
21 or comply with the method of doing so is an offence which
22 carries a substantial fine.

23 Over the next three weeks we intend to call 11
24 witnesses who we believe can assist in the further
25 investigation of this matter. In that regard one witness
26 who is of obvious interest will not be present with us,
27 and that is Mr Ablett.

28 COMMISSIONER: Sorry. Mr Ablett?

29 MR TOVEY: Sorry, did I say Mr Ablett? Mr Aziz. Shortly after

1 Mr Aziz was the subject of the execution of a warrant, the
2 following weekend he put his house on the market and sold
3 it. The proceeds of that sale have since been the subject
4 of a restraining order sought by the Commission.

5 Mr Ablett - - -

6 COMMISSIONER: Mr Aziz.

7 MR TOVEY: Sorry, Mr Aziz was subsequently examined in private
8 session and then in early November he - sorry, following
9 that, some four or five weeks ago he flew out to Egypt and
10 we are unaware as to if and when he might be returning.

11 The other witnesses who will be giving evidence,
12 as is already apparent, will include Mr Woodman. There
13 will be other councillors who will be called to give
14 evidence. There will be members of the council staff who
15 will be called to give evidence and persons who have acted
16 as lobbyists and consultants in the various areas of
17 planning that have been the subject of investigation.

18 We intend to examine the practices that existed
19 within the Casey City Council at the relevant times with
20 respect to planning and development decisions and the
21 management of conflicts of interest as well as the role of
22 lobbyists and the makers of political donations, and also
23 the effect of political donations.

24 The purposes of the examination are to further
25 investigate the decision making within the council around
26 planning and property development and to examine the
27 transparency and integrity of such decision making within
28 local government; to investigate whether any person has
29 improperly influenced or attempted to improperly influence

1 decisions of any public officers; to investigate whether
2 public officers involved in planning and property
3 development decision making have been improperly
4 influenced through donations, gifts, pro bono services or
5 other hospitality; to examine the circumstances
6 surrounding any direct or indirect financial benefits
7 obtained by any public officer, their families or their
8 associates resulting from or in connection with decision
9 making around planning and property development; to
10 examine the existence and adequacy of systems and controls
11 that are in place to ensure the integrity of the planning
12 processes within local government and compliance with
13 relevant legislation; to examine whether the use of
14 professional lobbyists or planning consultants to lobby
15 state and local government has resulted in undue influence
16 over planning and property development decision making
17 within Victoria; to examine whether there has been serious
18 corrupt conduct on the part of one or more current or
19 former public officers, the extent to which, if at all,
20 organisational culture and practices have fostered that
21 conduct or hindered opportunities or attempts to detect
22 and eliminate that conduct; to examine whether voting
23 blocks existed within the council and, if so, the extent
24 to which councillors actively set about creating such
25 blocks in order to influence voting outcomes; and,
26 finally, to examine the extent to which the provision of
27 donations and in kind assistance to candidates at state
28 and local government elections may give rise to actual or
29 perceived corruption.

1 So, in conclusion, it must be said a function of
2 council is to advocate and promote proposals which are in
3 the best interests of the community. Evidence available
4 to IBAC suggests that this from time to time certainly has
5 not been the driving force of decision making for some
6 councillors within the City of Casey, conduct which if
7 exposed is likely to demonstrate some public officers have
8 fallen considerably short of the behaviour expected of
9 them in their capacity as councillors.

10 It is perhaps apposite, Mr Commissioner, to
11 emphasise at this stage that we here are not concerned
12 with whether or not any particular council vote or
13 proposed development or amendment was objectively correct
14 or was otherwise justified. In respect of every planning
15 issue there will always be two sides. There will be good
16 reasons why either view might be said to benefit the
17 community.

18 The concern of this investigation is not in
19 respect of the result, but in respect of the process. The
20 concern is whether the process has actually or potentially
21 been corrupted or compromised by councillors being
22 influenced by close undisclosed relationships with
23 developers and their representatives, and on occasion the
24 receipt of financial or other benefits.

25 Understandably there is considerable public
26 interest in exposing such conduct and ensuring that
27 decisions that impact communities are transparent and are
28 made in the best interests of the community. It is also
29 important to identify and expose any aspect of the

1 processes and systems that may facilitate corruption or
2 allow it to go undetected. It is hoped that conducting
3 public examination will further assist the investigation
4 by encouraging any relevant public officers or members of
5 the public who may have information that would be of
6 assistance to come forward, whilst also providing an
7 important platform for IBAC in respect to its education
8 and prevention and function. Thanks, Mr Commissioner.

9 COMMISSIONER: I see the time. We might adjourn for 10 minutes
10 and then commence with Mr Woodman's evidence.

11 (Short adjournment.)

12 COMMISSIONER: Perhaps you might ask Mr Woodman to come into
13 the witness box.

14 MR JUEBNER: Sir, I think he's just outside. He was in the
15 bathroom. He's coming.

16 COMMISSIONER: Yes, certainly. Thank you.

17 <JOHN CHARLES WOODMAN, recalled:

18 COMMISSIONER: Mr Woodman, during the course of your evidence
19 there will be a number of adjournments, of course. You
20 are of course free to leave the hearing room, the
21 precincts of the building, just so long as you make sure
22 you return at the time that's stipulated that we will
23 resume. Do you follow?---Yes, Commissioner. Yes.

24 Thank you. Yes, Mr Tovey.

25 MR TOVEY: Thank you. I understand at this stage,
26 Mr Commissioner, I'm to seek formal authorisation from
27 yourself to examine.

28 COMMISSIONER: Yes. I think you will need to bring the
29 microphone a little closer to you, Mr Tovey.

1 MR TOVEY: I think at this stage, Mr Commissioner, I'm required
2 to seek formal authorisation to examine on behalf of - - -

3 COMMISSIONER: Yes, I authorise you and Ms Harris to conduct
4 the examination of the witness.

5 MR TOVEY: What's your full name, please, Mr Woodman?---John
6 Charles Woodman.

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 Can you hear me clearly through the earphones?---I can, sir,
12 but just a little bit louder would be wonderful.

13 All right, I'll do that. Now, did you attend here today in
14 response to a summons served on you?---Yes, I did.

15 And could you have a look at this document, please? Are you
16 looking at a summons number SE-3198?---Yes, sir.

17 And that's the summons that was served upon you?---Yes, sir.
18 I thought it was - yes, sorry, sir, 18 October.

19 And then attached to that did you receive a document titled
20 "Section 1213C. Statement of rights and obligations in
21 relation to an investigation"?---Yes, I did, sir.

22 With that summons did you receive a covering letter dated
23 10 October 2019?---Yes, sir.

24 I tender those documents, Mr Commissioner.

25 #EXHIBIT 1 - Summons number SE-3198 with covering letter and
26 attached document.

27 MR TOVEY: Have you discussed with your legal representatives
28 the existence of a summons and the subject matter of the
29 investigation?---Yes, I have, sir.

1 Have you discussed those things with persons other than your
2 legal representatives?---Yes, I have, sir.

3 Who else have you discussed it with?---Mr Ablett. Mr Aziz.
4 Ms Wreford. I think that's all, sir.

5 You are aware that Mr Ablett has for the last five weeks or so
6 been overseas?---Mr Aziz.

7 Sorry, Mr Aziz?---Yes, sir.

8 Have you spoken to him while he's been overseas?---Yes.

9 Do you know if he's coming back?---No.

10 When did you last speak to him?---I apologise, sir, could you
11 repeat that?

12 Sorry. When did you last speak to him?---Sunday week ago.

13 Did you discuss with him the fact that he sold - put his house
14 on the market and sold it the weekend after a warrant was
15 executed?---No, sir.

16 COMMISSIONER: A search warrant, Mr Tovey?

17 MR TOVEY: A search warrant, yes. Did you ask him whether he
18 was coming back?---No, sir. Look, to be truthful, sir,
19 the conversation wasn't long, but whether he was coming
20 back I can't correctly - - -

21 You would remember, wouldn't you, if you - - -?---I believe,
22 sir, that he's coming back.

23 And do you know when?---No, I don't know, sir.

24 Did you ask him?---No, sir.

25 So am I right in saying then you had a conversation in which he
26 said to you, "I'm going to come back sooner or later, but
27 I don't know when"?---I think initially he said that he
28 may be coming back last Sunday.

29 I just want to ask you by way of some preliminary questioning

1 some matters firstly about the companies and entities with
2 which you are or have been associated. Firstly, there is
3 Watsons Pty Ltd. Is that a company with which you are
4 familiar?---Yes, sir.

5 And do you hold any office or ownership in respect to that
6 company?---I'm a director of the company.

7 Yes?---I am not sure of my ownership, sir.

8 And is that because the ownership of companies with which you
9 are associated is held by various trusts, either directly
10 or indirectly?---Yes, sir.

11 So is Watsons a company from which you personally expect to
12 receive profits or income?---Yes, sir, or the trust, sir.
13 I'm not familiar with the exact method of distribution,
14 but I receive a share of the financial profit from the
15 work that Watsons undertakes.

16 Whether that comes through other companies or trusts, you say
17 you really don't know how it trickles through?---I'm
18 not - no, I'm not 100 per cent familiar, sir.

19 What is the work of Watsons?---We are a multi-disciplined
20 consultancy company, town planners, land surveyors and
21 engineers.

22 And how many people do you employ?---At the present time
23 I think, sir, around about 55.

24 Yes. Does Watsons do developments itself?---No.

25 Do you personally or have you in the last 10 years been
26 involved in developments not where you are just a
27 consultant, but where the developments are being done
28 personally by you or by a company in which you have an
29 interest?---Yes, sir.

1 And is that something which you have regularly done?---Not
2 regularly, sir, but I have participated in some ventures.
3 COMMISSIONER: Just two things arising out of your evidence
4 concerning Watsons. Who are the other directors in
5 Watsons, Mr Woodman?---My son.
6 That's - - -?---Yes, my son, Heath Woodman.
7 And who in the company is responsible then for the distribution
8 of profits? Who has that task?---A combination of the CEO
9 and our chief financial officer.
10 Who are they, please?---David Newman is the CEO and Zannon Daff
11 is the chief financial officer, obviously under the
12 direction of the directors, so a report is prepared.
13 Yes. Thank you.
14 MR TOVEY: Now, there is another company, Watsons Pty Ltd as
15 trustee for the New Watsons Survey & Engineering Trust.
16 Are you familiar with the existence of that
17 company?---Yes, sir.
18 And what role does that perform?---That is in fact the Watsons
19 that I just described a moment ago. We are a
20 multi-disciplined company of town planners, land surveyors
21 and engineers.
22 And are you also a director of Watsons Pty Ltd as trustee for
23 New Watsons Survey & Engineering Trust?---I believe so,
24 sir.
25 And is anybody else a director of that?---I believe so, sir.
26 And who would be?---The other director?
27 Yes?---Would be my son, Heath Woodman.
28 Now, does that company, that is the trustee company, itself
29 perform any role?---I believe it's a distribution of the

1 funds. I'm not 100 per cent clear, sir.

2 In respect of the - we'll refer to both of those entities under
3 the umbrella Watsons, if you're happy with that. Does
4 that sound fair?---Yes, sir.

5 Now, do any of them operate in respect of activities other than
6 those which you have already described?---No, sir. No,
7 sir.

8 In the course of investigations - perhaps before I say that, as
9 a person involved in property development personally, is
10 it the case that you set up different companies at the
11 time of each development which are designed to be involved
12 particularly in relation to that development rather than
13 running developments under one umbrella?---Correct, sir.

14 All right. So a lot of companies would be set up and then
15 folded - they'd be set up once a development has been
16 proposed and get folded once the development had been sold
17 off?---Correct, sir.

18 I won't go to every - you, I understand, and tell me if I'm
19 wrong, are the director of many companies, somewhere in
20 excess of 20 companies. Does that sound about right?
21 I want to make sure. I don't criticise you for not having
22 a perfect knowledge of every company within the Watsons
23 group of companies or the Woodman group of
24 companies?---I apologise, sir, but I wouldn't have thought
25 it would have been 20.

