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INQUIRY INTO THE CITY OF PERTH

PUBLIC HEARING - DAY 88

THURSDAY, 15 AUGUST 2019

INQUIRY PANEL:

COMMISSIONER ANTHONY (TONY) POWER

COUNSEL ASSISTING:

MR CHEYNE BEETHAM

MR PHILIP URQUHART

COUNSEL APPEARING:

MR PAUL GRAHAM (Mr Martin COPEMAN)

MS JENNIFER SOLISS, with Ms Celeste de SAINT JORRE (Ms Barbara MOYSER)

MS JENNIFER PRIESTLEY (Mr Mark RIDGWELL)

MS STANTON (Mr Keith YONG)

.15/08/2019

HEARING COMMENCED AT 10.01 AM:

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

10 What I will do is I will have the first witness called and sworn or affirmed and then I will hear applications. Mr Beetham.

MR BEETHAM: Commissioner, I call Mr Martin Copeman.

15 COMMISSIONER: Thank you. Mr Copeman, please come forward and take a seat in the witness box to my left. Mr Copeman, do you wish to take the oath or make an affirmation?

20 MR COPEMAN: I will take an oath.

COMMISSIONER: Thank you. Madam Associate.

MR Martin William COPEMAN, sworn:

25 COMMISSIONER: Thank you, Mr Copeman. Please take a seat.

I will hear applications now.

30 MR GRAHAM: Thank you, Commissioner. I seek leave to represent Martin Copeman this morning. Commissioner, you ought to have an application dated 1 August, together with my affidavit dated 7 August.

35 COMMISSIONER: I have, and I've read them both. Is there any objection, Mr Beetham?

MR BEETHAM: No, Commissioner.

40 COMMISSIONER: Thank you. In that case, leave is granted for today's hearing and any extension of it

MR GRAHAM: Thank you, Commissioner.

45 MS SOLISS: Thank you, sir. My name is Soliss and I seek leave to appear for Ms Moyser this morning. I understand that you have an application dated 6 August, as well as the application dated 13 August in respect of this afternoon's hearing as well.

COMMISSIONER: Yes, I have, and I've read them, thank you.

MS SOLISS: Thank you.

5 COMMISSIONER: Is there any objection, Mr Beetham?

MR BEETHAM: No, there isn't, Commissioner.

10 COMMISSIONER: Thank you. In that case, Ms Soliss, you have leave to appear at today's hearings, and any extension.

MS SOLISS: Thank you, sir.

15 COMMISSIONER: Mr Beetham, are you ready to proceed?

MR BEETHAM: Yes, Commissioner.

COMMISSIONER: Thank you.

20 EXAMINATION-IN-CHIEF BY MR BEETHAM

Mr Copeman, I know we have just been through this, but would you mind stating your full name and address for the transcript, please?---Martin William Copeman,
25 [REDACTED].

What is your occupation, Mr Copeman?---Manager of Parks, City of Perth.

How long have you been in that role?---Three years.

30 In that role, do you have people who report to you?---I do.

Who are they?---Blake Humble and Shelley Smith.

35 Have they reported to you for the entire time you've been with the City of Perth?---No. Blake Humble has reported to me for around two and a half years and Shelley has reported to me probably for two years.

40 To whom do you report?---I report now to Chris Kopec, the General Manager. Prior to that I was reporting to Paul Crosetta, who was the Director of Construction and Maintenance.

Is that the Directorate within which your office sits?---Yes.

45 Mr Copeman, I want to ask you some questions today in relation to a Western Irrigation and the tenders that occurred in 2017 and 2018. Do you know what I'm talking about?---Yes.

And you've been asked some questions about those - - -?---Previously.

- - - in the past?---Yes.

5 You will recall that the first tender that Western Irrigation was successful for was the subject of a CCC complaint, do you remember that?---I do.

Madam Associate, could you please bring up the document at 2867, TRIM reference 16201.

10

COMMISSIONER: Thank you.

MR BEETHAM: Have you seen this letter before, Mr Copeman?---No.

15 You will see there that it's a letter dated 10 January 2018 to Mr Mileham who at the time was the Chief Executive Officer of the City?---Correct.

And you will see it's from the CCC?---Yes.

20 And about halfway down the page the Commission has identified an allegation?---Yes.

That allegation is that:

25 *It is alleged that Blake Humble, Coordinator of Parks Operations, City of Perth -*

And that's the Blake Humble who reports to you?---That's correct.

30 :

Used his position for a benefit by favouring a contractor during the procurement process for City of Perth tender 031-17/18 - Maintenance of Irrigation Bores, Pumps and Associated Works.

35

Do you see that?---Mm hmm.

And that's the tender that Western Irrigation was ultimately successful for?---That's correct.

40

The one we were talking about a moment ago?---Correct.

Have you seen that allegation in that form or some other form before?---I have seen it in the probity audit by Stantons International.

45

You see there where it says in the first and second line of the allegation that:

Mr Humble used his position for a benefit.

5 Would you agree with me that could suggest either a benefit to himself or a benefit to someone or something else?---It could suggest that.

So in the context of this tender, it might be Mr Humble or it might be one of the respondents to the tender, for example, would you agree with that?---Yes.

10 You mentioned a moment ago, you had seen this in the context of a probity audit?---That's correct.

15 Can you tell the Commissioner what's that about?---As I am aware, the government's unit at the City of Perth engaged a probity audit into the allegation to determine whether Blake Humble had used his position for benefit in, or whether there was any evidence of misconduct in the process of finalising the tender.

Can I just ask you some general questions about tender processes. You've been involved in them before?---I have.

20 Have you sat on Evaluation Panels?---A long time ago, yes.

25 Have you been involved in other aspects of preparing tenders and things of that nature?---Typically when a tender is being developed, I will look at the specification as it goes through the process, and at the end of the process, I will receive a recommendation report and if I support the recommendation report, then I sign it in its journey.

30 I will come back to that recommendation in a moment but for the purposes of my current questions, am I right in suggesting the purpose of the tender process is to ensure that there's a robust, transparent and accountable way of tendering for the procurement of certain things that the City might need, is that right?---Yes.

35 So it's the ensure, amongst other things, you get value for money in the procurement of those services or those goods?---That's correct.

And the purpose of the tender is to be a competitive tender so that the best respondent rises to the top and is appointed, is that right?---That's correct.

40 And there's no part of the tender process where people involved in the tender should be looking to advocate for a particular respondent or sell that particular respondent to the City, is that right?---That's correct.

45 On the last occasion when you were here giving some evidence, you gave some evidence that you had never had allegations of misconduct, bias or inappropriate behaviour made against a member of your team while at the City of Perth prior to, I think, this one, is that correct?---That's correct.

And that's a true statement?---That's a true statement.

5 During your time at the City of Perth, have you ever had any cause to be concerned that anyone within your team might become subject to those types of complaints?---No, not at all.

So you've never had any reason to suspect misconduct or bias or other inappropriate behaviour?---No, I haven't.

10 Have you ever had any reason to be concerned that your Business Unit within the City would be subject to a probity audit?---Sorry, could you say that again?

15 Certainly. Have you ever had any cause to be concerned or would you have been concerned at the time about your Business Unit and the people who report to you, being subject to a probity audit?---Yes, I would be concerned if my unit was subject to a probity audit.

20 Why would you be concerned about that?---The only purpose of a probity audit is to - as I would understand it, that's the only purpose of a probity audit, was to identify something that had been done incorrectly or inappropriately.

So is your concern there, the existence of a probity audit might indicate that something's gone wrong?---Yes, definitely.

25 Would you be concerned generally - if somebody said to you tomorrow, for example, "Mr Copeman, we are going to conduct a probity audit of your Business Unit for the last two years", would that concern you?---No.

30 Since joining the City, have you ever had any concerns about things that occurred or might have occurred within the Parks part of the City before your time?---Not that I can specifically point a finger at, no.

Nothing you can recall?---No.

35 Madam Associate, could you please turn up the document at 6252, TRIM reference 20469.

COMMISSIONER: Thank you.

40 MR BEETHAM: Can you read that? Is that large enough on the screen for you, Mr Copeman?---Yes.

45 You will see this is an email to Blake Humble. I can tell you that it's from you dated 12 September 2017?---Yes.

But I can show you that header if you need to see it but for present purposes, if you can just focus on the words in this email?---Yes.

You write to Blake:

5 *You wouldn't want to be subject to an audit. I think if we looked we
would find a few -*

It says doggy, but I think it might be dodgy?---Yes.

10 :

Skeletons in the closet.

Do you recall writing this email?---No, not at all, and I don't know in what context it is and without that, I can't comment further.

15 Do you have any reason to have written to Mr Humble in particular in September of 2017 in these terms that you can think of, and if you need a moment to reflect and think on that, please take it?---Honestly, no. I'm blank.

20 You will see where it says, "I think if we looked we would find a few doggy skeletons in the closet", does that trigger your memory as to what you might be referring to?---No, absolutely not.

25 You will see, Mr Copeman, that the subject of this email is, "Wellington Square irrigation quote 2011.doc"?---That's right.

Madam Associate, you should have a loose document with you, with the 6252 number at the top. If you wouldn't mind handing a copy of that to Mr Copeman, the Commissioner and my friend.

30 COMMISSIONER: Thank you.

MR GRAHAM: Thank you.

35 MR BEETHAM: Mr Copeman, this is the document that is attached to the email we were just looking at. Do you recognise that document at all?---No.

If you take a moment just to read it slowly and carefully to yourself and let me know when you've done that. Have you finished reading that?---I have

40 [10.15 am]

Having read that and looked at that email that's on the screen in front of you, does that refresh your memory at all?---No.

45 As to why you might have sent this email?---No, and the job - yes, the job doesn't - I can't recall what job at Wellington Square would have a figure like that attached

to it because we were already in a project with Wellington Square and we are not Project Managers for it.

5 Am I right, this document is dated February 2010, that was long before you arrived at the City?---Yes.

10 Madam Associate, would you mind just going back one page to 6251, please. This is the rest of that email chain, Mr Copeman. You will see in the middle of the page there's a response from Mr Humble, do you see that?---Yes.

