

This is an excerpt from the IBAC Operation Sandon report.

Authorised by A. Gill, PO Box 1116, Narre Warren, VIC, 3805.

3.1.5.5 The use of other Casey councillors

In addition to the core group of councillors, Mr Kenessey, Mr Woodman and his associates sought to influence other Casey councillors in favour of Amendment C219. From 2014 onwards, they cultivated relationships with Councillor Rowe and Councillor Serey.

In 2016, Mr Woodman funded 11 candidates for the Casey Council elections, in a way that concealed his role as the source of that funding (via Ms Wreford and her partner), with Councillor Aziz coordinating the group of funded candidates.

Following the election, when the C219 rezoning issue came before the Casey Council, some of the Casey councillors who had received funding from Mr Woodman routinely voted in favour of it without fully or formally declaring a conflict of interest. Some or all may not have been aware of the source of funds, so would not have known of the donor's connection to the matter. Regardless, it was unlawful for candidates to accept anonymous donations.

3.1.5.5.1 Councillor Rowe

Mr Woodman's financial support for Councillor Rowe

Mr Kenessey and Mr Woodman cultivated a relationship with Councillor Rowe from 2014, on the basis that Councillor Rowe supported rezoning industrial land. However, Mr Woodman did not provide financial support to Councillor Rowe until 2016, when Mr Woodman organised a fundraising event to support Councillor Rowe's Casey Council election campaign. The event raised \$10,000.

Councillor Rowe was unable to identify individual donations from the fundraising event. Consequently, he provided an addendum to his donation return, stating that he had received advice from the Local Government Inspectorate that he was not expected to provide details of multiple small donations at a fundraising event, even if the aggregate amount was more than \$500. He did not, however, declare Mr Woodman's contribution to the event, which would have exceeded the prescribed limit.

To support the C219 strategy, Mr Kenessey and Mr Woodman fostered a relationship with Councillor Rowe. Throughout his evidence, Councillor Rowe maintained that he had always been committed to rezoning the industrial land and that he understood Mr Woodman to be a consultant on Amendment C219.

There is no evidence, other than an assertion by Mr Woodman, that Mr Kenessey unduly influenced Councillor Rowe to support Amendment C219. However, Mr Kenessey appears to have pursued a relationship with Councillor Rowe to gain access to the Casey Council and its officers to support his own and Leighton Properties' commercial interests. In evidence, Mr Kenessey said he met Councillor Rowe in about mid-March 2014, at a meeting with Mr Woodman and the other landowner, around the same time as the rezoning issue first came before the Casey Council. Following that meeting, Mr Kenessey said he became 'totally engaged' with Councillor Rowe in devising strategies and promoting the rezoning.

Unlike Councillor Aziz, Councillor Ablett and Councillor A, Councillor Rowe was not involved in the process that led to Councillor Aziz initiating the 'urgent business' resolution on 4 February 2014. However, following the initial Casey Council resolutions in early 2014, Councillor Rowe helped Mr Kenessey to communicate with Casey Council officers on the merits of the proposed rezoning. In evidence, Councillor Rowe said that he worked closely with Mr Kenessey to enable Mr Kenessey to have access to all Casey councillors to discuss the rezoning ahead of the Casey Council's consideration of the amendment in October 2014. On 21 October 2014, Casey Council officers recommended to the Casey councillors that alternative uses (that is, other than industrial) should be explored for the land owned by Leighton Properties and the other landowner. Councillor Aziz chaired the meeting and Councillor Rowe moved that the land should be rezoned as 'totally residential'.⁵⁴ In a submission to IBAC, Ms Schutz stated that she drafted the alternative motion introduced by Councillor Rowe, asserting that:

- on 16 October 2014 she 'provided advice to client re Councillors powers to move an alternative motion and the mechanisms available under the Local Law'
- on 17 October 2014 she was 'requested to draft an alternative motion'.

⁵⁴ Casey Council, 21 October 2014, meeting minutes, section 8, 'Planning for Casey's Community', item 1.

Although Councillor Rowe supported the rezoning, it appears that his awareness of the relationships between Mr Woodman and Mr Kenessey and Ms Schutz, and their involvement and interests in Amendment C219, was limited. In evidence, Councillor Rowe stated that he was not aware of the commercial arrangements between Leighton Properties, Mr Kenessey, Mr Woodman and Ms Schutz. Nor was he aware of their role in establishing, funding and directing the activities of SCWRAG, including the payments to the Walkers (who were president and secretary of SCWRAG), as discussed below. However, Councillor Rowe became concerned about SCWRAG's role when he observed the Walkers' involvement in the H3 intersection matter, outlined in section 3.2.

3.1.5.5.2 Councillor Serey

Mr Woodman's and Mr Kenessey's financial support for Councillor Serey

Councillor Serey was a Casey councillor throughout the period the proposed C219 rezoning was before the Casey Council. During that time, Mr Woodman provided financial support to her election campaigns when she stood for the state seat of Narre Warren South. This included contributions (through his companies) of \$6000 in 2014 to the Liberal Party's Narre Warren South Electorate Council account, and \$10,000 in 2018 to the Liberal Party's Narre Warren South account.⁵⁵ In evidence, Mr Kenessey agreed that he was told of Mr Woodman's 2014 contribution and attended a 2018 fundraising event for Councillor Serey that Mr Woodman hosted and paid for. In June 2018, Councillor Rowe gave Mr Kenessey the banking details for contributions to the Serey campaign. When asked during his examination, Mr Kenessey was unable to explain his involvement in contributions to the Narre Warren South account to support the Liberal candidate, Councillor Serey.

In November 2018, Councillor Serey sent Mr Kenessey a text message seeking assistance from Mr Woodman to pay for the mailout of 9000 campaign flyers. Mr Kenessey liaised with Mr Woodman to arrange for Mr Woodman's office to pay for the mailout at an eventual cost of \$16,335. The arrangement breached the Leighton Properties Code of Conduct. In evidence, Mr Kenessey asserted that 'in my mind he [Mr Woodman] was well within his rights to say "No, I don't want to do that. I don't want to be involved." ... There was no instruction that, "You must do this."' In evidence, Councillor Serey could not recall whether she reported the arrangement to the Liberal Party.

This is an excerpt from the IBAC Operation Sandon report.

Authorised by A. Gill, PO Box 1116, Narre Warren, VIC, 3805.

⁵⁵ In a submission to IBAC, Councillor Serey reiterated that, as the Liberal candidate for Narre Warren South, she did not handle money and was not a signatory to this account.