26 COMMISSIONER: It's a large number anyway?---Yes.

27 MR TOVEY: I want to ask you about BWTW Nominees Pty Ltd. Is
28 that a company of which you are a director?---I believe
29 so, sir.

1 And is anybody else a director of that company?---I believe my
2 son is a director.

3 And is BWTW Nominees Pty Ltd a company which continues to do
4 business?---It does, sir, but I may have to go and
5 correct - as you've stated, I am a director of a number of
6 companies and I know of BWTW, but whether I'm a director
7 of that company I would stand to be corrected, sir.

8 The company records show that you were a director from 9 May
9 2011, so you may accept that you were a director?---Yes,
10 sir. Okay.

11 Now, with BWTW Nominees, what business does or did that
12 conduct?---I believe that it was involved in developing
13 some land.

14 Which land, can you tell us?---I apologise, sir, I can't.

15 All right. Another company I want to ask you about is Swan Bay
16 Project Management Pty Ltd?---Yes, sir.

17 Are you familiar with that company?---Yes, I am, sir.

18 And does that company continue to exist?---Yes.

19 And does it continue to actively operate?---Yes.

20 Are you a director of that company?---Yes.

21 Is anybody else a director of that company? If you're not
22 sure, just say so?---Yes, I'm not sure, sir.

23 What business does Swan Bay Project Management Pty Ltd
24 conduct?---It owns property and at times it conducts
25 miscellaneous investigations into the state of the market,
26 state of the real estate market.

27 When you say "owns properties", can you give us more
28 information about that?---I believe it owns an apartment
29 that I'm living in at the moment, [REDACTED]

1 and I believe it owns a property in Safety Beach, but
2 I apologise, sir, if that is not 100 per cent. That's my
3 recollection.

4 So the property in Safety Beach is a holiday house, is
5 it?---Yes, sir.

6 So is it a company which has an income? Does it get revenue
7 from commercial activity?---I believe that - I can't
8 answer that question. I'm not that familiar with the
9 operation of that company.

10 There is another company called BWTW Developments Pty Ltd.

11 I've already asked you about BWTW Nominees Pty Ltd.

12 I take it those two companies are closely aligned and
13 would be treated by you as basically under the same
14 umbrella, under the same structure in relation to the same
15 business?---I cannot answer that question, sir.

16 All right.

17 COMMISSIONER: Can I just interrupt. Who would you go to to
18 answer those questions?---Commissioner, we have a chief
19 financial officer that oversees numerous companies that my
20 son and myself are involved in who would be able to - Tony
21 Simpson is his name, and any time I have a question in
22 relation to such matters I would email Tony and he would
23 tell me what the structure was.

24 What's his surname?---Tony Simpson.

25 Yes. And so, given your stated knowledge, if you were
26 contemplated a development or an interest in a
27 development, would you consult with him about what company
28 or structure you should employ for that purpose?---Yes,
29 sir.

1 MR TOVEY: And where is Mr Simpson's office?---It's in Prahran,
2 sir. I'm not familiar with the exact address.
3 Is his office in an office which is a Watsons office or - -
4 -?---It's in, I believe - look, I don't know the - I can't
5 tell you the answer, sir. I believe - I believe it's in
6 the office of Wolfdene, but I stand to be corrected, sir.
7 So he's your chief financial officer; is that right?---Yes.
8 Yes, sir.
9 And he's a person who is the decision maker in respect of the
10 day-to-day financial transactions in which your group of
11 companies involve themselves?---I think his position is
12 limited to, in my case, advice as to the commencement of a
13 sister company that may undertake another development or
14 another entity. He is not directly involved, I don't
15 believe, in the day-to-day operations of Watsons Pty Ltd,
16 if that is the question, sir.
17 Who does that?---David Newman and Zannon Daff.
18 Who?---David Newman, the CEO of Watsons, and Zannon Daff.
19 COMMISSIONER: How long has Mr Simpson been with you,
20 Mr Woodman?---He's been I think in excess of five years,
21 Mr Commissioner.
22 MR TOVEY: Anyway, getting back to BWTW Developments, you said
23 that was a company which did a development in which you
24 were involved?---I can't answer that question, sir, at
25 this stage.
26 Okay. What about Cordwood Pty Ltd, that's C-O-R-D-W-O-O-D?
27 What's that?---Yes. Yes, I'm a director of Cordwood.
28 Anybody else?---I couldn't answer that question, sir.
29 What's the business of Cordwood?---Presently it owns a property

1 in Flinders.

2 Is that a holiday house or - - -?---Yes. A holiday house. It

3 also produces wine.

4 COMMISSIONER: Quite a large holiday house then, is it,

5 Mr Woodman? You are producing wine at the holiday

6 house?---Yes, it's six - no, it's only about three acres

7 of vines, Mr Commissioner.

8 Yes, thank you.

9 MR TOVEY: And is Cordwood involved in any enterprise other

10 than that?---Not that I'm aware of, sir.

11 Do you in fact go from time to time to stay at the vineyard at

12 Flinders?---Yes, I do, sir.

13 Does that have any business other than the production of

14 wine?---Flinders, no.

15 Does it involve itself in any activity other than the

16 production of wine?---Not at the moment, sir.

17 Has it ever?---I believe at one stage, sir, it did have some

18 land in Mount Eliza, but we are talking 15 years ago. But

19 I stand to be corrected, sir.

20 Now, what about Wolfdene Pty Ltd? You have told us that your

21 CEO - chief financial officer, you think, is located in

22 the offices of Wolfdene; is that right?---Correct, sir.

23 Do you have any other staff located at those offices?---No,

24 sir.

25 What is your association with Wolfdene?---Wolfdene is owned in

26 part by my son.

27 Do you consider Wolfdene to come under the Woodman group of

28 companies?---No, sir.

29 Do you receive any profit or financial distribution directly

1 from Wolfdene?---No, sir.

2 Have you held consultancies at the behest of Wolfdene in
3 respect of any of its developments?---Yes, sir.

4 COMMISSIONER: You said owned in part by your son. Who else is
5 an owner?---I believe, sir, Michael Goldthorp.

6 MR TOVEY: Have you been involved in all of the developments
7 which have been conducted by Wolfdene?---As its engineers
8 and surveyors, I believe so, sir.

9 What about as a lobbyist for their interests?---No, sir.

10 Have you ever been a consultant or a lobbyist to promote the
11 interests of Wolfdene in securing or promoting a
12 development?---As a consultant, sir.

13 When you say "as a consultant", what has been your job as a
14 consultant?---At times it's necessary for us to attend
15 council meetings to discuss parts of a development that
16 Wolfdene may be undertaking which we are the consultant
17 engineers and surveyors for.

18 So you would go - sorry. You would attend council meetings to
19 impart your knowledge as engineers and surveyors?---Not
20 council meetings, sir, but council - meetings with council
21 officers.

22 In respect of what projects were you performing this function
23 for Wolfdene in the area of Casey?---At the moment, sir,
24 East, an estate that is called East, an estate that is
25 called Pavilion, an estate that is called Elysian and an
26 estate that's called Brompton Lodge.

27 COMMISSIONER: I'm sorry, what was the last again,
28 Mr Woodman?---Brompton Lodge.

29 Brompton. Thank you.

1 MR TOVEY: And how are you paid in respect of your work for
2 Wolfdene in respect of those developments? Do you get a
3 percentage? Do you get a consultation fee over a period
4 of time? Do you get a success fee?---We issue invoices on
5 a monthly basis and they are paid.

6 COMMISSIONER: Those four you mentioned, they are current, are
7 they?---Yes, sir.

8 And Wolfdene is the owner of the land?---No, sir.

9 So what's their interest in those four developments?---They are
10 the project managers, Mr Commissioner.

11 Thank you.

12 MR TOVEY: So when you submit invoices for Wolfdene work, do
13 you submit invoices for engineering work you have
14 done?---I apologise, sir. On occasions the invoices are
15 issued to the landowner. On some occasions they are
16 issued to Wolfdene, depending on the arrangement. But I'm
17 not 100 per cent sure I can give you a definitive answer,
18 but it is one of those two.

19 Do you have any - I'll cut straight to the chase. Do you have
20 any involvement, be it personally or through Watsons or
21 through any of your entities, in promoting Wolfdene's
22 interest by lobbying councillors to vote in their favour
23 in respect of developments?---No.

24 Never have?---Sir, Wolfdene I think has been in existence for
25 over 15 years and during that time it is possible that
26 I may have spoken to a councillor in relation to a
27 Wolfdene project that an issue may have arisen, but
28 I - not normally, sir.

29 Mr Aziz has given evidence before the Commission recently and

1 has said that he would never meet developers or their
2 representatives other than in the company of council
3 officers. Have you ever met Mr Aziz other than in the
4 company of council officers?---Yes, sir.
5 On how many occasions?---In the last 10 years, sir?
6 Yes. No, make it easier. In the last five years?---I would
7 say three times, sir.
8 In respect of what?---Sir, I cannot answer that question.
9 Was it in respect of some development that was being - which
10 was the subject of attention by council?---I don't believe
11 so, sir.
12 Well, these three meetings, do you remember where they
13 were?---One was in Melbourne Central business district.
14 What, at a restaurant or - - -?---Yes, at a restaurant.
15 Whereabouts?---Apologies, sir.
16 Whereabouts?---Look, I couldn't - generally in this area.
17 Was anybody else there?---Yes. Ms Wreford.
18 Yes, that's Lorraine Wreford?---Yes.
19 And when was that?---It would have been I think January this
20 year.
21 And what was that about?---It was about a project called Little
22 River.
23 And what was that project?---There's a project which we are
24 embarking upon at the moment in an attempt to have a
25 substantial parcel of land in Little River rezoned.
26 All right. So in January this year you meet with him in the
27 city to have a meeting in respect of land in the Geelong
28 area?---Yes, sir.
29 COMMISSIONER: Is that under the auspices of the Geelong

1 Council?---Wyndham Council.

2 Wyndham, thank you.

3 MR TOVEY: And did you know Mr Aziz well at that

4 stage?---I wouldn't say "well".

5 All right?---I've had some dealings with him.

6 Had you spoken to him on more than a handful of occasions?---In

7 the last - since he has been a councillor, three, maybe

8 four times.

9 COMMISSIONER: Do you mean three or four times over and above

10 the three occasions you have already mentioned or are you

11 including those?---I apologise, Mr Commissioner.

12 That's all right?---Yes, I'm not - I wouldn't like to

13 definitively say it was three or seven, but it's not more

14 than 10. Maybe more than five, yes.

15 Over the time that you've known him?---Yes, yes.

16 MR TOVEY: So, in any event, you have met him three times and

17 you have spoken to him on a handful of occasions. What

18 did you know about his background other than the fact that

19 he was on council?---I knew that he was a high serving

20 officer in the customs department.

21 Doing what?---I apologise, sir, I have no - - -

22 Didn't ever ask him?---No.

23 So you knew he had worked for customs, yes?---Yes.

24 What else did you know about his background?---None. That's

25 all, sir.

26 Nothing at all?---No.

27 And that's as of today you know nothing about his background

28 other than the fact he used to work for customs;

29 true?---Correct, sir.

1 So in January of this year you meet with him and it had to do
2 with Geelong development?---Can I please correct myself,
3 sir. I was indicating outside of council work that he
4 does. I know he's a councillor and I know as a councillor
5 he is involved in certain committees. But I'm talking
6 about outside of council.

7 And in respect of his work as a councillor you very rarely have
8 any direct or indirect involvement in his preparation for
9 decisions of council?---Correct, sir.

10 COMMISSIONER: I'm sorry, I just want to be clear about this,
11 Mr Woodman. Earlier you said that you think you had met
12 him about three times and I think you were then talking
13 about matters that were unrelated to council
14 business?---Correct, sir.

15 And you have now mentioned you think maybe you've dealt with
16 him on 10 occasions. Were the other seven or so, were the
17 others all council related matters?---Over the 10-year
18 period, sir, yes, sir.