Once you've had a chance just to read that, I will ask you then to look at the email at the top from you?---Yes.

15 In your email you say:

I know you wouldn't, I just found what I sent to you whilst trying to find something else.

20 I understand, and I would be grateful for your views on this, that when you say "what I sent you" is that document in front of you, the hard copy document?---Honestly, I don't recall.

No recollection of that?---So if this is attached to that and that's an attachment then yes, it must be but I have no recollection of it.

25 Is it correct then that the sentence at the end of that email "and it worries me what these guys have done in the past", you're not sure what that's about either?---I have no recollection of this email. The statement that, "It worries what these guys have done in the past" is in the context of something, obviously, but I'm sorry, I just don't - - -

You can't shed any light on what that context might be sitting here today?---No.

35 Okay. Thank you, Mr Copeman, you can now hand that loose document back to Madam Associate. The next group of questions I want to ask you, Mr Copeman, are just by way of clarification of some evidence you've given previously?---Sure.

40 Madam Associate, could you please pull up the document at 2685, which is TRIM reference 15600.

COMMISSIONER: Thank you.

45 MR BEETHAM: This is a document I think you will have seen before, Mr Copeman?---Yes, I agree.

And for the purpose of the transcript, this is a memorandum dated 14 September 2017, do you see that?---Yes.

And it's from the Coordinator, Parks Operations?---Correct.

At that time, that was Mr Humble?---Blake Humble, yes.

5

And it's to the Chief Executive Officer?---That's correct.

Madam Associate, if you can turn to the next page, you will see at the bottom, or the second half of the page, Mr Copeman, there's some commentary on budget and funding?---Yes.

10

And then below that a recommendation?---Yes, that's right.

Madam Associate, if you go over to the next page, please. You will see in the bold type at the top of the page, "Recommendation that Western Irrigation be awarded the contract", and then you will see about halfway down you've signed it and I think that's 21 September?---Yes.

15

Were you involved in the preparation of this memorandum, other than signing it?---No.

20

So nothing that's written in here is written by you?---No.

Not amended by you?---No.

25

Do you recall discussing it with Mr Humble?---No.

No?---I got the - I received this and I read it and I do believe that there's another attachment with this document which I reviewed and - - -

30

What is that attachment?---I think there's a summary of the tender evaluation or the score sheet and then there was a scenario based evaluation of fees and charges.

Of the pricing for the contract?---Yes.

35

Of those documents, did you have any involvement in preparing or amending or altering those?---No. This report comes out of the process of a tender review and the scenario and the evaluation is done by the panel review members.

So in this case, Mr Humble and his colleagues on the panel?---Yes.

40

Just so it's very clear, you don't recall discussing this particular document or the attachments with Mr Humble?---No, I don't.

Madam Associate, could you please now turn two pages forward to 2689. TRIM reference 13915.

45

COMMISSIONER: Thank you.

MR BEETHAM: You will see, Mr Copeman, a record of delegated authority. You've seen this document before?---Yes, I have.

5

And this is signed by you on 10 October 2017?---That's correct.

Accepted by Mr Mileham, the CEO, on 13 October, a few days later?---That's correct.

10

Were you involved in the preparation of this document at all?---No.

Did you discuss this document with anybody?---No.

15

Madam Associate, if you could go to the next page, please. You will see, Mr Copeman, there's a recommendation in similar terms to the one we just saw on the memorandum to the Chief Executive?---Correct.

20

Then there follows, if I can use this word, a report on the tender and the evaluation process?---Correct.

If I can just take you to the bottom under, "Purpose and background", you will see in the last block paragraph that commences, "Tender 31-17/18", do you see that?---Yes.

25

It indicates that:

This tender was advertised on 16 August 2017 and closed on 31 August 2017.

30

?--- correct.

You will recall when we looked at the page a moment ago, it was approved or assented to by Mr Mileham on 13 October, do you recall that?---I do, yes.

35

Would I be correct then in saying between 31 August 2017 when the tender closed, and 13 October when Mr Mileham approved this delegated authority, that's the period within which the tenders are evaluated, looked at, considered by the Tender Evaluation Panel?---The tender evaluation would have been finished before this report was written.

40

But after the tender closed on 31 August?---Yes.

Is it fair to say the critical period for the evaluation of that tender and the responses is between date of closure and the date of approval by Mr Mileham?---Yes. The tender submissions are received by Finance and then the Tender Evaluation Panel is advised that they are now ready for assessment and they are in a locked folder

45

and only those people have access to them.

Do their direct line managers or supervisors also have access or is it only those three people?---Only the people on the panel.

5

So you would not have had access to this?---No.

Did you have any involvement in the assessment?---No.

10

Did you have any discussions with Mr Humble or his colleagues on the panel about the assessment?---No.

Did you have any other involvement in the tender at all during the period 31 August 2017 and 13 October 2017?---No.

15

Madam Associate, could we now go to a document at 20.8081, which is TRIM 23006.

COMMISSIONER: Thank you.

20

MR BEETHAM: Mr Copeman, you will see here an email from Mr Humble on 19 September?---Yes.

Which is within that period we are talking about, August to October?---It is.

25

And you will see it has two attachments, the approval memo?---Yes.

And a price schedule review?---Yes.

30

I will take you to those in a moment?---Sure.

Mr Humble writes:

35

Hi Martin, attached is the revised memo for the CEO. Hopefully the financials don't confuse you this time round.

?---It does.

Can you recall receiving this email?---No.

40

Can you recall what confused you about the financials?---No. The only thing that I was aware of or I did recall is that the first report that came through for signing was - Finance had indicated that it was in the wrong format and needed to be redone.

45

That's the format of the memorandum or the format of some other document?---I think it was the memorandum - it was for the approval process.

So could it be then that Mr Humble's reference to the "revised memo" is the memo in a revised form having regard to what Finance has said?---To be honest, I don't recall.

5

And you don't recall anything about the financials or why they might confuse you?---Not specifically for this one, no, I don't.

Do you recall that there were a number of respondents to this tender and two of those respondents were Western Irrigation and Hydroquip?---Yes.

10

Do you recall that Hydroquip's tender, both in absolute terms and having regard to this price schedule review, was cheaper than Western Irrigation?---Yes.

Is that what confused you, do you think?---No, because price is not the determining factor with our tender process and - - -

15

It's a significant factor?---It's got a rating and what falls out of the process is what falls out of the process. At that time we had been advised that whatever came out at the highest score was the preferred tenderer. We didn't - - -

20

If I can just interrupt there, when you say "we were advised whatever came out with the highest score"?---Yes.

Who is "we", when you say "we"?---The organisation. My whole Directorate, through the procurement process, we had been advised by Ramzi Ibrahim that what fell out as the highest score was the highest score.

25

Having regard to the qualitative assessment?---Yes.

30

Do you take price into account from a value for money perspective as well, separate to the qualitative assessment?---No. One of the previous emails that you showed me, one of the attachments is the evaluation score and price is included in that and then it is rated with qualitative criteria and then they will get a value and then the total of that is the score that a tender is determined on.

35

So price isn't considered separately to the qualitative assessment on a sort of holistic view?---Yes, it's all rolled in.

So if price is hypothetically, as part of the qualitative assessment, given a weighting of 10 per cent, it's considered on that basis only, as affecting 10 per cent of the overall score for the tender?---As I recall, yes.

40

And that's the case even if, hypothetically, the price for one is substantially lower than another, it would still only be given that 10 per cent weighting?---It's not my recollection that the price was substantially lower.

45

But I'm talking hypothetically. I'm just trying to understand how price is assessed or utilised in the tender process?---I think all of our tenders say that price is not a determining factor and they advised that in the advertisement or invitation to submit. It advises people that price is not a determining factor.

5

Is price taken into account in any way other than as part of the qualitative assessment, having regard to the weighting that it's given?---Not at this time. It is now.

10 It is now, the process has changed?---Yes.

What was the reason for that change, do you know?---To ensure that we were not incurring costs that we didn't need to. There's been a significant shift to ensure that, yes, we are reducing our costs where we can.

15

Do I understand what you're saying to be that, the view has been taken that the better way to achieve that outcome is to look at price separately from a qualitative assessment?---I am aware that there are discussions with a Procurement Specialist who's been engaged to improve our processes and with the CEO and

20 Commissioners around how price will be used in the process.

[10.30 am]

Thank you. Just bear with me, Mr Copeman, I have a number of files.

25 Madam Associate, could you please now turn up the document at 6254, TRIM reference 20468, Commissioner.

COMMISSIONER: Thank you.

30 MR BEETHAM: Can you read that on the screen there, Mr Copeman?---I can.

I will just ask you to read that to yourself. That's your response at the top of the page. You've read that?---I have.

35 Does that refresh your memory as to what was happening around this time in September of 2017?---Not really, but vaguely it makes me think of the financial scenario sheet. That is my recollection, that the Hydroquip costs were less than Western Irrigation.

40 Is that what you mean there when you say by your assessment "by my reading Hydroquip came out in front of Western's"?---Correct.

Having regard to that lower price?---Yes.

45 You see then you say underneath that:

Christie, can you find a time for us to meet. Better check with Blake as

*I can't remember if he's starting holidays on Friday or Thursday,
thanks, MC.*

?---Yes.

5

Did you then meet with Mr Humble?---Sorry, I don't recall.

You don't remember?---I'm sure I did.

10 At this time, in September of 2017, you had been at the City of Perth for about a year, is that right?---Just over a year, yes.

Prior to that you were at the City of Fremantle?---Yes.

15 And prior to that, the City of Subiaco?---Correct.

How long were you at the City of Subiaco?---15 years.

I'm sorry, how long?---15 years.

20

When did you leave there?---2015/16.

So then you were only at the City of Fremantle for a short period, were you, before joining - - ?---Six months.

25

While you were at those Cities, did you have any involvement with or engage with Western Irrigation, the irrigation company?---Western Irrigation is, was a subcontractor to the irrigation contractor for the City of Subiaco.