19 And I think in the context in which you were asked, you were
20 asked about Mr Aziz's claim that a councillor would always
21 meet with someone like yourself with a council officer
22 present. So on those seven or so other occasions, was
23 there always a council officer present?---Not always, sir.

24 MR TOVEY: If I could go back to the Geelong development or the
25 proposed Geelong development, in January of this year you
26 meet in a restaurant, the name of which you can't
27 remember, in the CBD; is that right?---Yes, sir.

28 And the precise location you can't remember?---No, sir.

29 And you speak to him about the Little River development; is

1 that right?---Yes, sir.

2 Had you spoken to him previously about this?---No, sir.

3 All right. So before January of this year you never spoke to

4 him at all about any development in Little River?---No,

5 sir.

6 And so in January of this year what was it that you spoke

7 about?---Spoke about a councillor becoming involved in the

8 Little River project as an adviser about smart cities.

9 About smart cities?---Mm-hm.

10 And all you knew about Mr Aziz, you have told me, about his

11 background was that he used to have some job in customs;

12 is that true?---Outside of council, yes, sir.

13 COMMISSIONER: Just being clear, what do you mean by that? You

14 mean you knew he was a councillor. What do you mean

15 "outside of council"?---Mr Commissioner, Mr Aziz has some

16 expertise in smart cities because of his involvement with

17 the Casey Council and with their endeavour to implement

18 smart cities technology within the City of Casey.

19 MR TOVEY: What is a smart city?---An example, sir, would be

20 that when your rubbish bin was full, someone would be told

21 to go and empty it. That's pretty basic, but ...

22 So there would be some - a smart city encompasses communication

23 through the internet?---Massive introduction of new

24 technology in the world, yes.

25 Did Mr Aziz have any technological qualifications?---I don't

26 believe so, sir.

27 Well, don't you know?---No, sir.

28 All right. So Mr Aziz had knowledge about getting people to

29 remove your dustbins by using special technology.

1 Anything else he knew about that you became aware of from
2 talking to him?---I became aware that he had been to
3 numerous conferences, that he had familiarised himself
4 with other interested parties in academia in relation to
5 smart cities. We spoke about obviously where this
6 technology was headed. It is, in my words, a new world.
7 And this is not something you had ever spoken with him about
8 before, you told me?---Correct.
9 So in January of this year you are in the restaurant and you
10 raise this with him. Did you offer him a job?---Yes, sir.
11 So this is a man you have never met - sorry, you had never
12 spoken to before about this issue. How long was the
13 meeting that you had with him?---Probably an hour and a
14 half or two hours.
15 Yes. Anybody else there?---Lorraine Wreford.
16 That's Lorraine Wreford, W-R-E-F-O-R-D?---Yes.
17 So you are there for an hour and a half. Did you offer him a
18 job?---Yes, we spoke about - yes.
19 So you did offer him a job?---Yes.
20 Did you offer to pay him?---Yes.
21 And this is Mr Aziz with his background as somebody who has had
22 something to do with customs. Did you come to an
23 agreement with him to pay him?---Yes.
24 And how much were you to pay him?---\$25,000 a month.
25 Over what period of time?---Over two years.
26 So you came to an agreement to pay him \$600,000 over a period
27 of two years?---Yes, sir.
28 And that period was going to expire about the time of the
29 council elections in two years time?---My recollection of

1 the agreement is August 2020. I stand to be corrected,
2 sir.

3 So following that did you ever meet Mr Aziz again?---Yes, sir.

4 On how many occasions?---On two other occasions.

5 So are these the three meetings with Mr Aziz that you told me
6 about initially or - - -?---Yes, sir.

7 So are you saying that the only time you have met Mr Aziz was
8 in January and then on two subsequent occasions after you
9 had offered him \$600,000 to give you advice in respect of
10 safe city - sorry, smart cities?---Yes, sir.

11 COMMISSIONER: Just to be clear, other than for council
12 business?---Yes, sir. Also for the introduction to the
13 people who he had become acquainted with in his
14 conferences in other parts of the world in academia.

15 MR TOVEY: I could understand that you would be interested in,
16 if he had been to these conferences, finding out who the
17 experts were. But would you forgive me for observing that
18 \$600,000 seems a little bit excessive?---Sir, he was also
19 undertaking a PhD in this particular field and ...

20 He had put in an application, had he not, to do a PhD? Do you
21 have any knowledge that he actually did a PhD?---My
22 understanding at the time was that he was in the process
23 of doing a PhD. I have subsequently found that not to be
24 correct.

25 COMMISSIONER: I'm sorry, just a moment, Mr Tovey . (To
26 witness.) Was this something you learned at that first
27 meeting, was it, that he was claiming that he was doing a
28 PhD?---Correct, sir.

29 Who organised the meeting in January of this year?---I did,

1 sir.

2 And what was the purpose of you wanting to meet with
3 him?---Because I wanted to get him involved in smart
4 cities technology for this development that we are or were
5 proposing to do at Little River, which is housing in
6 excess of 120,000 people in a sustainable development that
7 has now been recognised as being unique.

8 And the smart city expertise, how were you going to use that in
9 your dealings with the council, with the Wyndham
10 Council?---It was going to be, along with the 17 UN
11 sustainable goals for development, it was an add-on that,
12 in addition to those, that this would be a unique smart
13 city with the technology that I mentioned before which
14 I know seems very simplistic but it's only just scratching
15 the surface of the sort of future that smart cities
16 technology will bring to new townships that may be
17 developed.

18 So is it fair to say that this was going to be part of your
19 marketing tools for the purpose of the development and how
20 you would engage the council?---Yes, sir.

21 I'm sorry, you said then you've learned more recently that

22 Mr Aziz is not doing a PhD?---Correct, sir.

23 How did you find that out?---There was to be a fourth meeting,
24 and my recollection was in May of this year - but I stand
25 to be corrected - we had a workshop with the academic team
26 put together in Queensland and at that meeting his
27 lecturer that I met has been coming backwards and forwards
28 to Melbourne since and in his last meeting he mentioned
29 that - which was only I think a week or a week and a half

1 ago, he mentioned that Mr Aziz's application was still
2 under consideration by the university in Queensland.

3 So you understood he hadn't yet been accepted as commencing
4 that course?---Correct, sir.

5 MR TOVEY: Was a contract prepared?---Yes, sir.

6 And how quickly was the contract prepared?---I couldn't answer
7 that, sir, but I believe it was executed in March.

8 And did payments then start after the contract was
9 executed?---The payments had commenced already, yes.

10 Mr Ablett gave evidence that the sum total - - -

11 COMMISSIONER: Mr Aziz.

12 MR TOVEY: Sorry, Mr Aziz gave evidence that the sum total of
13 his contribution by way of reports to you so far has been
14 one document; is that right?---Yes, sir.

15 COMMISSIONER: So you commenced payments in January after this
16 first meeting?---Yes.

17 And prior to the signing of the contract?---Yes, sir.

18 And I'm sorry I should have asked you why was Ms Wreford there?

19 What's her role?---She was assisting me in the
20 introduction of this unique township that we were
21 proposing at Little River, and she was as a lobbyist to
22 communicate with both State and Federal politicians in
23 relation to the proposal.

24 So she was engaged by you then as a lobbyist?---Yes.

25 And was she also going to deal with the Wyndham Council?---Yes,
26 sir.

27 Thank you.

28 MR TOVEY: So are you still paying Mr Aziz his 25,000?---Not
29 any longer, sir.

1 When did that stop?---Upon my finding that he in fact wasn't
2 doing his PhD.
3 And when was that?---Two weeks ago or - yes.
4 After he had nicked off - sorry, after he had gone
5 overseas?---Correct, sir.
6 In any event it was \$25,000 a month; is that right?---Correct,
7 sir.
8 Was any of that cash?---Yes, sir.
9 How much?---2,000, sir.
10 And how was the - - -
11 COMMISSIONER: A total of 2,000 or - - -?---Yes.
12 MR TOVEY: And how was that transmitted?---Normally Lorraine
13 Wreford would meet with Mr Aziz, I believe, sir.
14 And as far as you were concerned this is all part of a
15 legitimate contract?---Yes, sir.
16 And the money transactions were all legal and above
17 board?---Yes, sir.
18 And the paying of cash was all legal and above board?---For
19 miscellaneous expenses as explained to me, sir.
20 But did you see that there was - sorry, were the cash
21 transactions conducted openly and transparently or were
22 they conducted in a clandestine fashion, from your
23 knowledge?---No, sir, they were in the main conducted from
24 448 St Kilda Road, my office, at which time I would have
25 meetings with Ms Wreford about numerous projects.
26 COMMISSIONER: I'm sorry, you said a number of things there
27 I would like you to clarify, Mr Woodman. You made some
28 reference to miscellaneous expenses. Who raised that as
29 relevant to your monthly payment?---Mr Aziz.

1 What did he say?---I apologise, Mr Commissioner, I - - -
2 You don't have to use his exact words. What's the gist of what
3 he was saying to you?---That was in January, sir.
4 I apologise, I would only be guessing to tell you - - -
5 I'm sorry, at the moment I'm not following. You have explained
6 \$25,000 a month for him to provide this - I'm sorry, they
7 are not working?---I'm terribly sorry; something has
8 happened, sir.
9 Yes?---I'm sorry, sir.
10 Can you hear me now?---Yes, I can, sorry, sir.
11 You have explained \$25,000 a month and you have now indicated
12 but there was also some discussion about miscellaneous
13 expense?---Yes.
14 How was that part of the arrangement?---I have no answer for
15 that, sir.
16 But the miscellaneous expenditure, was that part of the
17 \$25,000?---Yes, sir.
18 So do you mean by that that the \$25,000 was to include matters
19 that didn't involve the service he was providing you?---My
20 understanding was the 23 would be transferred and the
21 2,000 would be for travelling expenses or miscellaneous
22 expenses associated with the PhD and the introduction of
23 the academic team which was part and parcel. There were a
24 number of elements that he had to perform over the
25 two-year period.
26 And so the \$2,000 in cash, that was then going to be a monthly
27 thing?---Yes, sir.
28 MR TOVEY: So let me get this straight. He got \$2,000 in cash.
29 He comes most months to your office to pick it up; is that

1 right?---Lorraine Wreford, sir.
2 With Lorraine Wreford?---No, no.
3 So Lorraine would come to your office to pick it up?---Correct,
4 sir.
5 She would then deliver it to him?---Yes, correct, sir.
6 All right. And then this \$2,000, that was for the
7 introductions?---No, sir, my understanding was it was
8 miscellaneous expenses, travel, yes. He didn't elaborate
9 to a great extent, sir.
10 Didn't Watsons reimburse him for aircraft travel to
11 Queensland?---No, we had arranged for him to fly to
12 Queensland for the group workshop, but he - my
13 understanding is he had a heart attack some days
14 beforehand and didn't attend.
15 All right. So did you ever attend in Queensland with
16 him?---Yes, sir.
17 On how many occasions?---He didn't attend and we haven't
18 attended since to Queensland. I have been on numerous
19 occasions, but he has not.
20 Yes, so what's happened is he's introduced you to an academic
21 who does have genuine qualifications in respect of that
22 field?---Yes, sir . And - - -
23 Just bear with me. What's the name of that person?---Jeremy
24 Novak.
25 And is he an expert recognised worldwide?---Correct, sir.
26 And how much are you paying him?---At this stage we are not
27 paying him.
28 You are not paying him. Is Mr Aziz expected to be paying him?
29 Is Mr Aziz expected to be paying him?---No, sir, not to my

1 knowledge.

2 So the world recognised expert's getting nothing at this stage,
3 but Mr Aziz is getting 25 grand a month?---Sir, we are at
4 the moment in the process of requesting government grants
5 to cover the associated academia involvement of which
6 I have at this point in time underwritten if for whatever
7 reason the government grants don't come to fruition. We
8 have had meetings with I think - I'm not sure of his exact
9 position, but entrepreneurial grants given by the federal
10 government and we are talking about 50/50, and then
11 I think there are other SRC grants. The academia team are
12 attempting to reduce where possible costs associated with
13 this unique project.