30 For the whole time you were there?---No.

For how long?---I think Elliotts Irrigation became a contractor for us in about 2004/5, somewhere around there and we - at that time and they had a contract that was renewed a number of times. As I understand it, when we had bore and pump issues, they would engage Western Irrigation to do that component of the work.

35

Did you have any direct involvement with Western Irrigation while you were there?---No.

40 And Mr Humble was at the City of Subiaco with you?---He was there for about 10 years at that time.

About 10 years?---Yes.

45 And he was there, to your knowledge, until he left and joined the City of Perth in 2017?---That's correct, yes.

Do you know if he had any involvement directly with Western Irrigation during his time at the City of Subiaco?---I'm not aware but I wouldn't have thought so.

You would not have thought so?---No.

5

Why do you say that?---Because Elliotts Irrigation was our contractor. Who they used as subcontractors was - - -

A matter for them?---Yes.

10

Did you form any views during your time at the City of Subiaco as to the competence of Western Irrigation in their ability to do the job?---No.

Madam Associate, could you now go over the page, please, to 6253, go back one page. Mr Copeman, if you can just look at the bottom email to begin with from Blake to you. He clarifies there:

15

Western's came out in front in the qualitative scoring.

20 ?---Yes.

Can I ask you then to look at your reply to that, please, at the top of the page, and just read that to yourself and let me know when you have done?---Yes.

25 In the second sentence of your email you say:

The point 1 difference between Western and Hydro -

30 And that, am I right, is a reference to the difference between them on their ultimate qualitative scoring? Is that what you understand that to be?---Quite possibly. It doesn't say that and I'm trying to recall but - - -

35 Could there be a point difference between them on anything else?---No, as I recall it, it was the price difference which was minor. Yes, I think there was - I do recall a discussion around that, what fell out at the end of the tender and who was in front.

40 So just so I can take that in turn. I wasn't quite clear there, are you accepting that the "point 1 difference reference" there is a point 1 difference reference between the ultimate qualitative scoring of Hydroquip and Western Irrigation?---Sorry, I can't say for sure.

Do you recall? It couldn't be anything else, could it, Mr Copeman?---Yes, that's reasonable to assume.

45

Then you go on to say:

That point 1 difference and Hydro being a cheaper outcome is going to be a hard sell to get Western on board."

?---Yes, that's right.

5

I suggest to you the words "hard sell", Mr Copeman, indicate that you, and perhaps Mr Humble, wanted to get Western Irrigation on board, and that's why you used the language of "hard sell"?---You can make that assumption.

10 Would you have anything to say about that?---Well, it was no intention to get anybody on board. The fact that the outcome was, Western was in front and that Hydro had been the City's contractor for 10 years, is what I think I'm referring to there.

15 When you say "hard sell"?---Yes.

Do you accept that - - ?---If you have a contractor on board for 10 years and you're changing contractor over a point-something, it's a hard sell.

20 Who is it a hard sell to?---To whoever.

Your evidence earlier was, and I'm paraphrasing slightly, that the purpose of a tender and the evaluation of a tender is not to sell a respondent at all, it's simply to plug in the numbers and have the best respondent rise to the top, do you remember that evidence?---I do, and the word "hard sell" is a terminology that is in my vocabulary to use in a situation like that. I'm not trying to sell it.

25

Can you explain to the Commission what it means in that context then?---I guess - I don't guess.

30

It's the case, isn't it?---What I would put it down to is that it's making a decision around such a small difference is a hard sell.

It's the case, isn't it, that you shouldn't have to sell either of them, should you? It should simply be a clear, transparent and robust tender process?---If you're going for a tender where your instruction is, whatever falls out as the highest score is the tenderer, and you have - it is such a small difference and you had a contractor in place for so long who has an established record and everybody that works for the City has been using that and has relationships with those persons, I think that, yes, for me it seems logical that it's a big change and it's a hard sell.

35

40

But who would it be a hard sell to? If the tender process spat out Western Irrigation as the best, who in the organisation is going to say, "Oh well, we better keep Hydroquip because they have been around a long while"?---Well, it's a hard sell to me.

45

It was a hard sell to you?---Yes. If I signed off on this, that would be the outcome.

Yes?---If I get a report that says, "This is the recommendation ", then there's no hard sell to anybody."

5 But you're not in this sentence, are you, saying, "It's a hard sell to me"?---In my mind, that's what I'm thinking, it's a hard sell. It's hard to justify.

Then you go on to say:

10 *If Hydro challenge I can't see the defence.*

If that's the case, isn't the answer - doesn't it suggest to you that Hydro were the appropriate respondent to the tender to appoint?---Yes. If you're working to a process that whatever falls out, falls out, then that's what we are working to.

15

What do you mean when you say "I can't see a defence"? If the process has been properly followed, you shouldn't need a defence, should you? The process should be robust?---You can read what you want into the words - - -

20 I'm just asking you what you meant by them, Mr Copeman?---It's my reference to, it would be hard to have that conversation with somebody that had lost by such a small margin, that already had a business with the City of Perth.

25 That's not what you say, is it? You say, "If Hydro challenge, I can't see the defence", you don't say, "It's hard to have a conversation with Hydroquip"?---No, but I think that if you read all of my emails, you might find that there's lots of examples where I probably should have written it better or should have written it different. There's no intention to - - -

30 COMMISSIONER: That was your choice of words, wasn't it?---That's correct.

If you look at those two sentences together, the second sentence "If Hydro challenge I can't see the defence", it seems to work against your construction of the sentence which precedes it, that you were trying to sell it to yourself, doesn't it?---Yes, you could say that.

35

Isn't that a reasonable reading of it?---Yes, it's a reasonable reading of it.

40 And isn't counsel right when he asks you the question about the evaluation process, in other words, isn't the evaluation process meant to produce an outcome without the need to sell it to anyone?---Yes, that's correct.

45 In that case, I really don't understand why you have chosen to write to Mr Humble in the way you have?---Really in hindsight, I can't really comment more. I would need to go back to that time and - - -

Mr Beetham.

MR BEETHAM: Commissioner.

5 Mr Copeman, if we go a little further along the email, after you've written, "I can't see the defence", you write:

Trust me, I want to so let's meet and discuss.

10 "Trust me, I want to"?---Trust me, I want to see the defence.

Can you explain that? Why did you want to see the defence?---If there is an outcome, and it's been provided to me, I want to understand it and, that's it.

15 You wanted to understand the justification for why one tenderer came out ahead of another, is that what you mean?---In hindsight, I don't know - yes, no

20 When you read all of these sentences together, the point 1 difference between Western and Hydro and Hydro being a cheaper outcome is going to be a hard sell to get Western on board", "If Hydro challenge, I can't see the defence. Trust me I want to so let's meet and discuss", it gives the impression, doesn't it that you, and perhaps Mr Humble, wanted Western on board?---You can make that assumption if you want.

25 I'm asking you, that's the impression that is given?---I'm telling you that we did not engineer or seek or set out to appoint one tenderer over another

[10.45 am]

30 You didn't have any interest or preference forgetting Western Irrigation on board?---No. Please show me what the interest is. I have no idea.

35 So the language that you used in this email is just infelicitous language, language you, sitting here today, probably wouldn't use?---Yes, the learning from today is, you know, the attention to detail in how you structure a sentence because you have no idea what somebody's going to assume you mean.

COMMISSIONER: Not just a sentence, four sentences, not just one.

40 MR BEETHAM: I'm trying not to assume what you mean, Mr Copeman, I want you to explain what this sentence means because it certainly gives the impression, as I've said, that you wanted to get Western on board?---And as I said, I can accept that you can get that impression from them.

45 COMMISSIONER: So what was your intention in writing this email then, if it wasn't that?---In reading it now, I'm seeking clarification over the process, the outcome and want to discuss it with Blake.

Is that obvious to you?---Yes.

If that's obvious to you, why didn't you write it that way at the time?---Yes, in hindsight, I ask my - - -

5

I know in hindsight you might have chosen different words but I'm asking you why you didn't write it that way at the time?---And I have no idea, because it's now and that was then and I don't know what was going on then or what I was thinking or how I was feeling, I don't know.

10

Mr Beetham.

MR BEETHAM: Mr Copeman, you will recall we have looked now at two of your emails in this chain and in the first email you recall, and I can bring it back up if you need to, your first email you said:

15

Hi Blake, hopefully you have time to meet with me tomorrow so you can talk me through my assessment as by my reading Hydroquip come out in front of Western's.

20

Then in this email you again say - you say something similar in the sense you say:

Hydro being a cheaper outcome, it's going to be a hard sell to get Western on board.

25

So both of these emails, it seems to me that you had the view that Hydroquip was the leading tenderer, is that fair?---You can make that assumption. I'm reading this as there's a point 1 difference and if I've used a cheaper outcome, then - yes, I would need to see all the documents together to get a good understanding of what I meant and what I said.

30

Would you accept though that at least based on this email, you had some concerns or doubts about whether or not you could get Western on board, having regard to the material you've seen to date, before sending this email?---I was not trying to get Western on board.

35

But would you accept that in this email, you're expressing some concern or interest in understanding how it is that Western's come out in front, notwithstanding that Hydro was cheaper, is that right?---Say that again, sorry?

40

I will put it a different way. By this point in time you weren't convinced, were you, that Western Irrigation was the clear front runner?---I would say no, yes, I agree.

45

You say at the end of this email, you wanted to have a meeting with Mr Humble?---Correct.

And do you recall that meeting?---No.

5 A little earlier when I first took you to this chain of emails you started to say something about recalling a meeting around this time and then I interrupted to ask you some other questions, but do you remember that? Do you remember saying that?---No, to be honest, I don't.

10 So you don't recall any meeting with Mr Humble to discuss this tender at or around Tuesday, the 19th or Wednesday, the 20th and Thursday, 21st September?---No.

You saw that you had signed that memorandum to the Chief Executive and the Record of Delegated Authority?---Yes.

15 In September and then October?---Yes.

So am I right then in saying that ultimately you came around to the view, or you accepted the view that Western Irrigation was the appropriate respondent to appoint?---Yes.

20 How do you reach that view?---By the report - the information that's given to me. I do not recall this meeting, I don't recall an outcome of a meeting, and all I recall is being given the recommendation report, which I signed off on.

25 That's the memorandum that was attached to this - you're talking about the CEO memorandum?---No, the first report that I signed off on was the one that went to Finance and came back and got changed into a different format as a memorandum to the CEO.

30 Yes, that's the one we are talking about?---The one that had the Panel's tenderer review assessment and the scenario attached to it, yes.

And it was based on that information that you signed off on the CEO's memorandum and the delegated authority?---That's correct.

35 I'm right, aren't I, that at this point in time, in September, around the time of these emails, that information was available to you at that point in time?---I would assume so, yes.

40 As we have discussed, at least at 11 am on 19 September, you weren't sold on Western Irrigation being the stand out tenderer?---Yes, correct.

But between that date and two days later when you signed the memorandum for the CEO, you became comfortable with Western Irrigation?---I obviously did.

45 Can you pause and reflect and to the best of your recollection, tell the Commissioner how it is that you came to that view?---I don't recall this meeting at all. I did recall receiving the memorandum and the attached information.

But you don't recall discussing it with anybody?---I don't, honestly, I don't.

5 One moment, Commissioner. Those are all my questions for this witness,
Commissioner.

COMMISSIONER: Thank you. Mr Graham, do you have an application to
make?

10 MR GRAHAM: I don't, thank you, Commissioner.

COMMISSIONER: Ms Soliss, do you have an application to make? .

15 MS SOLISS: I don't, no. Thank you, sir.

COMMISSIONER: Thank you. That being the case, Mr Copeman, I am prepared
to excuse you from further attendance. Thank you for your assistance
today?---Thank you.

20 You may leave the witness box

WITNESS WITHDREW.

25 COMMISSIONER: Are you ready to call your next witness, or do you require a
short adjournment?

MR BEETHAM: Perhaps a five minute adjournment, just for counsel to change
at the Bar table and Mr Ridgwell to attend, sir.

30 COMMISSIONER: I will adjourn pro tem.

(Short adjournment)

35

40

45

HEARING RECOMMENCED AT 11.00 AM.

COMMISSIONER: Mr Beetham.

5 MR BEETHAM: Commissioner, I now call Mr Mark Ridgwell.

COMMISSIONER: Thank you. Mr Ridgwell, please come forward and take a seat in the witness box to my left. I will have Mr Ridgwell sworn or affirmed and then I will hear applications. Do you wish to take an oath or make an affirmation?

10

MR RIDGWELL: An oath, please.

COMMISSIONER: Thank you. Madam Associate.

15 **MR Mark Hunter RIDGWELL, sworn:**

COMMISSIONER: Thank you. Take a seat, please, Mr Ridgwell. Ms Priestley.

20 MS PRIESTLEY: Commissioner, I seek to appear for Mr Ridgwell for the duration of his evidence before the public phase of the current Inquiry.

COMMISSIONER: I'm prepared to give you leave, if there's no objection, to appear for Mr Ridgwell at today's hearing and any extension of it. Would that be sufficient for your purposes?

25

MS PRIESTLEY: Understood, thank you, Commissioner.

COMMISSIONER: Thank you. Is there any objection, Mr Beetham?

30 MR BEETHAM: No, sir.

COMMISSIONER: In that case, leave is granted for that purpose. Are there any other applications.

35 MS STANTON: Commissioner, I seek leave to appear in relation to the evidence of this witness. I understand the second portion of the evidence to be led by Counsel Assisting is relevant to Mr Yong, who I represent.

40 COMMISSIONER: Thank you, Ms Stanton. Mr Beetham, is there any objection to that?

MR BEETHAM: No, and I understand there's no objection from Mr Urquhart either.

45 COMMISSIONER: Thank you. In that case, leave is granted for today's hearing and any extension of it.

MS STANTON: Thank you, Commissioner.

COMMISSIONER: Are there any other applications?

5 MS SOLISS: Sir, I seek leave to appear again for Ms Moyser. I'm not sure if my leave from this morning continues through to this witness.

COMMISSIONER: Thank you, Ms Soliss. Mr Beetham, any objection?

10 MR BEETHAM: No, sir.

COMMISSIONER: In that case leave is granted for that purpose, thank you. Mr Beetham, are you ready to proceed?

15 MR BEETHAM: I am, Commissioner.

EXAMINATION-IN-CHIEF BY MR BEETHAM

20 Mr Ridgwell, could you please state for the transcript your full name and address, please?---Mark Hunter Ridgwell, [REDACTED].

What do you do for a living, Mr Ridgwell?---I am the Manager of Governance at the City of Perth.

25 How long have you been in that role for?---Since October 2013.

To whom do you report these days?---Presently, I report to the CEO in an acting capacity as Acting Director, Corporate Services at the City of Perth.

30 Is somebody else Acting Manager of Governance at the moment, or do you hold both of those roles?---I'm holding both of those roles at present.

And do you have people who report to you?---Yes, I do.

35 Who are they?---In the Acting Director's role?

In the Governance role?---In the Governance role, thank you. I have Desmond Ngara who is the Risk Management Coordinator, I have Siobhan Rippington, Governance Coordinator, I have Andrew Corke, the Project Coordinator for
40 Governance, and Kathleen O'Brien, who is a paralegal for the City of Perth, and I have a couple of administrative reports.

Mr Ridgwell, I want to ask you some questions today about a tender process and the review of that process by a firm called Stantons International. Do you know
45 what I'm talking about when I say that?---Yes, I do.

Before I ask you questions specifically about that review process, can you explain

to the Commission what the usual process is for the City when an allegation of serious misconduct is made or referred to the City about one of its employees?---Thank you. What will occur is that we will assess the allegations that have been presented to us and then we will arrange for an independent investigation where appropriate.

5 Is that something that you, as the Manager of Governance, are always involved in?---I would say so generally, yes.

10 In what capacity? Do you have an oversight capacity or are you sort of in the trenches doing the work?---No, not in the trenches but an oversight capacity in the context of my obligations as a reporting officer. So in this respect, it would be to, if there is a report that's been made by a statutory authority, I will assist with the coordination and response to that.

15 So when you say "in this respect", you're talking about in particular the allegation brought to the City's attention by the CCC in relation to the Western Irrigation tender?---Yes, that's correct.

20 When you said you would appoint an independent investigator, is that always somebody external or can you appoint internal people?---Depending on the severity of the nature. So as I say, if it's a matter that's reported to the CCC, it's a serious matter. A Public Sector Commission is equally as serious but it depends and on the nature and the complexity of the issue at hand.

25 You will recall you've given some evidence here before and we talked about another tender investigation in relation to the BOS Civil and Platinum tender, do you recall that?---Yes.

30 And you engaged a firm called Invision to conduct that investigation?---That's correct, yes.

And your evidence in relation to that was, that's the appropriate way to conduct an investigation of this type, to have somebody review the allegations against the evidence that's available and reach a view, is that right?---That is correct.

35 Is that the standard approach when an allegation of serious misconduct is brought to the attention of the City by the CCC?---No. So in the instance where an allegation is made directly to the City, that's where we would undertake the assessment, but if it's coming directly from an agency, we will address it from where the agency has determined the allegations to be.

40 So you will address the allegation that's specifically referred?---Yes, correct.

45 Madam Associate, could you pull up, please, 2867, TRIM reference 16201.

COMMISSIONER: Thank you.

MR BEETHAM: Just while that's happening, Mr Ridgwell, perhaps you can assist the Commission to understand how, when you appoint an external investigator, on an external reviewer, that external body or person is briefed or
5 scoped on what they are required to do? What's the usual process for that?---Would be to actually meet with the investigator and discuss the parameters.

And are they formally engaged in some way? Is there normally a contract entered into or a retainer letter?---Yes, a purchase order would be issued.
10

So the purchase order is the formal documentation?---Yes.

Are there other documents, letters of retainer or a formal brief that sets out precisely the scope?---It would be in correspondence, usually by email, would be
15 how it would be done.

So there would be some sort of exchange and in that exchange it would specify, you need to do A, B, C and D?---Yes, that's correct.

20 And then you would expect the review to proceed on the basis of doing A, B, C and D?---That's correct.

What they were to do E as well, what if they were doing something extra?---If they were doing something extra? If it's outside of scope, then they would
25 potentially be doing additional work that could cost the City outside of what the defined parameters were.

Let's say hypothetically the extra work they did was useful to the City?---Yes.

30 It shed light on something that you hadn't appreciated from the allegation to begin with, or something like that and you get the document that's prepared by the independent reviewer, do you say, "Thanks very much, that's very helpful and very interesting but it's not within scope so get rid of it", or do you keep it and perhaps have a discussion about price?---You would - the latter.
35

So you would keep it?---Yes. If it was beneficial to the City, then yes.

And if it was probative of the allegations or would suggest steps to be taken in respect of the allegations, you would keep it in the report?---Yes.
40

And if it suggests you take other investigative steps, you would keep that?---Yes.

Or if it's suggested you report things to an agency like the CCC or the Public Sector Commission, you would keep that?---Yes.
45

And would you, in any circumstance, in your experience, ever have cause to delete that stuff from the draft of a report?---There would be times where a report

will ask for a management response to feedback for any erroneous errors to the report.

When you say that, is that factual errors do you mean?---Factual errors, yes.

5
Please continue what you were saying?---So if there was errors because an investigating group might just seek to get clarification on certain matters or provide a draft for us to see, there is a review period that can occur which will give us - maybe it could be spelling, it could be something that doesn't conflict with the report but needs to be supporting to it.

Would you be making substantive amendments to the report about the methodology or the views reached?---No, shouldn't be.

15
Just so that it's completely clear in my mind, if the report in a draft form comes back to you for this review, this factual checking, spelling type review and it had a bit in the report that was quite significant, important to the City but was, on one view, not within the scope of what they were asked to do, you wouldn't delete that, would you?---No.