14 COMMISSIONER: Mr Woodman, if my arithmetic is correct, you
15 have paid Mr Aziz \$250,000, that's for 10 months?---Yes.
16 And you've stopped those payments now; is that
17 correct?---Correct, sir.

18 And you said that that's a result of the phone call - the
19 conversation you had in which you discovered he's not yet
20 entered as accepted for his PhD. Did it have anything to
21 do with the fact that he's left the jurisdiction and that
22 he's not able to provide the service that you
23 expected?---No, Commissioner, no. More to do with
24 the fact that we were obviously misled as to his
25 involvement in PhD in this particular field.

26 Did you raise that with him when you spoke to him on the
27 phone?---Yes, I did, sir.

28 What did he say?---He said that he had still some pages to
29 complete, but ...

1 Was he agreeable that your agreement should come to an
2 end?---I told him that we had no alternative but to bring
3 it to an end; yes, sir.

4 And Ms Wreford's role as a lobbyist, is it normally part of a
5 lobbyist's task to carry \$25,000 or \$23,000 and some cash
6 to a person you're engaging for a purpose like this?

7 MR JUEBNER: That wasn't his evidence. I think his evidence
8 was \$23,000 was transferred and she was delivering the
9 cash.

10 COMMISSIONER: She was delivering the cash; I see.

11 MR JUEBNER: But the \$23,000 was transferred. That was his
12 evidence.

13 COMMISSIONER: Thank you, Mr Juebner. (To witness.) Is that
14 correct?---Correct, sir.

15 So she was carrying the cash?---Correct, sir.

16 Is that normally part of a lobbyist's role?---Not normal, sir.

17 MR TOVEY: Did you have Ms Wreford involved in any other
18 financial transactions other than these with
19 Mr Aziz?---Yes, sir.

20 Over what period of time?---It would be 18 months, sir, to my
21 recollection. I can't be precise.

22 And was she transmitting money to him? Was she transmitting
23 cash to him?---Yes, sir.

24 COMMISSIONER: Mr Tovey, I understand there's a technical
25 problem at the moment. So we might adjourn early and,
26 Mr Woodman, we'll resume at 2 o'clock. Can you return
27 here at 2 o'clock, please?---Yes, sir.

28 <(THE WITNESS WITHDREW)

29 LUNCHEON ADJOURNMENT

1 UPON RESUMING AT 2.21 PM:

2 COMMISSIONER: Have a seat, Mr Woodman.

3 <JOHN CHARLES WOODMAN, recalled:

4 COMMISSIONER: Yes, Mr Tovey. Ladies and gentlemen, I do

5 apologise for the delay, but we've got some technical

6 problems which I hope we've overcome. Let's hope we get

7 through the afternoon?---Mr Commissioner?

8 Yes, Mr Woodman?---I'd just like to clarify two points that

9 I've had a chance to reflect on.

10 Yes?---My meetings - I said earlier that my meetings with

11 Mr Aziz were somewhere between five and 10. It's closer

12 to 10 than five is one thing. The other thing I just

13 wanted to clarify, I mentioned that my first meeting with

14 Mr Aziz about Little River was in January. But, look, on

15 reflection I'm not 100 per cent sure. I just wanted to

16 make that clear. I apologise. And I still can't remember

17 exactly where it was, but I will give it further thought

18 and hopefully I'll remember exactly which restaurant, sir.

19 Thank you. Yes, Mr Tovey.

20 MR TOVEY: Sir, you mentioned that, assuming it was January,

21 that you made that arrangement with Mr Aziz to give him

22 the \$23,000 a month. Was it the case that that \$23,000 a

23 month from the time of your agreement was paid to Mr Aziz

24 or to somebody else?

25 MR JUEBNER: The evidence was it was \$25,000 a month, 2,000 of

26 which was in cash.

27 COMMISSIONER: I'm sorry, just say that again, Mr Juebner.

28 MR JUEBNER: I beg your pardon. The evidence was it was

29 \$25,000 a month, 2,000 of which was cash and 23,000 of

1 which was to be transferred. The question was premised on
2 the fact that the agreement was \$23,000 per month, which
3 was not the evidence.

4 COMMISSIONER: Yes. Thank you.

5 MR TOVEY: Let me just explain something to you. Mr Aziz has
6 given evidence and said the agreement was 23,000 a month;
7 is that right? Sorry, do you understand that? Mr Aziz
8 has given evidence to the Commission saying that the
9 agreement was \$23,000 a month?---Oh, okay. No, well - - -
10 That's not true?---No. The agreement - the written agreement
11 that we have is 25,000 a month.

12 Yes. But you say so far as you were aware there was nothing
13 underhanded in the 2,000 a month cash payment which
14 brought it up from 23 to 25?---No, sir.

15 Presumably Mr Aziz had a company through which he did his
16 consulting; is that right?---Correct, sir.

17 And is that who was paid the 23,000?---No, we've ceased paying
18 that now.

19 No, but when you were paying the 23,000 did you pay it to his
20 consulting company?---He gave us a BSB and account number
21 via Ms Wreford and that was then - that was the agreement,
22 that it would be paid.

23 What I'm asking is did you pay it to him? Was the money paid
24 directly to him or was it paid to somebody else? It's a
25 simple question?---No, no, well, sir, the name of
26 the company from my recollection is Dr Luca. I don't
27 fully comprehend why that was the name of the account, but
28 that was the name of the account.

29 So the money wasn't paid then - you've got \$23,000 in

1 consulting fees not going to his consulting company, but
2 going to Dr Luca?---That was the name of the account that
3 we were given to transfer the money to, yes, sir.

4 All right. And how was that dealt with in your books of
5 account?---That was accounted to my - I stand to be
6 corrected here, sir - but I believe it was put to my loan
7 account, my loan account that I have with Watsons. I'm
8 not totally familiar with how that works, but that's what
9 I've been advised.

10 A director's loan account is usually an account which creates a
11 debt from the director to the company as the director
12 borrows from the company; you understand that? Is that -
13 - -?---Yes, I'd like to - I'm not sure.

14 So instead of these expenditures then being a tax deductible
15 expense of the company, they become a non-tax deductible
16 loan to you?---Correct, sir.

17 Why is that?---We have numerous projects in their infancy and
18 at that stage the projects are treated as being
19 non-profitable and as such my understanding is that they
20 are treated as part of my loan account, which I'm not sure
21 whether it's in positive or negative, sir, but that's the
22 way we treat that.

23 COMMISSIONER: Who were you relying on, Mr Woodman, to treat
24 the money that way in your accounts?---Mr Daff, Zannon
25 Daff.

26 Mr Daff?---Yes.

27 Was that his advice to you, that you informed him as to the
28 nature of the consultancy payment?---Yes.

29 And that was his advice as to how it should be structured

1 within your company accounts?---Yes, sir.

2 MR TOVEY: Then you've told us that there had been, before the
3 time that you'd reached that agreement, that consultancy
4 agreement, over the previous 18 months there also had been
5 regular payments to Mr Aziz; is that right?---Yes, sir.

6 In fact from over that period of time, indeed I would suggest
7 to you from June of 1917, payments were being made to
8 Mr Aziz of \$15,000 a month at least for a large part of
9 the period; is that right?---Correct, sir.

10 What was that for?---That was for a loan that Mr Aziz had
11 provided and was the subject of a loan agreement.

12 COMMISSIONER: You haven't told us anything about that
13 before?---No, sir.

14 That had nothing to do with council business, did it?---No,
15 sir.

16 And I thought you commenced your evidence this morning by
17 saying that you dealt with Mr Aziz three times in relation
18 to non-council business and the first of those occasions
19 was in relation to this consultancy
20 arrangement?---Correct, sir.

21 Just a moment. Yes, Mr Juebner.

22 MR JUEBNER: Commissioner, I understood it was three times, but
23 I'm not sure temporally the first was the January '19
24 meeting. I haven't understood it that way.

25 COMMISSIONER: Mr Juebner, I'm confident that his evidence was
26 the first occasion was January this year and that there
27 were two subsequent occasions that he met with Mr Aziz in
28 relation to personal matters.

29 MR JUEBNER: Yes.

1 COMMISSIONER: So let's just explore that. Was that not what
2 you said this morning, Mr Woodman?---Yes, sir.
3 So, what, you'd forgotten about the arrangement you'd made at
4 some earlier time with Mr Aziz for a loan?---Yes, sir, and
5 that's one of the reasons that I corrected my nine to
6 closer to 10 meetings with Mr Aziz after lunch, sir.
7 MR TOVEY: Was this a significant loan? Sorry, perhaps before
8 I ask you that, during the second half of 1917 you agree
9 that you were paying him cash, 15,000 a month?---That's
10 correct, sir.
11 And how was that being paid? Was somebody giving him that
12 money?---It was in cash, yes, sir.
13 And who was paying it?---It was Lorraine.
14 Yes. And in fact that arrangement had gone back, had it not,
15 for some time?---It had started, sir, in May - - -
16 Can I suggest December '14?---May of 2017.
17 COMMISSIONER: Sorry, what happened then?---In May of 2017 one
18 of the meetings that I had with Mr Aziz was in relation to
19 the City of Casey becoming involved in a charity golf day
20 that I was conducting for the Monash Children's Hospital
21 and that charity golf day we were looking for sponsors for
22 the charity golf day which was going to be in the first
23 week in December. It was at that meeting that Mr Aziz
24 asked for my advice in relation to money which he had and
25 wished to lend.
26 MR TOVEY: And how much did he want to give you?---\$500,000.
27 And did he come to you with \$500,000?---In fact, sir, the loan
28 agreement was drawn up and it was eventually \$600,000.
29 Did he come to you with \$600,000?---Yes, sir.

1 And how was that? Was it in a bag or what was it?---It was in
2 cash, sir.

3 So Mr Aziz - this is a man who you've barely spoken to - comes
4 to you with - what was it in?---A suitcase, sir.

5 So he comes to you with the proverbial suitcase of cash;
6 true?---Correct, sir.

7 And how long before this had you spoken to him?---At the
8 meetings I mentioned, at the meeting where we discussed
9 the City of Casey sponsoring the golf day, he mentioned or
10 asked me the question could I advise him about the
11 potential of him lending money that he had for
12 developments for persons that we were developing land for.

13 And when was it that this discussion took place?---My
14 best - - -

15 COMMISSIONER: Approximately, Mr Woodman?---Yes, my best
16 recollection was in March - somewhere between March and
17 May 2017.

18 MR TOVEY: Yes. And - - -

19 COMMISSIONER: Sorry, just again exploring your meetings with
20 him of a private nature as distinct from council affairs,
21 was that the first occasion that you dealt with him in
22 relation to a private matter or were there earlier
23 occasions?---No, that was the first time that a matter of
24 that nature other than the talking of election
25 campaigning.

26 MR TOVEY: That was the first time. So at some stage he turns
27 up with his suitcase with \$600,000 cash?---Correct, sir.
28 What, in \$50 notes or something?

29 COMMISSIONER: Sorry. Who was at that meeting when he asked

1 you - he was essentially asking you could he invest some
2 money with you for some of your developments?---Yes.
3 Is that right?---Yes.
4 Who was at that meeting?---Lorraine Wreford and Councillor
5 Aziz.
6 And where was that?---At the Sandhurst Golf Club where we were
7 conducting the charity golf day.
8 Thank you.
9 MR TOVEY: So after that there was a day in May, was there,
10 where he came to you with a suitcase of money?---That's my
11 recollection, sir.
12 Had there been any arrangement made with him before he turned
13 up with the money?---Yes, we had a legal document - when
14 he had suggested to me in relation to this matter, I said,
15 "Look, there would need to be a legal document prepared."
16 Yes, and was such a document prepared?---Yes.
17 I'll come back to this at a later stage. So after that then
18 there are \$15,000 cash being paid each month?---Correct,
19 sir.
20 We know that each month, and I'm speaking loosely here, but as
21 a regular matter Mr Aziz was paying \$15,000 a month into
22 his bank account; all right? Now, you say the moneys were
23 given to him in cash by Lorraine Wreford?---Yes, sir.
24 And we know he puts that cash each month into his
25 bank?---Correct, sir.
26 Why, to your knowledge, was it not the case that you simply
27 paid money straight into his bank account?---His
28 explanation was that the loan money that he had brought to
29 me for me to explore lending to clients of ours was in

1 cash and in turn he wanted the interest payment in cash.