20
Thank you, Mr Ridgwell. If you could now have a look at the document in front of you on the screen?---Mm hmm.

You will see this is the letter from the CCC to Mr Mileham, the then CEO?---Mm hmm.

10 January 2018?---Yes, I see that.

And you've seen this before?---Yes, I have.

30
And you will see the allegation in the middle of the page:

35
It is alleged that Blake Humble, Coordinator of Parks Operations, of Perth, used his position for a benefit by favouring a contractor during the procurement process, the City of Perth tender 031-17/18, maintenance of irrigation bores, pumps and associated works.

That's the allegation that was referred on in January by the CCC?---That is correct.

40
We will come to it in a minute but that was an allegation that then triggered a review process of that tender, is that right?---That is correct.

45
Did this come through to you or did it come through to Mr Mileham, do you remember?---I believe it would have gone to the CEO but also to myself as the person who would coordinate such matters.

Would it come via the CEO in those instances?---It would come through our

content management system.

And be allocated to you in some way?---Yes, that's correct.

5 Madam Associate, if you could turn over the page to 2869. It's part of the same TRIM reference, Commissioner.

COMMISSIONER: Thank you.

10 MR BEETHAM: You will see here a letter, Mr Ridgwell, from Morgan Alteruthemeyer, a law firm in Fremantle to the CCC and it's dated 2 November 2017?---Yes, I see that.

And have you seen this letter before?---Yes, I have.

15

And it was an attachment to the CCC's letter to the City?---Yes, it is.

Madam Associate, if you could go ahead and move forward to 2873, which is just a few pages in. You will see there it's signed on behalf of the firm and above that there's a paragraph 12 and in the middle of that it's alleged that, "Humble", that's Mr Blake Humble?---Mm hmm.

20

:

25 *Humble's methodology and explanation has demonstrated a deliberate attempt to circumvent Council and favour a preferred contractor against the interests of the Perth City Council and its ratepayers.*

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

30

If that allegation were true, that would be a very serious allegation?---Yes, it would.

And it would amount to serious misconduct?---Yes, I believe so.

35

When this complaint is received or was received and you have the covering letter from the CCC which specifies the allegation we just looked at, but it also contains this annexure with other types of complaints, does the City only deal with the allegation in the CCC letter or does it look at the supporting material and look at those things as well?---These are difficult circumstances because this one that came through was not normal as to what I previously had experience to, so normally a letter would be addressed to the City itself with a fulsome - - -

40

A letter from whom?---Say, a reporting person or organisation.

45

So in this case, perhaps Morgan Alteruthemeyer or its client, would that be one, Hydroquip?---Yes, as an example. So in this instance here, we were provided

this as a copy but I waited until such time as the CCC had undertaken their assessment of the allegations.

Let me just try and understand that?---Yes.

5

When you say you were provided this as a copy and you waited until the CCC had undertaken - - -?---That is correct.

Are you saying you received a copy of this letter before the CCC letter came in?---Yes, I did. That's correct.

10

Do you remember when you received that?---I believe it to be in mid November.

Madam Associate, could you pull up the document at 2855, TRIM 13916.

15

COMMISSIONER: Thank you.

MR BEETHAM: You will see here, Mr Ridgwell - well, do you recognise that document?---Yes, I do.

20

Is this the copy you're talking about?---Yes, it is.

And it's addressed by email and post to you?---Yes, it is.

Do you remember receiving this?---Yes, I do.

25

[11.15 am]

Madam Associate, if you could go over to 2859 which is the last page of this letter, you will see in paragraph 12, Mr Ridgwell, about halfway down:

30

As you are aware we have, on behalf of our client, made a request of the Corruption and Crime Commission to investigate this matter."

?---Mm hmm.

35

Then Mr Alteruthemeyer goes on to say:

However, given the nature of our client's concerns and the actions of the City of Perth personnel, our client also asks the City of Perth to investigate the matter and take whatever steps possible to rectify the situation or, at the very least, ensure that it is not repeated in the future.

40

Having regard to that, is there a reason why you didn't take steps, upon receiving this letter in November, and waited until the CCC referral in January?---Yes, I do and having undertaken - being a Public Interest Disclosure Officer and also having

45

undertaken regular training with the CCC and Public Sector Commission, one of the findings out of that is to wait for instruction in respect to a CCC matter so that you don't interfere with any investigation that they make take.

5 So when you read paragraph 12 and there's a reference there to the fact of it being referred to the CCC, your view was at that stage, "The CCC's looking into it, we will be hands-off until they tell us to be hands-on"?---That's correct, yes, and I explained that to the individual, as in the legal representative.

10 You contacted them, did you?---Yes, by email.

To tell them that you were waiting for the CCC to - - -?---Yes, awaiting instruction from the CCC.

15 Did they respond positively or negatively or ambivalently to that, do you remember?---I can't recall. I can't recall what their response was to that.

Then if we jump forward to 10 January 2018 when you do get the letter from the CCC?---Yes.

20

A firm called Stantons was engaged, is that right?---Yes, that's correct.

Were you involved in that?---No, during that period of time, I was just about to go on leave for a period of three weeks, as well as - - -

25

This is in January?---In January, yes. I typically take leave during January, during the recess of Council.

30 Okay?---Because of my role as the Manager of Governance. In addition to that was, there was a heavy workload going on at the City of Perth at that very particular point in time, so the Senior Employee Relations Advisor assisted with this matter.

35 When you say there was a heavy workload going on at that point in time, is it fair to say that continued after January into February and March?---That had been there for the past year and for the remainder of 2018.

40 The Commission is obviously aware of a number of those matters. Project Percy was one that was taking up your time?---That is correct, yes.

40

And then subsequent to that in February there was the enactment of the Crisis Management Plan, you were involved in that?---Yes, that's correct.

45 And the Special Council Meeting that followed that?---Yes.

45

The sacking of the Council, you were involved in that - sorry, the suspension of the Council by the Minister?---Only as taking actions that were supportive - - -

That caused you to have to do things?---Absolutely, including the onboarding of Commissioners and a significant body of work that was being undertaken upon the appointment of Commissioners and our CEO at the time, our new CEO,
5 Mr Murray Jorgensen.

Other than those things, was there anything else that was taking up substantial parts of your time in January, February, March of 2018?---Just a magnitude of issues were going on through that period of time, so I can't specifically classify
10 them but I know I was working significant hours.

I think you were saying, but correct me if I have got this wrong, that is the reason why the Senior Employee Relations Advisor - is that the title?---Yes.

15 Assisted with this?---That's correct, yes.

And who is that?---Barbara Moyser.

How did Ms Moyser become involved? Was that something you did?---I can't
20 recall how we got to that being. It might have been - can I just explain for contextual purposes, if I may?

Yes?---Ms Moyser and myself do work closely together on allegations that are presented to the City, so Human Resources and Governance work closely in
25 respect to it because of the fact that - depending on the nature of the allegation, it may be employee only related, or it could be, from a Governance perspective, involve suppliers and the sort, so we work closely together on doing those assessments.

30 How did you become - you and Ms Moyser come together in relation to this allegation by the CCC?---I think through the discussions, she agreed to take it on, through the period of time because I was just about to go on leave.

35 Do you have a clear recollection of that discussion?---I don't, sorry.

Do you know whether it took place in person, by email, over the telephone?---We worked closely together on the same floor, so only two offices away so quite often our discussions are in person.

40 Was there any discussion amongst the two of you as to the allocation of responsibilities between you and Ms Moyser in relation to this complaint?---Only in the context of, that she would arrange for the selection and appointment of Stantons International.

45 Did she ask you for recommendations as to whom to appoint?---No, I can't recall. We have used Stantons in the past, I believe, so - - -

If it was suggested to you that you recommended to Ms Moyser that she use Stantons for this particular matter, would you be able to say one way or the other whether you did make that recommendation?---I couldn't, but I do know Stantons and I would have supported the approach.

5

So if Ms Moyser was to tell the Inquiry that she was told by you to use Stantons, you wouldn't quibble with that?---No, I would not.

So Ms Moyser's allocated or given this matter to deal with and then you go on leave?---That's correct.

10

When do you return from leave?---Late January, 28th or thereabouts.

Just after Australia Day?---Correct, yes.

15

And did you have any involvement in this matter upon your return?---Not that I recall. Certainly in the interim of getting the investigation undertaken and the liaisons, no.

So just so I understand what you mean by that, are you there talking about onboarding Stantons and getting them up to speed of what they need to conduct the review?---Correct, yes.

20

You weren't involved in any of that?---No, I don't believe so, no.

25

Were you involved with Stantons subsequently?---Yes, I was.

Can you tell the Commission when that was?---Could I add to that? There was conversations had with Ms Moyser throughout this process, just to check in. She was advising that because of the technical - technicality of the contract, that it would support having a specialist to be appointed, which I supported.

30

Was that Shenton Aquatics?---Yes, that's correct.

That's what you mean when you say a specialist technical person?---To assist, because Stantons - a probity auditor can't be a Technical Specialist on everything, so when they undertook an analysis, I supported that initiative. It seemed a reasonable approach. Now, sorry, to your next question?

35

I will ask a couple coming out of that?---Sure, okay.

40

The first is, were you involved directly with Shenton Aquatics?---No, I was not.

Did you speak with anybody there?---No, I don't believe so, no.

45

I understand that prior to Stantons being onboarded and updated with everything they needed, you weren't involved with Stantons at that point. No.

Did you have any subsequent involvement with them while they were carrying out the review?---No.

5 Did you meet with them, to the best of your recollection?---During that period of time? No, I don't believe so, no.

Just so I'm clear on the period of time I'm talking about, from your return from leave on say, 28 January or thereabouts, until when Stanton's provided its report in
10 July, do you recall any meetings with them?---Yes, I do.

How many?---I believe there was one in-person meeting and I may have been included in some correspondence as well.

15 Copied to or sent to you?---I believe it probably would have been copied to.

What about meetings with Ms Moyser during that period, between when you returned from leave and the report in July?---There would have been informal catch-ups, just progressing, if there was any questions or anything.

20 Were you involved in the drafting or feedback on the report being prepared by Stanton's?---I was aware of it.

Were you aware that it was going on?---Yes, I was.

25 So you were aware that the report was being drafted?---Yes, I was.

Were you aware that feedback was being provided to Stanton's from the City?---Yes, I was.

30 Were you providing any of that feedback?---I don't believe I did provide any feedback.

35 At this one meeting you're talking about with Stanton's, did you provide feedback on the report then?---There was concerns that were raised that the draft report that had come back was out of scope to what was initially asked for.

Okay?---And I understood that to be a concern of Ms Moyser and then she provided feedback to the - to Stanton's in respect to that. There was some - - -

40 Sorry, I will just interrupt you there?---Yes.

She provided that feedback, is that what you said?---Yes, she provided some feedback there, tracked changes to the report.

45 Did you see these tracked changes?---I did but - sorry, this got to a critical time in the Council just at that point in time whereby I was - it was very challenging to

keep up to pace with this issue.

5 With what was going on?---I acknowledge that, because this was just at the time of
- it was a very critical time of the City of Perth at that point, so I wasn't fully across
the issue, although I was made aware that it was out of scope to what was initially
requested.

10 A couple of questions coming out of that, Mr Ridgwell, but the first question is, at
this busy period, this critical period, I think was the words you used?---Yes.

Did you have a sense of where this matter sat in your priority of things that you
were in one way or another involved in?---It should be in the Top 12, I would say.

15 Top 12?---There was a lot going on.

20 Towards the bottom half of that top 12 or the top half? I'm not asking you to be
terribly precise about it?---Look, there were probably 12 very important things that
should have all number 1 priorities at that point in time, if I can answer that - I
don't know if that's a real great answer to you, but I do say there were so many
pressing and very urgent and priority items at the time, but I did regard it as
important.

25 You said that Ms Moyser indicated to you it was a concern of hers that some of the
stuff in the report was out of scope?---Mm hmm.

And you talked about a report with some tracked changes?---Mm hmm.

30 I want to understand as best as your recollection allows you to, did you see any
version of the draft report?---Yes, I did.

Do you know how many versions of the draft report you saw?---No, I could not tell
you.

35 Could you estimate?---I thought it to be maybe one or two.

And can you recall whether those versions had tracked changes in them?---Yes,
they did.

40 Both of them?---Yes.

45 Assuming you saw two?---Yes, assuming I saw two. It could have been one. I
know that there was some going back and forward with Stantons International in
respect to accepting some of the comments, but not accepting others. So it could
have been in that time that some track changes were accepted.

Were any of those tracked changes your tracked changes?---I don't recall making
any.

Do you recall inserting any comments into the document?---No, I don't recall doing that.

5 These draft versions of the report, how did, to the best of your recollection, they come to you? How did you get them?---By email.

From?---Ms Moyser.

10 So she would forward a copy to?---Yes.

The tracked changes that were in them, did you understand those to be Ms Moyser's tracked changes, or the tracked changes of Stantons?---I believed it to be a combination of Ms Moyser and also - I mean, I may have put tracked changes, I don't want to rule it out, my own. I just can't recall.

You don't recall doing any?---I really don't recall that respect of it all, but there would also be commentary back and forward from both Ms Moyser and also Stantons in respect to it.

20 Prior to this process, do you recall whether a brief or a specification or something of that nature was prepared for Stantons to understand the scope of what they were required to do?---Yes, I believe it to have been the allegations that were levelled with the - summarised by the CCC at that time in respect to the individual.

25 So the allegation in the CCC letter?---Yes.

Not the attached Hydroquip letter?---Not the attached, no, and the actual report, I believe made reference to the fact it did not go into the documents.

30 Look at the - - -?---Yes.

I will come to that in a moment?---Sure.

35 [11.30 am]

Did you ever sit down with Ms Moyser with the draft reports in front of you and do a page turn or a line by line talk to Ms Moyser about what she thought was in or out of scope?---Not page by page, no.

40 Did you have a meeting at all where you had the reports in front of you in a face-to-face meeting where you had the reports in front of you?---Not that I recall. I recall conversation being held, but that's all in that respect.

45 Do you recall ever forming an independent view about things that were or were not within scope or was that something that you left to Ms Moyser?---I supported her seeking clarification with Stantons International if she had concerns in respect to

the report, yes.

5 I will show you some documents shortly but I'm just testing your recollection at the moment. Do you recall seeing significant changes to the draft report, significant mark-up in any of the versions of the report that you saw?---Yes, I would say there was probably more than what I would normally see in a report of that nature.

10 Did you read them, do you remember?---Yes, I would have read them at a glance, yes.

15 What I'm trying to understand, Mr Ridgwell, or one of the things I'm trying to understand is just how much involvement you had in the process from go to whoa. Was it something you were quite hands-on with or was it something that you had an oversight capacity with Ms Moyser doing the hands-on work?---I wasn't hands-on at all. There was no ability to be able to do that with my current workload, but it was - I was always available to answer any questions or provide any support.

20 So was that on an as needs basis, Ms Moyser would just contact you when she needed some assistance or support or needed to talk to you about a matter?---Yes. In the context of this report coming out, it did take longer - it does take a while for these reports, and I acknowledge that, but it took a lot longer than what I had anticipated or expected so I was checking in and I was made aware of some of the challenges.

25 What challenges do you mean?---Challenges of it being potentially out of scope.

30 Did Ms Moyser explain to you what she thought was out of scope? Did she tell you,"Mark, they have dealt with X and X is obviously out of scope for Y reason"?---No, just in the generality of it all.

Can you recall, with some specificity, those generalities?---No, I couldn't.

35 Can you recall the topics that she suggested was out of scope?---I believe it might have been diving certificates were one of the processes potentially out of that.

Anything else?---I believe that it was to address the scope of Albert being more general - going broader than what the complaint was.

40 Something beyond that which was contained in the CCC letter?---Yes.

That's what you had understood Ms Moyser's concern to be?---Yes.

45 When you first, with Ms Moyser or alongside Ms Moyser, went and got Stantons involved - I will go back a step. When you first received the CCC letter and then formed a view that we needed somebody to look at it?---Mm hmm.

Did you understand, or was it your intention for that to be an investigation of the allegation?---Yes.

5 Do you recall last time you were here we talked about the investigation by Invision?---Mm hmm.

Did you expect it to be a similar process?---A similar process?

10 What I mean by that is, was it your intention or expectation that the investigator or the external body would get the allegation and they would assess whether that allegation was or was not made out on the facts?---That again is a different process because that one there, we made the assessments ourselves of what the allegations were.

15 Yes?---Whereas in this instance, the CCC told us what the allegation was to investigate.

20 But was it your expectation at the time the CCC reported or referred the matter to you, that that allegation would be specifically and in detail investigated and reported upon?---I think it's intrinsic to it that the process is part of it. So that needs to be understood and gone through.

25 Was that a primary - the investigation review could do a number of things but it was in your mind at that time one of its primary requirements was to investigate that allegation?---Yes.

And say whether or not that allegation is proved?---Yes, that's correct - sorry, not proved, or - - -

30 Supported or substantiated?---Not substantiated, correct.

35 Is it correct then to say that you didn't - it wasn't your intention or expectation that this would simply be a review of the City's tender processes for general probity reasons?---No. The intention of it was to review the assessment and even in the letter that came from the legal firm, it was about the perceived bias of an officer of the City and his conduct.

40 Madam Associate, if you would please turn up page 6809, which is TRIM reference 22678.

COMMISSIONER: Thank you.

45 MR BEETHAM: I'm going to show you a few documents now, Mr Ridgwell, and I will just ask you some questions about those. This is the first. This is an email from Ms Moyser to you on 2 February 2018, shortly after you've returned from leave?---Okay, thank you.

I will just ask you to read that to yourself quietly?---Okay, thank you.

Do you recall receiving that email?---No, I don't recall seeing it but I acknowledge it's there.

5

Do you recall having any discussion with Ms Moyser about the things in that email?---No I don't recall.

10 Do you recall her coming to you and saying anything to the effect of,"Mark, should we use Stantons"?---There may have been conversations and yes, I may have recommended Stantons in that instance.

But you don't have an independent recollection of that conversation?---No, I don't.

15 Do you recall her providing you with any sort of exposition of the scope of what Stantons would do?---No, I don't.

Madam Associate, could you please turn up the document at 6817, TRIM 22669.

20 COMMISSIONER: Thank you.

MR BEETHAM: You will recognise this, I'm sure, Mr Ridgwell?---Yes, I do, my diary.

25 And you will see this is 5 April?---Yes.

And it records a meeting with Ms Moyser in person?---Yes.

30 Do you remember this meeting independently of this note?---No, I don't but I would have taken this note during that period of time, yes, and I would have met if that's what I've written there.

Can I just ask you to read that to yourself and let me know when you've done that?---Sure. Thank you.

35

Does your refresh your memory at all?---Yes, it does.

40 At this meeting on 5 April, had you been given at this stage any of those draft reports we were talking about, are you able to say?---I don't believe so, not that I recall.

Is it correct then that what's recorded on this page is a reflection of that which was told to you by Ms Moyser?---Yes, correct.

45 Would you have known any of the things on this page from any other source at that time?---No, I don't believe so.

You will see in dot point 2 you've noted, "Wait for final reports by external expert and Stanton's. Then confirm and evidence to CCC that no bias, one contractor issue", and that's the issue identified just above, I think, in point 1?---Correct.

5 "Identified and corrected." So is it fair to say at this point in time, your understanding of what Stanton's had done was that there was no bias in the process?---That's correct, by that individual.

By Mr Humble?---Mr Humble, yes.

10

Then if we go to point 3, you write:

Likely that two officers will get reminder letters on following process obligation.

15

?---That's correct.

"(BM)", does that indicate that Ms Moyser was to deal with that?---Yes.