2 And where did he get the cash from, did he say?---Out of my

3 account or I think it was out of the - - -

4 COMMISSIONER: I think you're at cross-purposes.

5 MR TOVEY: Sorry, where did Mr Aziz get the cash in the

6 suitcase from, do you know?---I apologise, sir. I did not

7 ask him.

8 Mr Aziz indicated that he gave you cash when he gave evidence.

9 Is that something that you were aware of having spoken to

10 him or to somebody else who has spoken to him?---No, sir.

11 All right. He says that he in fact gave you cash and he told

12 you at the time he gave you cash that that was money he

13 wanted to hide from his wife in respect of a matter that

14 was before the Family Court. Did he tell you

15 that?---Right. Sir, I can't remember him telling me that,

16 sir.

17 Look, if somebody comes to you with a suitcase of cash, you as

18 a businessman are going to say, "Why are we doing this in

19 cash"; true? You could not have not asked him that

20 question?---Sir, it was a very strange matter for anyone

21 to turn up with a suitcase full of cash.

22 What was so special about Mr Aziz that made you accept \$600,000

23 in cash money from him? You hardly knew the man?---I had

24 negotiated with Mr Aziz for him to support a charity golf

25 day which I was passionate about. At that meeting, at the

26 end of the meeting, he mentioned that he had this money to

27 lend and mistakenly or not I took on board what he said

28 and attempted to find a home for the money which he wished

29 to lend. I did not ask him a great deal about it.

1 Come on. If somebody comes to you with a suitcase of cash, you
2 would say you are a respected businessman;
3 true?---Correct, sir.

4 Don't you think you might be laundering money? Aren't you
5 worried that that's going to be the case? How many other
6 loans have you made to people depositing with you hundreds
7 of thousands of dollars in cash?---Sir - - -

8 No, could you just answer the last question first. How many
9 loans have you made to people depositing with your company
10 hundreds of thousands of dollars in cash?---Nil.

11 Nil. So this is unique. All right. Now, you get 600,000
12 coming to you in a suitcase. Any rational businessman
13 will think to himself, will he not, "If I touch this, I am
14 going to be laundering money," and you don't even
15 ask?---Sir, any cash money is immediately deposited into a
16 bank account - - -

17 You are not answering the question. I'm asking you why didn't
18 you ask?

19 COMMISSIONER: Mr Woodman, are you sure, drawing on your
20 memory, that Mr Aziz didn't explain to you why he was
21 wanting to give you this money for a period of time?---If
22 he did, sir, I cannot recall.

23 And just as to the arrangement, so who did you instruct to
24 withdraw \$15,000 in cash on a monthly basis to repay
25 him?---I instructed my - Zannon Daff.

26 Mr Daff?---Yes.

27 Was he privy then to the nature of the arrangement that you had
28 entered into with Mr Aziz?---Yes, he was, sir. There was
29 a contract prepared between Mr Aziz and my company and a

1 company.

2 And to whom did Ms Wreford go to collect the cash?---From

3 Mr Daff.

4 Again, as I asked you before the adjournment, is that conduct

5 that in your experience that a lobbyist normally engages

6 in?---No, sir.

7 Was Ms Wreford something more than a lobbyist?---Because

8 of her many years on council and then many years in State

9 Government we had become friends, but a lobbyist was her

10 profession, yes, sir.

11 Did you explain to her what the nature and purpose of the

12 \$15,000 payments was?---Yes, sir.

13 What did she say about it?---Sir, I cannot remember. I cannot

14 recall what - - -

15 Did she have any concerns that you'd received \$600,000 in cash

16 in a suitcase?---I can't recall, sir. I can't recall.

17 Yes?---But in May of 2017 obviously I was aware at the time

18 that Mr Aziz and his wife were in some sort of matrimonial

19 situation, so it may have crossed my mind that this was

20 money that - I don't know about hiding, but it could have

21 been something to do with the matrimonial split, yes, sir.

22 So, Mr Woodman, may I suggest to you you need to really think

23 more carefully about your answers. Counsel raised that

24 suggestion with you a few minutes ago that it might have

25 had something to do with Mr Aziz's matrimonial affairs and

26 you without qualification said you knew nothing about

27 that. You now have a recollection that he may have

28 mentioned something about that to you?---I apologise, sir.

29 It is some time ago and now I do recall that he had - his

1 wife had and he and his wife were having problems. But
2 I can't distinctly recall him saying to me, "This is money
3 I'm wishing to not have accounted for." In addition to
4 that, sir, we produced a legal document that was signed by
5 both parties which was obviously readily available,
6 I would have thought, yes, sir.

7 MR TOVEY: A document readily available? Was there just one
8 version of this document or was there more than one
9 version?---The document was between a company of ours and
10 Mr Aziz.

11 That's not the question. The question is was there one version
12 of the agreement or more than one version of the
13 agreement?---There was more than one version of
14 the agreement.

15 And how did that come about?---Mr Aziz contacted us in I think
16 it was June, I was overseas at the time, and requested a
17 change to the document.

18 Which was? What was the change he requested?---He requested
19 that the document - - -

20 Sorry, did you say he requested the change?---Yes.

21 What was the change?---The change was to reduce the amount of
22 the borrowed money.

23 To reduce it? But he'd already given you 600 in cash?---Yes,
24 sir.

25 Which you'd banked in the company?---Yes, sir.

26 And that wasn't devoted to any particular project, was it? It
27 just stayed in the company?---Yes, that's correct, sir.

28 Then he contacts you overseas and says he wants to, what,
29 change the amount?---Correct, sir.

1 To what?---I believe, sir, it was \$370,000.

2 And did you? Did you execute a different contract or, sorry, a
3 follow-up contract for 370,000 although in fact you had
4 got 600,000? Well, you did, didn't you?---My
5 understanding is, sir - - -

6 No, I'm not asking you what your understanding was. I'm asking
7 you what you did. You can't have signed - you remember
8 being contacted to change the contract to \$370,000. Now,
9 I'm simply asking you did you execute that
10 contract?---Yes, sir.

11 Good. Sir, did you take on board what the Commissioner said
12 earlier on in respect of your liability for
13 perjury?---Most definitely, sir.

14 Have you thought carefully about the answers that you've
15 given?---I'm trying to, sir.

16 So we now have a second contract. You have 600, but you have a
17 contract for Mr Aziz to show to the world that indicates
18 there is a loan for 370. What was the purpose of that?
19 You must have asked him?---I'm unsure, sir.

20 He comes to you and he says he wants - you have 600 of his
21 money. He says he wants a contract to show 370 and you
22 don't ask him why all of sudden you've made a windfall
23 profit perhaps of \$330,000?---Sir - - -

24 COMMISSIONER: Your arithmetic is off, Mr Tovey.

25 MR TOVEY: Sorry, your Honour?

26 COMMISSIONER: 230,000.

27 MR TOVEY: 230. Well, maths, I don't purport to be somebody
28 who's capable of adding or multiplying particularly
29 effectively. (To witness.) Yes, so in those

1 circumstances - I just want you to answer the questions
2 truthfully, if you wouldn't mind. In those circumstances
3 it must be the case no businessman in those circumstances
4 is not going to ask the person, "Why are we doing this?"
5 You must have asked him, surely?---I can't recall, sir,
6 but I was overseas at the time and - - -

7 COMMISSIONER: Where were you when you executed the new
8 contract, Mr Woodman?---I'm not sure, sir. I'm not sure.
9 But I was in Thailand at the time when it appeared to me
10 that there were communications between Mr Aziz and my
11 PA and - - -

12 Who was that? Who was that? Who was your PA?---A girl called
13 Jolene Rome.

14 Yes. And what happened to the 230,000? Pardon us a moment.
15 Do we have a problem?

16 MR TOVEY: No, I was given a note, your Honour. I just
17 wondered whether there had been a technical problem, but
18 there hasn't been. I got a note saying can we ask
19 Mr Woodman not to speak so close to the microphone.

20 COMMISSIONER: I see.

21 MR TOVEY: I hadn't been particularly appreciative of the fact
22 that he was coming across too loudly, but in any event.

23 COMMISSIONER: Thank you. I was asking Mr Woodman: so what
24 happened to the 230,000 that had originally been given to
25 you and that was no longer the subject of the contract,
26 the varied contract?---It remained in the bank account, in
27 my bank account.

28 MR TOVEY: So his money just remained in the bank until he
29 wanted it back?---It remained in my bank account, sir,

1 yes.

2 COMMISSIONER: And you said earlier that he also told you that
3 he wanted the interest payments on the loan in cash; is
4 that correct?---Correct, sir.

5 Why did you understand that he wanted it in cash?---Because the
6 explanation was that he had given me the money in cash and
7 as a consequence of that wanted the interest payment in
8 cash.

9 Did you accept that explanation?---Yes, sir, I did.

10 Did not the fact that someone wanted the transaction to remain
11 a cash transaction, including the interest repayments,
12 concern you that perhaps there was going to be some
13 element of concealment in relation to the
14 transaction?---No, sir, because the legal agreement that
15 was signed was prepared by Maddocks, my lawyers, and
16 countersigned by witnesses. It appeared to me that if one
17 was going to conceal information they wouldn't be entering
18 into a what could be easily discovered legal contract,
19 sir.

20 Did the contract specify that the interest payments were to be
21 made in cash, did it?---No, sir.

22 So that wouldn't be discoverable by looking at the document,
23 would it?---No, sir.

24 MR TOVEY: What was the interest rate? Mr Aziz has given
25 evidence that the interest rate ended up being 5 per cent;
26 is that right?---No, sir.

27 So he's lied about that?---Correct, sir.

28 COMMISSIONER: I don't think that will - that won't be helping.

29 MR TOVEY: To your knowledge. That's incorrect? That's

1 incorrect?---Correct.

2 Yes. Do you know of any reason why he would seek to mislead as
3 to that?---I apologise, sir. Could you repeat that
4 question?

5 I won't ask that question. In respect of Mr Aziz we still get
6 back to the fact that you've got 600 in the bank and you
7 know that you have a contract that Mr Aziz has for 370; is
8 that right? So what happened in the end to the extra
9 230?---It was repaid.

10 So that was the cash repayments, was it?---No, it was a
11 transfer, sir.

12 I suggest to you that the cash repayments didn't have anything
13 to do with the 600,000. The 600,000 was repaid in another
14 way and I'll take you to a whole analysis which shows how
15 it was repaid?---My understanding, sir, is that the
16 600,000 was paid through transfers from our bank to
17 designated banks.

18 COMMISSIONER: The full amount?---Yes, sir.

19 Just take in what you've just said, Mr Woodman. The full
20 amount of the loan was repaid by transfers from one bank
21 to another?---That is my recollection, sir.

22 MR TOVEY: So the cash then was in respect of something
23 else?---The 15,000 - - -

24 COMMISSIONER: Just a moment. Yes, Mr Juebner?

25 MR JUEBNER: I wonder whether I should raise this in the
26 absence of the witness because I don't want to be seen to
27 be putting evidence in the witness's mouth.

28 COMMISSIONER: Yes. You are concerned about the question or an
29 assumption that's made?

1 MR JUEBNER: I'm concerned about an assumption that underlies
2 the question which is inconsistent with the evidence as
3 I have understood it.

4 COMMISSIONER: Yes. Would you leave us for a moment,
5 Mr Woodman? Just step outside for a moment, would you,
6 please?

7 <(THE WITNESS WITHDREW)

8 COMMISSIONER: Yes, Mr Juebner.

9 MR JUEBNER: I'm just waiting for Mr Woodman. Sir, there is a
10 distinction between a repayment of the loan which is the
11 principal component and the interest component which is
12 the amount that accrues by way of revenue on the loan.

13 COMMISSIONER: Yes.

14 MR JUEBNER: And as I understood the evidence, the evidence was
15 to the effect that the interest payments were made in cash
16 but the principal repayment was by way of a transfer, and
17 when there was a question asked a moment ago about whether
18 the whole lot was paid in a particular way, I think that's
19 inconsistent with the evidence that he's given because
20 there has to be a distinction drawn between the interest
21 component and the principal repayment.

22 COMMISSIONER: As I understood his evidence, Mr Juebner, the
23 \$15,000 a month was part of the agreed repayment of loan
24 methodology and he added to that that Mr Aziz asked for
25 interest to be repaid in cash. What are you suggesting,
26 that his evidence is to be understood that the \$15,000 was
27 an interest payment?

28 MR JUEBNER: My learned friend asked the question about
29 the interest rate which he went to ask and Mr Woodman

1 ultimately - - -

2 COMMISSIONER: Is that your understanding?

3 MR JUEBNER: That's it.

4 COMMISSIONER: On your instructions that the \$15,000 is an
5 interest repayment?

6 MR JUEBNER: Yes, sir.

7 COMMISSIONER: Very good. We can clarify that, Mr Tovey. Can
8 you have Mr Woodman come back in.

9 <JOHN CHARLES WOODMAN, recalled:

10 COMMISSIONER: Yes, Mr Tovey.

11 MR TOVEY: When you said, sir, that all the loan moneys were
12 repaid by bank transfer, were you referring to principal
13 or principal and interest?---The principal, sir.

14 Over what period of time did you continue to pay the 15,000 a
15 month?---I believe, sir, 12 months.

16 Could it have been longer than that?---I'm not sure, sir.

17 Were those payments or similar payments equivalent to \$15,000 a
18 month being made basically right up until the time that
19 you negotiated the smart city consultancy?---My
20 recollection is, sir, that the loan repayment interest and
21 principal ceased in May of 2018. That is my recollection.

22 And in what circumstances? In what circumstances? Did the
23 loan run its full length?---Yes, sir.

24 Did Mr Aziz ask you for early repayment?---I believe that the
25 12 months was up and that Mr Aziz wanted the money
26 returned, was my recollection.

27 COMMISSIONER: So could you just clarify for me, sir, the
28 \$15,000 per month, what did that represent?---That was the
29 interest payment on the \$600,000 loan.

1 So it was only interest?---Yes.

2 MR TOVEY: We'll come back to this in some detail later on.

3 I just want to move on now, having diverted from where we
4 were.

5 COMMISSIONER: Yes.

6 MR TOVEY: Lockdee Holdings Pty Ltd and Lockdee Pty Ltd, do
7 those companies mean anything to you?

8 COMMISSIONER: I think you might need to repeat the question,
9 Mr Tovey.

10 MR TOVEY: Thank you. Lockdee Holdings Pty Ltd?---Yes, sir.

11 And Lockdee, that's L-O-C-K-D-E-E Pty Ltd, those are companies
12 of which you were a director?---Yes, correct.

13 What was the business of those companies?---My understanding
14 was, sir, that they were effectively the borrower of
15 the loan money.

16 So did they have a bank account? Obviously not, because you
17 told us that the money just sat in Watsons' accounts until
18 it was called on?---Correct, sir.

19 The \$15,000 a month, that was withdrawn as cash. Where did
20 that come from?---From the Watsons' account, I believe,
21 sir.

22 Who performed that transaction?---My chief financial officer,
23 sir.

24 Who's that?---Zannon Daff.

25 And were these moneys withdrawn from your account as one lump
26 sum each month or were they withdrawn in small amounts at
27 different times?---My understanding is, sir, that it was
28 in one amount.

29 And what gives you that understanding?---\$15,000.

1 You recall seeing those transactions in the books - sorry, in
2 the bank account statements of Watsons, do you?---No,
3 I don't, sir.

4 Do you say that if we go to the bank account statements of
5 Watsons we should be able to identify the withdrawal of
6 \$15,000 a month?---I would imagine so, sir, yes.

7 Because on your instructions from your financial officer that's
8 where it was coming from?---Yes, sir.

9 One other entity that I want to ask you about is Allwood
10 Drafting. Do you know of Allwood Drafting?---Yes, sir.

11 And is that an entity with which you have any
12 association?---Yes, sir.

13 And what does that entity do?---It is my working bank account.

14 Is Allwood Drafting a business name which is owned by a company
15 or which is just a name used by you?---It's a business
16 name solely for the purpose of myself.

17 All right?---And, apologies, it also makes some car repayments.

18 Over this period of time did you have any interest in horse
19 racing or horse breeding?---Yes, sir.

20 And when I'm talking about this period of time, I'm talking
21 over the last five years. Have you owned and/or bred
22 horses?---Yes, sir.

23 If we can just start, say, back in 2015, five years ago, did
24 you own race horses?---Yes, sir.

25 How many?---I have no - approximate amount somewhere between 10
26 and 15, sir.

27 And do you own these outright or do you own them - sorry, have
28 you owned these outright or have you owned them in company
29 with other people?---In company with other people.

1 Are they trained by one trainer or different
2 trainers?---Different trainers, sir.

3 Do you have a major interest in any of these horses? Do you
4 have or have you had major interest in any of these
5 horses?---Major?

6 Yes, have you been the majority - - -?---No.
7 Owner?---No. Ten, 15 per cent, 30 per cent, 50 per cent and,
8 yes, I believe that is the maximum.

9 And are you somebody who has spent a lot of money buying into
10 race horses? Is there some particular general level of
11 expense that you'll expose yourself to in respect of any
12 particular purchase of an interest in a horse or of a
13 horse?---I think I paid \$30,000 for a share in a horse
14 called Snitz In The City.

15 Yes. Is that the most you paid?---I believe so, sir.

16 What would you normally be paying? Five, 10,000 just to have
17 an interest?---10, 20,000. 10,000, 5,000. It varies
18 depending on the share, sir.

19 So over the period, then, is it fair to say that you would have
20 spent something less than, say, 200,000 on buying into
21 racehorses?---That would be my recollection, sir.

22 I'm talking about a period over the last five years. Did you
23 buy an interest in a horse called Prima Facie?---Yes,
24 I did, sir.

25 And what attracted you to Prima Facie? What attracted you to
26 Prima Facie?---I think - I cannot be sure, sir, but
27 I think \$12,000.

28 That's not what I asked. What I asked is what attracted you to
29 that horse? What brought you to invest in that

1 horse?---My understanding was, sir, that its mother, it
2 was an un - at the time I purchased it it was unraced, but
3 its mother had been successful.

4 Was it a gelding or was it entire?---No, it was - I apologise,
5 sir. It's a number of years ago now, I believe.

6 Did it ever win a race?---Prima Facie?
7 Mm-hm?---No, it didn't race.

8 All right. It never raced, and for how long did you maintain
9 an interest in that horse?---Sir, I'm terribly sorry,
10 I can't recall.

11 Well, how old was it when you took an interest? Was it about
12 four and a half years old at that stage?---Yes, look,
13 I cannot recall, sir.

14 Was that a horse owned by Councillor Ablett and his
15 family?---Yes, sir.

16 All right. So you put \$15,000, did you not, I'd suggest.
17 I suggest you put \$15,000 into this horse for 30 per cent
18 interest; does that sound right?---Sir, I thought it was
19 12,000, but if it was 15,000.

20 And this was a horse that's never raced, ever?---But it's an
21 unraced horse whose mother has shown considerable
22 potential.

23 But the horse was a gelding, wasn't it? So you were never
24 going to be able to use it as a stallion?---Sir, look, I'm
25 not - I purchased a number of horses over many years.
26 I have no exact recollection of each of the horses.

27 Did you buy any other horses with the Ablett family?---Yes,
28 I believe so, sir.

29 How many?---I believe two others.

1 Yes. What were the others?---Sir, as I said, I have 10, 15
2 horses and I'm not familiar with the day-to-day names and
3 operations and I have people looking after them for me.
4 Were these horses that you've owned in the last five years with
5 the Ablett family or for some time before that?---I know
6 we purchased a horse recently. We have a horse that's
7 just had a foal recently. But I cannot answer more than
8 that, sir.

9 So you are saying then that insofar as - Mr Ablett, as we know,
10 over the period we've been talking about, was from time to
11 time mayor and he was also a city councillor of the City
12 of Casey?---Correct, sir.

13 So you've shared ownership of horses with him over what period
14 of time?---I believe, sir, since 2012. I stand to be
15 corrected, sir.

16 Have you employed him in any way? Have you employed him? Have
17 you given him the benefit of paying him money?---Yes, sir,
18 I have a legal agreement with Mr Ablett.

19 And over what period of time have you been paying
20 him?---I think since 2015, sir, I believe.

21 And how much do you pay him?---\$5,000 a month.
22 5,000 a month. All right. What does he do for that 5,000 a
23 month?---He pays for expenses of the horses where
24 appropriate.

25 What horses? We know of one horse, Prima Facie. What other
26 horses are there that involve expenses?---I can't answer
27 that, sir. But in addition - - -

28 Are you talking about one or more? Are they racing? Are they
29 being prepared for racing? Have they raced?---No, sir.

1 So none of these horses have ever raced. Okay, you've never
2 been involved with him with a horse that has actually
3 required the payment of trainers' fees?---And they do
4 trial, sir. They have pre - they have trials and before
5 trialling they have training, yes, sir.

6 Okay. So, in any event, no horse that you have had an interest
7 in with Ablett has ever raced; tell me if I'm wrong about
8 that?---Not in a formal race, sir.

9 And you are paying him \$60,000 a year; yes?---Yes, sir.

10 In respect of his helping you out in respect of the horses that
11 you own?---Yes, sir.

12 Because he's an ex-trainer?---Yes, sir. But more than just the
13 horses that we share; also the horses that he doesn't
14 share with me, he offers me advice about those horses and
15 we look for horses to purchase.

16 COMMISSIONER: I'm sorry, so what is the legal agreement that
17 you signed with him?---It's an agreement which basically
18 sets out what he should do and also mentions the fact that
19 on commencement of that legal agreement he shall have no
20 part in any decision that my company or my clients at the
21 City of Casey.

22 I just want to first explore - I'll come back to that if
23 I may - the legal agreement in relation to the horses.
24 What's the essence of that legal agreement?---I'm terribly
25 sorry, sir. The - - -

26 Who was paying who what? For what work or service?---Okay. So
27 I am paying Ablett to look after the horses, to give me
28 advice about my stable of horses - - -

29 Yes?---And to look for potential horses that we may wish to

1 purchase to race.

2 And then what was the bit about the council of Casey and how
3 that is connected to this agreement?---I was concerned in
4 remunerating Ablett that he would involve himself in any
5 decisions at council which I thought was a conflict of
6 interest and so the agreement reads that from the
7 commencement of the agreement he shall have no further
8 involvement in any council meeting and/or business that
9 was associated with any of my companies or clients.

10 MR TOVEY: So was it the case then that after that agreement
11 he - was that agreement in any way related to publicity
12 that was being given to your relationship at the
13 time?---I'm terribly sorry, sir.

14 At the time of that agreement, was there publicity being given
15 to the alleged relationship between Mr Ablett and
16 developers by the Victorian Ombudsman?---Not that I'm
17 - - -

18 Or The Age?---Sir, I would have to know the date of the
19 agreement. I thought it was in 2015, but I stand to be
20 corrected.

21 In any event, you and, say, Mr Ablett after the
22 agreement - sorry, part of the agreement was that he would
23 declare a conflict of interest; is that right?---Correct,
24 yes.