20 Do you recall why you wrote that they would need those remainder letters?---Because of the fact that the procurement processes weren't being followed, was what the report had sort of understood it to be.

25 And that is the documented procurement processes at the City, is that what you mean?---That's correct.

Policies and procedures?---Policies and procedures and there were also other elements to it, like training and the sort.

30 Madam Associate, could you now turn up the document at 4335, please, TRIM reference 18069.

COMMISSIONER: Thank you.

35 MR BEETHAM: I'm interested in the email at the bottom, Mr Ridgwell, from Ms Moyser?---Thank you.

You've read that?---Yes, I have.

40 Do you remember receiving that email?---Yes, I do.

Is that reflective - sitting here today having read that, is that reflective of what you understood to have been conveyed to you at the meeting with the notes we just looked at?---Yes, that's correct.

45

I'm glad you understood that question, I appreciate it was a little convoluted?---That's all right.

Following that email, did you receive any update from Ms Moyser to say, "Hold on, I've got that a bit wrong. Actually, it does demonstrate there are some biases or there are some issues, significant issues with the tender process, or with
5 Mr Humble"?---No.

[11.45 am]

By the look on your face, that seems to be the first you've heard of that?---Yes.
10

So you didn't receive anything in writing on or about 6 April or following to suggest that what's contained in this email might not be a completely accurate reflection of the position Stantons had reached?---That's correct.

15 Madam Associate, could you now turn up the document at 7690. You may not recognise this document, Mr Ridgwell, but it's a note from Ms Moyser's notebook. Are you familiar with Ms Moyser's handwriting?---No, not greatly but I know Ms Moyser does take good notes.

20 Takes lengthy - would you recognise this as one of her notes had I not told you that?---Well, given the context and the nature of it, yes, I would say so.

This is notes of a meeting that she had with you on 13 April and if you just read that to yourself?---Thank you.
25

Do you recall that meeting?---It might have been an informal one potentially.

What do you mean by informal?---May have walked past and had the discussion with her.
30

In your diary there's no record of this meeting, would that suggest to you that it was this informal type meeting?---It's one of those things with diary notes, and during this period of time, there are opportunities to - gaps in time where you can actually write your notes and other times that you've gone to another burning issue and you move on from it, so I wouldn't say the reason for there not be a diary note
35 is anything that I would be concerned about, but I'm aware of these matters.

Do you recall - do you have a specific independent recollection of speaking with Ms Moyser on 13 April, of this meeting?---No, I don't, but it is possible.
40

You will see there under point 1 at least, Ms Moyser's note is, "Bias, no bias"?---Mm hmm.

Then down towards the bottom, "Response to CCC, MR"?---That's correct.
45

That's an indication, is it, that you would prepare the response to the CCC, is that what that means?---That's correct.

Is that what ordinarily happens with these types of matters, you prepare it and it goes out either in your name or Mr Mileham's name?---In this instance here I recall a draft was prepared by Ms Moyser and then I provided some input and so she was assisting me once again.

So did Ms Moyser, in your recollection, prepare the first draft?---Yes.

And then you did something and then sent it off to the CCC?---That's correct - sorry, it was then sent to the CEO for response to the CCC.

And for signing the letter, presumably, by the CEO?---Yes, I believe so.

You indicated you have no recollection of this meeting but I will ask in any event, is it possible that at this meeting or prior to it, you had been provided with a draft of the report, are you able to say?---No, I'm not able to say, sorry.

Can you recall in the period of time between when Stantons were engaged in January/February and when they reported finally in July, when in that continuum you received a draft report?---No, I can't tell you that now, I'm not familiar with it. It was around this time or not too soon afterwards.

So was it in the second half of that time period then?---I would have to refer to my notes, I'm sorry, I can't recall.

Madam Associate, if we could just go backwards to 7684, and I'm just going to go backwards in time for the moment, Mr Ridgwell, and ask if you can clarify something?---Sure.

Again from a note of Ms Moyser's. This is a meeting note from 23 March 2018. You will see there at the top it says:

Wade Dunstan and David Shenton.

Mr Shenton is Shenton Aquatics' Mr Shenton, is that right?---Yes, I believe that to be the case.

I think your evidence earlier today was you have no recollection of having met with him?---No, no recollection of meeting with him.

You will see there your name is on the top of the page in brackets?---Mm hmm.

I know you can't speak for Ms Moyser but do you have any recollection of this meeting or are you able to explain what it might mean that her - - -?---May I just read the notes, just to see if it familiarises?

Of course, yes. Does that refresh your memory at all?---No, it doesn't. It doesn't

make a recollection to me of this meeting, of being present.

And you don't recall, still having looked at this, being in a meeting with Mr Shenton?---No, I don't recall that, no.

5

Have you ever met him?---No, I don't believe so, no.

One of the last notes I want to take you to, Mr Ridgwell, is, Madam Associate, 6819. The TRIM reference for that document, sir, if I didn't mention it, was 22948.

10

COMMISSIONER: Thank you.

MR BEETHAM: And the document at 6819, the TRIM reference is 22669.

15

COMMISSIONER: Thank you.

MR BEETHAM: Just bear with me while I play catch up, Mr Ridgwell?---That's okay.

20

Back to your diary, you recognise this?---Yes, I do.

Dated 1 May?---Yes, I do.

This is a meeting with Ms Moyser in person and it's dealing with the topic we are dealing with today?---Yes, that's correct.

25

The second dot point:

30

Barbara believes some aspects out of scope.

That's consistent with what you've told us so far today?---That's correct.

Then you've gone on to say that you've asked for their opinion, is that Stantons' opinion?---Yes, that would be correct.

35

"If the tender should be restarted." Then you say this last dot point "I want DCM" - so that's Director of Construction and Maintenance?---That's correct.

"The CEO and DCS", and that's director of Corporate Services?---That's correct.

40

And at that time, those people were Mr Crosetta - well, was it Mr Crosetta and Mr Mianich at that stage?---There was a continuum of Acting Directors at that period of time so I couldn't tell you who was on and who was off. Yes, so - - -

45

COMMISSIONER: Just pause for a moment. Yes, continue.

MR BEETHAM: You will see that dot point continues, and I appreciate you can't name specifically who those people were, but thank you for trying, but you see the dot point continues:

5 *I want them to have copy of this review as it appears to support centralisation of procurement."*

?---Yes, that's correct.

10 So do you think, having regard to that dot point, you had a copy of the report by this stage, 1 May?---I would love to remember. I would hope so or I was - - -

COMMISSIONER: I don't want you to guess?---Sorry, my apologies.

15 If you remember, tell me; if you don't remember, just say so?---I don't recall.

Thank you.

20 MR BEETHAM: Thank you, Mr Ridgwell. Would you accept that it's possible you had one, you had a copy then?---It is possible then.

Is it also possible then that when you talk about "copies of this review" you're talking just more generally about, you know the review's going on and when it's done you want the copies to be provided?---Absolutely, because it supported my belief of the requirement to lift our procurement at the City of Perth.

25

Centralise it, is the words you use here?---That's correct, yes.

30 Has that since happened, centralisation of procurement at the City?---The Executive have adopted to centralise and it's in its implementation process right now.

And that's the present Executive?---That's correct, and can I just add for contextual purposes, at this point in time, this information had been provided to - not this specific tender but a procurement had been reported to our - it was identified as a high risk at an operational level for the procurement.

35

High risk of what?---High risk of poor practices and both legal and reputational risk that it has to the City.

40

Is it fair to say that it's been identified before as well as being at high risk of manipulation or corruption as well, procurement could be?---Absolutely.

45 Sorry, I cut you off?---And then that information, because one of my roles - remit is risk management under Governance, so as Governance Risk Management Coordinator, work-shopped through, we identified this risk and presented that to our Executive through our corporate OSH and Risk Committee and then our Audit

and Risk Committee of Council.

And you will, I take it, be quite pleased to be the centralisation occurring?---I am.

5 It's something you've been pushing for, for a while?---I am, because for this very nature of what we are here today for, it's the reactivity to complaints about tenders and procurement, it's reactive and we need to be addressing these things with strong, robust systems.

10 Madam Associate, could you please now turn up the document at 2957, TRIM 16202.

COMMISSIONER: Thank you.

15 MR BEETHAM: We will probably look at this email a couple of times, Mr Ridgwell?---Mm hmm.

Do you recall giving evidence a moment ago that Ms Moyser prepared the first draft of the letter to the CCC?---Mm hmm.

20

And you did something with it and then it went off to the CEO for signature and sending?---Yes, that's correct.

This is what you were talking about?---My comments to the report?

25

Where you've said, "I've reviewed the attached letter and made amendments"?---Yes, correct.

And you will see the attachment there is, "Letter to the CCC - outcome of investigation"?---Okay, thank you, yes.

30

Is that what you're talking about when you say you received the letter and you made some changes?---Yes, that's correct.

35 Then you said:

I have also read the probity review by Stantons.

Do you see that?---Yes.

40

So can we be pretty confident that by 1 June you'd read a report?---That's correct, yes.

Can you remember whether that was a final or draft report?---I believe it was still a draft.

45

And then you set out some next steps:

Have a meeting with Paul Crosetta and Martin Copeman about disciplinary matters.

5 And determination of whether you need to go back out to tender and Mr Crosetta was the Director of Construction and Maintenance?---That's correct, yes.

And Mr Copeman was the, if I can use the phrase, head of Parks for the City?---Manager of Parks, yes.

10

And then, "Had a meeting with Robert", is that Mr Mianich?---Yes, that's correct.

And Dan is?---Dan Richards is the Manager of Finance.

15 And Darren?---Darren Turner is the Procurement Coordinator for the City of Perth at the time.

Is he still?---No, he's not.

20 I want to take you to the report, the final report that Stantons produced. I will take you through that and ask you some questions about it. Madam Associate, it is at 2985. Do you recognise this document, Mr Ridgwell?---Yes, I do.