25 And after he declared a conflict of interest, did you directly
26 or indirectly have any dealings with him about him lining
27 up votes to support you? After this, you say that
28 Mr Ablett in council meetings affecting matters concerning
29 you, you understood would be declaring a conflict of

1 interest; is that right?---He would - - -
2 That's what the agreement was about?---Yes, he would declare a
3 conflict of interest at a council meeting when an item
4 came up that involved my company or my clients.
5 But forget about him declaring a conflict of interest and not
6 actually being involved in the decision himself. What I'm
7 asking is did you or anybody else on your behalf discuss
8 with him arranging the votes of other councillors to suit
9 your agenda?---No, sir.
10 There were no such conversations you say then with either
11 Councillor Aziz or Councillor Ablett to your
12 knowledge?---I cannot answer that, sir.
13 It's a simple question. Were you paying people to get Aziz and
14 Ablett to support your interests at council? You either
15 were or you weren't?---Under no - - -
16 No, just answer the question yes or no. Were you paying them
17 for that purpose or weren't you?---I was paying him to
18 look after the horses and to - - -
19 No, you're not listening. Were you paying people, that is
20 people who you used as consultants, to get Aziz and Ablett
21 to seek to get votes in your favour at council? A simple
22 question?---Okay. Was I paying consultants?
23 Yes. In order to do that?---No. No.
24 Did any consultant ever come back to you and report that they
25 had lined up council votes through Aziz or Ablett to
26 favour your position on any matter?---Yes, sir.
27 Did you employ them - did you employ any consultants or
28 lobbyists to do precisely that, to get Aziz, Ablett or
29 anybody else to get votes in your favour in council?---No,

1 sir, not to my knowledge. I employed consultants to
2 ensure that our policy or position on any matter was clear
3 to a councillor if for whatever reason it was unclear, but
4 never to persuade or attempt to convince a councillor to
5 take a position that he wouldn't or couldn't or shouldn't
6 otherwise take.

7 That last caveat is the question, isn't it? Are you saying
8 that what you were doing then is providing councillors
9 with ammunition to argue in your favour?---Sir, the - no.
10 No?---Can I?

11 COMMISSIONER: Yes, go on?---On a Thursday afternoon or Friday
12 morning a council minutes report comes out and in that
13 report there is a recommendation by a council officer in
14 relation to a matter. The people who work for us ensure
15 that the clarity of our policy in relation to the council
16 report is clear and to answer any questions that a
17 councillor may have in relation to the report that has
18 been prepared, but never to attempt to persuade a
19 councillor to change a position that he wouldn't have
20 otherwise taken. It's a matter of clarification from the
21 report that has been prepared.

22 Sorry, the report of the council officer, do you
23 mean?---Correct, yes.

24 So coming back to something that was raised with you earlier
25 that Mr Aziz has told us, namely that councillors would
26 not and should not meet with developers to discuss
27 planning proposals without the presence of a council
28 officer also being present, did you do that? Did you meet
29 with councillors without the presence of a council officer

1 being present?---No, sir.

2 So in relation to Mr Ablett you said that part of his
3 obligation under his leasing agreement was that he was
4 never to take part in a council motion if that was a
5 motion that would be supporting your interests, some
6 development or amendment in which you had a beneficial
7 interest at stake; correct?---Correct, sir.

8 How did you communicate to Mr Ablett when there was either a
9 development that you had a direct interest in or a
10 consultancy agreement in relation to a development in
11 which you had an interest? How did you communicate that
12 to him?---We did not communicate. My understanding is
13 from the minutes that I have seen that he excused himself
14 from the meeting. So it was not a matter of me bringing
15 to his attention that there was an item that he should
16 declare a conflict of interest. He himself instigated
17 that.

18 Perhaps I haven't made myself clear. How would he know,
19 without some information being provided by you, how would
20 he know when you had an interest in a development either
21 in the development itself or an interest as the consultant
22 with a fee that might rest on the successful planning
23 issue being resolved in your favour? How would he know
24 that you had that interest?---He would either be advised
25 by council officers and/or it would be evident within the
26 report. The majority of the council reports refers to
27 consultants and - yes.

28 So you left it to him to find out by avenues other than through
29 you or your staff whether or not he was going to be

1 involved in a motion where you had a beneficial interest
2 at stake?---Yes, sir. I never rang him to warn him that
3 there was something coming up that he should not involve
4 himself in, to my recollection, sir.

5 MR TOVEY: And did any of your consultants or lobbyists do
6 that?---Warn Mr Ablett that - - -
7 Yes?---I'm not aware of that, sir.

8 I now want to move on to some of the projects with which you
9 were involved.

10 COMMISSIONER: I'm sorry, just before you do, just one matter
11 in relation to the horses. You explained how you were
12 paying Mr Ablett in effect a management fee for looking
13 after your interest. These are all horses, however, in
14 which he also had an interest?---He had an interest in
15 them, yes, sir.

16 How did he acquire - by what means did he acquire his
17 interest?---I'm not familiar, sir. Except for the latest
18 foal that we've bought, which it cost \$5,000, I think, and
19 at this stage I have paid for his share of that \$5,000.
20 I don't believe it's been registered yet, sir.

21 Yes. So you gave him the funds or you contributed to his
22 purchase of his equity in that horse?---I've purchased the
23 horse and he is at the present time looking after it,
24 feeding it, and ensuring its lively - yes.

25 But you played no role in funding or supporting the funding of
26 his interest in any of the other horses?---No.

27 Is that your position?---That's true.

28 MR TOVEY: Going back now to the City of Casey and what was
29 going on there, the area of the Casey Council covers

1 around Cranbourne, Narre Warren. It's that area, isn't
2 it? That's the area that Casey Council covers?---Yes.
3 And did you or companies who you were acting for have extensive
4 interests in developments that were going on in that area
5 over the last 10 years?---Yes, sir.
6 Have they inevitably been greenfields developments, have they
7 been subdivisions or have some of the developments been
8 something other than that?---Subdivision of land, sir.
9 Yes. So it's always been subdivision of land? Sorry, all your
10 interest has been in subdivision of land?---Yes, correct,
11 sir. We have one shopping centre, sir, that is in
12 Marriott Waters, Marriott Waters Shopping Centre.
13 Okay. Now, back in 2010 the Casey Council voted, did it not,
14 in respect of the Brompton Lodge development or what is
15 now the Brompton Lodge development that that be included
16 in the urban growth boundary; is that right?---Correct,
17 sir.
18 And at that stage you had an interest in that proposal?---At
19 that stage I knew the landowner.
20 Who was?---Peter Carpenter.
21 Yes?---And one of my companies I believe had an agreement with
22 Peter carpenter that we would attempt to have the land
23 included in the urban growth area.
24 And which company was that?---I cannot - I'm not 100 per cent
25 familiar, sir.
26 Was it Watsons?---No.
27 So do you have a company which is a lobbying company? You told
28 me earlier on today that Watsons is a company which does
29 the engineering, but it's not a company which does the

1 surveying, but it's not a company which advocates on
2 behalf of various proposals?---No.

3 Is that right?---Correct, sir. Correct, sir.

4 All right?---Could I just - I believe the name of the company
5 was UDIA.

6 Yes?---That was involved in the Brompton Lodge and my part was
7 an attempt to strategise the inclusion of that land in a
8 planning sense within the urban growth boundary.

9 And what was in it for you? What was in it for you?---At the
10 end of the day for me personally, I had no share in UDIA
11 but I believe that my son and another partner would
12 benefit if that land was included in the urban growth
13 boundary.

14 How much?---That Peter Carpenter would develop the land and
15 that 50 per cent of the profits would be shared between
16 the parties. Sorry, so 50 per cent - - -

17 Between Carpenter and your son's interests?---Fifty per cent,
18 yes.

19 And what was in it for you? You must have been getting a
20 percentage?---No, nothing for me personally that I'm aware
21 of, sir.

22 COMMISSIONER: How much was likely to be made from the venture
23 if it was successful, Mr Woodman?---How much money, sir?

24 Mm-hm?---In the present market - - -

25 At that time, at the time that you offered your services, what
26 was the expectation as to the profit that would be made if
27 the venture was successful?---Okay. In fact what was
28 proposed was that the Amstel Golf Club, I don't know if
29 you're familiar with where that is, Amstel Golf Club was

1 to move their golf club to Carpenter's land and we would
2 develop Amstel Golf Club for residential. In those days
3 that probably would have made 25 million, yes, to be
4 shared.

5 MR TOVEY: And when you talk about "we", you talk about you and
6 your son?---Well, yes, I use that word loosely.

7 I apologise, sir, UDIA. I was working as a consultant on
8 behalf of UDIA.

9 And how were you being paid? Were you getting a success
10 fee?---No, sir.

11 Did you get a success fee in respect of any of the
12 proposals - sorry, was there an arrangement for a success
13 fee in respect of Brampton Lodge or the C219 amendment or
14 the H3 intersection or Pavilion Estate?---Okay, C219 there
15 was an agreement with Leighton Properties that we would
16 again attempt to have the land rezoned.

17 And who is "we"?---Sorry, Watsons Pty Ltd.

18 But I thought Watsons was just an engineering firm?---Well,
19 we're town planners, surveyors and engineers.

20 But you are not lobbyists?---No.

21 So how are you going to get the land - how were you going to
22 get the land rezoned without lobbying councils or
23 politicians?---You prepare an application, a planning
24 application, and lodge that with council, and the council
25 officers then prepare a report and that is then considered
26 by the councillors.

27 But don't you approach councillors and seek to achieve their
28 support and approach politicians and seek to achieve their
29 support? Is that what you did? Is that what Watsons

1 did?---Watsons don't, but Watsons have people on their
2 behalf and on the landowners' behalf who would undertake
3 explanation as to how or why a change of land use should
4 occur.

5 So Watsons don't do it, but people employed by them do?---No,
6 normally, sir, the people are employed by the landowner,
7 not by Watsons.

8 COMMISSIONER: What was the interest that you had in C219?

9 What was the financial interest?---C219 was 200 hectares
10 initially of - - -

11 No, I'm just asking what was the financial interest that you
12 stood to make if the C219 amendment was
13 successful?---Okay. The work that we would get from
14 the engineering and surveying, if Leightons were to sell
15 the land and the new owner was not to take our contract on
16 board for the engineering and surveying, then 2.5 per cent
17 of the purchase price would be the repayment instead of
18 the work.

19 And what was your expectation, as a ballpark figure,
20 Mr Woodman, what was your expectation about what that
21 return would be?---If the work was not taken on, it would
22 be - at the present time it would be around about
23 \$2 million.

24 MR TOVEY: And was that an agreement as to a success
25 fee?---Sir, not a success fee. It is a replacement to the
26 fees that we would have otherwise earned if we had have
27 been given the engineering and surveying work for the
28 subdivision of the land if the land was rezoned, which was
29 the main reason that we became involved was because our

1 job is to find work for our people.

2 What I'm asking you is was there any arrangement that you would
3 get a success fee if the rezoning went through? It's
4 simple. Was there any arrangement that you would get a
5 \$2 million success fee the moment the subdivision went
6 through? Look, you know there was. There was, wasn't
7 there?---If - I apologise, sir. If - - -

8 I want you to understand, sir, what I'm putting to you is that
9 you knew that the moment the subdivision went through you
10 were going to get a \$2 million success fee: yes or
11 no?---No.

12 Immediately after that were you going to get a \$2 million
13 success fee?---No.

14 Was there any discussion with anybody ever about getting a
15 success fee?---If - - -

16 No, was there any discussion?---Yes.

17 Have you ever mentioned the words? Have the words "success
18 fee" ever come out of your mouth?---Success fee is not the
19 word that I believe is in the agreement, sir.

20 Well, is it something that you considered to be a success
21 fee?---No, sir.

22 All right. In any event, getting back to Brompton Lodge, so
23 that came up in council in August 2010. How much land are
24 you there talking about?---In excess of 100 hectares, sir.

25 All right. And what's the value of that as land which is not
26 approved for residential use?---Are we talking about when
27 the agreement was signed, sir?

28 Yes?---It would have been probably \$5,000 an acre.

29 And once it was approved for residential use?---As at that

1 particular time, probably about \$300,000 an acre.
2 And once it's been developed and sold off in lots, what would
3 be the total revenue arising from the selling of those
4 lots?---Normally it would be double the land value, so
5 600,000.
6 \$600,000 an acre. All right. So in respect of Brompton Lodge,
7 UDIA was Urban Development Investments Australia; is that
8 right, UDIA?---Yes, sir.
9 And what was UDIA? Was that a company or an organisation which
10 had anything to do with you?---It was a vehicle for the
11 joint venture between the Carpenters and the company.
12 Okay. And your role was?---I was the principal planner
13 strategising for the rezoning of the land.
14 So ultimately over a long period of time did that get to the
15 point where the necessary approvals were obtained and the
16 development took place?---Correct, sir.
17 And when was that? When was it that you turned the first sod
18 at Brompton Park? Sorry, Brompton Lodge?---In January
19 2018.
20 And as of 2018 did your son's company acquire parcels of land
21 from the Carpenters, the original owners, as part of the
22 original arrangement?---Correct.
23 And how much did they get?---55 million.
24 Sorry, this is land worth 55 million?---The Carpenters received
25 55 million.
26 So you give the Carpenters 55 million for land which is going
27 to be sold for what?---Are we talking about today's
28 values?
29 Yes. It's still being sold, isn't it?---Yes, yes. So the

1 Carpenters received 55 million. The land, I think a
2 company called Country Garden had made an offer of
3 \$110 million.

4 And that's been knocked back, has it?---Country Garden decided
5 not to continue with the contract.

6 COMMISSIONER: So it's evident, Mr Woodman, just from
7 the figures that you've conveyed to the Commission, that
8 with a change in zoning of the sort that is being
9 contemplated there are extraordinary immediate increases
10 in value of land. We go from \$5,000 to \$300,000 and then
11 developed to \$600,000 per unit?---Correct, sir.

12 And so we need legislation, do we not, Mr Woodman, that ensures
13 that the temptations that would be in the path of people
14 who stand to make these sorts of massive profits will do
15 so ensuring that there's complete integrity in the
16 process?---Correct, sir.

17 MR TOVEY: As late as April of this year, Brompton Lodge was
18 coming up before the council for various reasons relating
19 to proposals to amend the permits or the planning
20 conditions?---I'm not aware of that, sir.

21 Well, in April of this year the council considered the
22 acquisition of a section of the road that was running
23 through Brompton Park; are you familiar with that?---No,
24 sir.

25 C219, what did that relate to?---That's Cranbourne West, sir.
26 Is that also known as the Cranbourne West rezoning
27 issue?---Correct. Excuse me, sir, is it possible for me
28 just to make one comment?

29 COMMISSIONER: Of course?---In relation to Brompton Lodge. The

1 City of Casey in 2003 brought out a document called C21,
2 and in C21 Brompton Lodge land was identified for
3 residential conversion. It's something that had been
4 around for many, many years before we became involved.

5 MR TOVEY: I want to make it clear that we are not here
6 concerned with whether a particular result was a good
7 result or a bad result. There will always be arguments
8 either way.

9 COMMISSIONER: I'm not sure about that, Mr Tovey, but a lot of
10 the time there will be.

11 MR TOVEY: Other than in circumstances where the result itself
12 is manifestly wrong.

13 COMMISSIONER: Yes.

14 MR TOVEY: But overall what we are concerned about is whether
15 or not the process has been tainted by the payment of
16 money or something else which might influence people; you
17 understand that. So in respect of C219 how much land was
18 involved?---Initially 200 hectares.

19 And when you say "initially", that changed?---It did, sir.

20 How?---The council, after conducting an informal process, wrote
21 off to the minister recommending that he allow a
22 preparation of a planning scheme amendment which would
23 rezone the 200 hectares to residential from employment.
24 The minister wrote back and stated that he would only
25 allow exhibition of 120 hectares, not 200 hectares, of
26 land to be rezoned.

27 When the minister wrote back was he talking about 120 or

28 133?---I'm terribly sorry, sir, it could have been 133.

29 When did you first become involved? We know this was first

1 introduced before the council in February 2014. Were you
2 involved at that stage?---Yes, I was, sir.
3 And what was your involvement?---Yes, sir.
4 What was your involvement when this matter first - -
5 -?---Sorry, I was employed by Leighton Properties to
6 prepare a strategy that would change the zoning from
7 employment to residential of their 120 hectares.
8 And what does "employment" mean?---Employment is industrial,
9 commercial, yes.
10 And so when you are talking about employment land when you have
11 got a precinct structure plan will it characteristically
12 include employment plan so a community will have an area
13 where there are jobs as well as an area to
14 live?---Correct, sir.
15 And is that the theory behind the existence of those various
16 classifications?---Correct.
17 In the case of C219 you acted for Leightons. Was there any
18 other owner of land?---The Kelly family.
19 And who owned what, can you remember?---The Kelly family owned
20 80 hectares and Leightons owned 120 hectares.
21 COMMISSIONER: If the strategy was successful the Carpenters
22 were prepared to sell their interest?---Yes.
23 And you had a fixed price with them?---Yes, sir.
24 And who was it being sold to?---Country Garden.
25 And who do they represent?---They are a Chinese consortium
26 buying land in Victoria at the present time.
27 And you used the word "strategy", Mr Woodman; your task was to
28 devise a strategy. What does that involve?---Well, for
29 instance, sir, the strategy at Brompton Lodge was to move

1 Amstel Golf Club down so that Ranfurlie and Amstel would
2 have two golf courses together with a new club. So the
3 strategy for that particular parcel of land was to provide
4 a much better golfing complex. My job is to ascertain in
5 each case strategy that gives the best opportunity for a
6 parcel of land to have a land use change.

7 Don't let me put words in your mouth, but when you are engaged
8 as a consultant to develop a strategy you are being asked
9 by an individual or a group that has a particular interest
10 in the development to try and work out the best way of
11 marketing to all of the stakeholders the outcome they
12 want?---Yes, sir.

13 Is that in essence the objective?---It is in essence, sir.

14 "Marketing" is probably not a word that I would use.

15 Yes, what would you use?---I think "strategy" is a much more
16 appropriate word in the world of consulting. Marketing is
17 where you are attempting to sell something, and we are not
18 in the business of selling. What we are in the business
19 of doing is explaining why in a particular instance a
20 parcel of land that is zoned for a particular use is
21 inappropriate and should be changed.

22 But that's the idea. The strategy has to involve reaching all
23 of the stakeholders and persuading them that that's the
24 right course to follow?---Correct, sir.

25 MR TOVEY: Before the matter first came before council then,
26 this is the Cranbourne West rezoning, you were acting for
27 Leightons in respect of their 120 hectares?---Correct,
28 sir.

29 Once the minister reduced it to 133 hectares what percentage

1 was Leightons and Kellys, are you able to say?---The Kelly
2 land that I also represented, I resigned from that
3 position and continued to assist the Leighton property.
4 All right. Was it the case - and you just told me - I'm not
5 saying I have absolute knowledge in respect of these
6 break-ups of subdivisions. Once it was down to
7 133 hectares, which of that was the Kellys and which of it
8 was Leightons?---Sorry, all of it - well, 120 hectares was
9 the Leighton property and the balance of the 133, which
10 I had forgotten until you had just mentioned it, so there
11 was a small portion of the Kelly land that the minister
12 had decided was appropriate, and the reason for that is
13 that there is a road called Central Park Way which runs
14 from Westernport Highway all the way through to I think
15 South Gippsland Highway, and part of the Kelly land
16 actually resided on the south side of that road and so the
17 minister decided that that roadway would be a good
18 demarcation between industrial and residential.
19 Has the C219 amendment to the PSP ever been enacted or
20 completed?---No, it hasn't and it's still under
21 consideration by the Minister for Planning.
22 Have you ever thought it was close?---I thought it was very
23 close in October 2018.
24 And was it at that stage there a publication of information
25 which suggested that there were people who were unjustly
26 profiting or potentially unjustly profiting or
27 manipulating the situation?---Sir, it's my opinion that
28 the politicians were concerned that the publication had
29 indicated that - - -

1 It was an Age article, wasn't it?---Sorry?

2 COMMISSIONER: The Age - - -

3 MR TOVEY: An Age article; an article in the Age?---An article,
4 yes, yes. It indicated that there were donations to both
5 Liberal and Labor Party at the previous election and as a
6 consequence of that it would appear that the landowner
7 could have been persuasive in donating money to a
8 political party to obtain a rezoning.

9 And had you made donations?---Have I personally made - - -
10 Had you or your company or companies associated with you or
11 companies associated to your knowledge with C219 made
12 donations?---Not particularly associated with 219, but
13 since the mid-90s I have personally been involved in
14 donating money to both the Liberal and Labor Party.

15 In 2018 did you make donations in respect of candidates who
16 were standing for election?---Yes, I did.

17 And how much in total did you put aside for that or did you
18 provide for that?---I think for the State election in 2018
19 combined we would have - I would have spent in excess
20 I think of \$150,000, yes.

21 And did any of that go to candidates in the Cranbourne
22 area?---Yes, some of it. The candidate for - the new
23 candidate for Cranbourne; Richards is her name, yes.

24 And was that money given by you in the expectation that she
25 would support your position on C219?---No, sir.

26 Did you ever discuss with her your position on C219?---We
27 explained to her, sir, what we were trying to achieve
28 which her previous representative, Jude Perera, had tabled
29 at parliament petitions of 800 and 1,000 people, and we

1 made her aware of the fact that the community were very
2 supportive of a proposed change.

3 And did you give her money in the expectation that she would
4 support you?---No.

5 Did you provide money for her campaign expecting that she would
6 support you?---No.

7 When you talk about the support of a population, how many
8 people did you say? How many people did you say had
9 indicated that they were in favour of - - -?---There had
10 been a petition, I believe, in excess of 1,000 people had
11 been tabled with the State parliament in relation to
12 supporting a proposed change from employment to
13 residential.

14 And did you have a finger in that pie, in the petition
15 pie?---No.

16 Who had organised that petition?---It had been organised by
17 SCWRAGers, as I call them.

18 So that's a resident action group; is that right?---Correct,
19 sir.

20 COMMISSIONER: So in that electoral campaign you made donations
21 to both parties?---Yes, sir.

22 So it wasn't that either party had a particular policy that you
23 found more attractive than the other?---No, sir.

24 So what was your purpose, Mr Woodman, in making the donations
25 if it wasn't because you preferred a particular political
26 position?---My political donations go back to the
27 '90s and - - -

28 No, no, I'm just talking about this election?---Yes.

29 What was your motivation in making campaign donations to both

1 parties?---Good governance, sir.

2 What do you mean by that?---I believe that political parties
3 obviously require financial support and I am asked on many
4 occasions to provide that financial support and, because
5 I believe in good governance and if I think that the
6 particular candidate or party is worthy of my support,
7 I provide them with some financial assistance.

8 Yes. So it wasn't your expectation that whichever party was
9 ultimately successful that those concerned with decision
10 making might view your proposals with more
11 favour?---I believed that both parties were supportive of
12 the change from industrial to residential because the
13 community had expressed the view that this was more
14 appropriate.

15 Be that as it may, Mr Woodman, I'm asking you, though, whether
16 it was part of your motivation for supporting both parties
17 that there was an expectation they would view your
18 proposals with more favour?---No, sir.

19 And after the election did you receive any information from any
20 source to suggest that people that were in a position to
21 consider your proposals did approach the matter on the
22 basis that, if they could, they would seek to support your
23 objectives?---No, sir.

24 You never got such information?---No, sir.

25 MR TOVEY: Would this be an appropriate time?

26 COMMISSIONER: Yes, thank you. Mr Woodman, we'll adjourn now
27 until 10 o'clock tomorrow morning. Yes, Mr Juebner?

28 MR JUEBNER: Can I raise one matter of housekeeping?

29 COMMISSIONER: Yes.

1 MR JUEBNER: I understand my instructor has advised that there
2 won't be any transcript available. I was just wanting to
3 clarify the position in relation to transcript.

4 COMMISSIONER: Yes, we don't normally make a transcript
5 available. If you have any question, though, in terms of
6 uncertainty about some aspect of the evidence I'm sure
7 counsel assisting or those instructing them will be able
8 to assist you.

9 MR JUEBNER: Thank you, sir.

10 COMMISSIONER: Adjourn until 10 o'clock, please.

11 <(THE WITNESS WITHDREW)

12 ADJOURNED UNTIL TUESDAY, 19 NOVEMBER 2019 AT 10.00 AM

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