25 I can tell you, but I can show you the email if you like, this was sent to you by Ms Moyser on 23 July and it was a forward of an email from Mr Dunstan at Stantons on 19 July, are you happy to accept that?---Yes, I'm happy to accept that.

30 Madam Associate, if I could ask you to turn to the first page, 2986. The TRIM for this is 16209, sir.

COMMISSIONER: Thank you.

35 MR BEETHAM: This is the Executive Summary of what Stantons say they were engaged to do and you will see if I take you to the first paragraph in the third line towards the end Stantons say that their review is based on "a letter of complaint received by the CCC"?---Mm hmm.

40 And then the next paragraph sets out the three things that the review encompasses. That's:

1. An assessment of the tender process against the process contract implied in the request for tender document. 2. An assessment against the City's Procurement Evaluation Policy. 3. A settlement against the principles of probity.

45

What's missing from that, Mr Ridgwell, and I'm interested in your views about this, is any reference to the review encompassing an assessment of the allegation

contained in the CCC's letter?---Can you repeat that, sorry?

You will see in that second paragraph it says,"The review encompassed" and then it sets out these three things?---Mm hmm.

5

Those are all assessment of the tender process against, one, the process contract that's implied, the procurement policy, the City's procurement policy and three, the principles of probity, do you see that?---Am I reading the same page as you?

10 COMMISSIONER: It might just be helpful to let Mr Ridgwell have a little bit of time, just to digest what is on the page.

MR BEETHAM: Of course.

15 Mr Ridgwell - - -?---It's this page?

Yes, just read that page. It should be a page with 2986 in the top right-hand corner in red.

20 COMMISSIONER: Is that the page you have in front of you?---Yes, it is, thanks.

Take your time?---Thank you. Okay, thank you

[12 noon]

25

MR BEETHAM: Have you had a chance to read that?---Yes, I have.

Do tell me if I go too quickly or my questions are a bit confusing?---Mm hmm.

30 It can be a bit that way sometimes. If we look at the second paragraph which commences,"The review encompassed"?---Yes, thank you.

I'm suggesting to you that paragraph suggests that it encompasses three things. The first is an assessment of the tender process against the process contract; the
35 second is an assessment of the tender process against the City's Procurement Policy, do you accept both of those?---Yes, I do.

And the third is an assessment of the tender process against the principles of probity?---Yes.

40

I'm going to suggest to you that what's missing from that is any indication that Stantons were going to investigate the allegation that's contained in the CCC's letter. It's not in that paragraph, is it?---It's not. I see it referenced in the key findings, the third bullet point.

45

Yes?---That's all, yes.

But it's not in that second paragraph?---No.

And then the third bullet point where they write:

5 *While there is evidence to suggest the process was materially flawed, there is little evidence to support the notion that Mr Humble, or any individual manipulated the process to contrive a particular outcome.*

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

10

If Stantons were either engaged or later told that an investigation into the CCC complaint of the Hydroquip complaints was not within scope, would you agree with me then there's no basis for that third dot point? They wouldn't have investigated that third dot point, if that were to happen?---If it's not listed in there - if it's not listed in their review then yes, I agree.

15

If I can take you over to 2988 which is the next page, and I should say, I'm looking to see what assistance you can give us in understanding this document because it's not, with respect to the writers, entirely clear at all points. You will see in the first dot paragraph, the last sentence or the last couple of lines there's a reference to that allegation, the CCC allegation?---That's correct, yes.

20

You see it's captured there. And then at the very bottom, the very last dot point under, "Scope":

25

The scope of this probity audit was to undertake the following, including to draw a conclusion regarding the allegation of misconduct.

30 ?---Yes.

And those two things would indicate, wouldn't they, that this was within the scope of what Stantons were doing?---Yes, correct.

35 If I can then take you over to the next page, 2989, and if I can ask you to look at the second paragraph and read that to yourself?---Thank you.

What I'm particularly interested in, Mr Ridgwell, is the sentence where Stantons say:

40

As such, while City representatives associated with the tender were interviewed as part of this process, they were interviewed for the purpose of addressing the follow-up items only and were not conducted as full-ranging investigative interviews.

45

Given, as I understood your evidence earlier, one of the intentions of engaging a firm to look at the CCC allegation was to conduct an investigation of that

allegation?---Yes.

5 Does it surprise you to find that they have said here that they didn't conduct full-ranging investigative interviews?---No, it doesn't. At this point in time, I would say they are providing an assessment of how far they have gone in their investigation at that point in time. I don't know if that means that if they had done further - if the investigation had brought some concerns that they would have then gone into further deep diving into further context. That's how I would read that.

10 Would you expect them to have, if they were going to look at the CCC complaint, would you have expected them to have conducted some investigative interviews?---I did expect them to undertake interviews, which I believe they did.

15 They undertook interviews but not investigative interviews, do you accept that?---Yes, I accept that.

At the bottom of that page, at the very last sentence:

20 *It was not part of the scope of this review to conduct a detailed review of the claims made by Hydroquip in the letter?*

?---That's correct, yes.

25 And I think you referred to that a little earlier?---Yes, I did.

So your understanding was they were only looking at the complaint as particularised in the CCC letter?---That's correct.

30 If I can take you then to 2992. Can you read - I don't need you to read this whole page, I'm just interested to see if it's big enough for you to read?---Yes, it is, thanks.

35 You will see in the left column, "Section reference 6(I)", the third one down?---Yes, I do.

And then in the third column under, "Measures of compliance", it says:

40 *Multiple members of the Evaluation Panel should have input into the process of reviewing the price schedules and any work involved in applying the schedules to construct an overall estimate of contract value.*

Do you see that?---Yes.

45 And then underneath there's number 2 and there are A, B, C and D?---Correct.

And that's saying estimated contract values are not subject - well, there should be:

5 *Verification to ensure that estimated contract values are not subject to any of the following: transposition, calculation error, misinterpretation of the pricing schedules or the application of unreasonable or unsupported assumptions.*

?---Mm hmm.

10 Is it fair to say that verification should also be done to ensure that estimated contract values are not subject to manipulation or corruption by the officers doing them?---That's correct.

15 If you look across at, "Audit observations", the fourth column and look at number 2, you will see:

As discussed elsewhere, audit did not interrogate this item in detail due to other contextual factors.

20 And so on, do you see that?---Sorry, where's that?

I'm in column 4, "Audit observations"?---Yes.

Row 3, which is the largest block in the screen?---Yes.

25 There's a number 1 and 2?---Yes.

Number 2, "Audit did not interrogate this item"?---Okay. Let me just read it, please?---Yes, thank you.

30 So as I understand it, and tell me if this is your understanding, Stantons are saying, "We just didn't look at whether or not the estimated contract value process was verified to ensure that it's not subject to any those things", A, B, C and D in the previous column, or as we just discussed, corruption or manipulation?---Yes.

35 You will recall that the allegation made by the CCC was that Mr Humble used his position to gain a benefit - sorry, to have a benefit, either - and that could be construed, couldn't it, to mean a benefit for himself or a benefit for someone else as part of the tender process?---Correct.

40 Would you agree with me that one way Mr Humble might have used his position is to manipulate the estimation of contract value for the tender? That was something he might have been able to do?---Yes, that's correct.

45 So if you're assessing whether or not he did gain a benefit for himself or somebody else, you would look at, wouldn't you, whether or not estimated contract was verified and was not subject to any of those things?---Yes, that's correct.

So can I suggest that by not interrogating that, not looking at that, Stantons might not have properly or thoroughly investigated the allegation in the CCC letter, would you agree with that?---Yes, I would agree.

5 Do you recall reading that before I took you to it just now?---No, I don't recall.

Do you recall that being brought to your attention by Ms Moyser at all?---No, I don't recall.

10 Madam Associate, could you now go ahead to 3001. I want to take you to the blue box at the bottom. It says:

15 *The review was unable to conclusively verify that the method for evaluating pricing was demonstrably unbiased, independent of the submissions received and not contrived to support a particular outcome.*

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

20 Would you agree with me that the point they are making there is, on this review Stantons couldn't decide one way or the other whether the method for evaluating pricing had been or had not been manipulated or contrived?---Yes.

25 And in order to properly assess an allegation of benefit, you would hope, wouldn't you, that they could conclusively verify one way or the other?---Yes, I agree.

And it's only through doing that would you be able to be satisfied that the allegation was substantiated or not?---With other elements to an analysis, but yes.

30 But that would be one of them?---Yes, that would be correct.

And it would be quite an important one given it goes to contract price?---Yes.

35 And contract price is material to tender evaluation, to varying degrees depending on the matrix?---It is, but I also would say that the skill set and training of staff was not - is not great at the City of Perth and that's part of the frustrations of why, if we had a matured procurement system, this would stand out quite differently.

40 Are you expecting then that the centralised procurement and the steps that have been taken will go some way to preventing this type of - - -?---Absolutely, yes.

Madam Associate, if you go over to 3002. If the estimated contract value was manipulated, Mr Ridgwell, that would result, wouldn't it, or it might result in one tenderer being favoured over another?---Correct.

45 If, for example, that tenderer's price was manipulated up, it would favour another tenderer?---That's correct.

If I can just take to the second paragraph on this page and I will ask you to read that to yourself?---The whole page?

5 My apologies, just the second paragraph, commencing,"From information made available"?---Thank you. Thank you.

You see that last sentence there:

10 *As such, there is an exposure to the City regarding a possibility that the formula selected for use in this process was used or manipulated in order to achieve a predetermined outcome.*

Do you see that?---Yes, that's correct.

15 So Stantons there have identified, haven't they, a risk to the process, a risk really that could result in a corrupt outcome for the process?---Potentially, yes.

Being the predetermined outcome?---Yes.

20 And it's not correct, is it, to come into a tender process with a predetermined outcome in mind?---That is correct, yes.

25 If I can take you then to the second to last paragraph, and if at any stage you want to read all of the page, please let me know, Mr Ridgwell?---Okay.

If I take you to the second to last paragraph and ask you to read that to yourself?---Thank you.

30 You will see the second sentence in that, in the middle of the paragraph says:

However, the process of selecting which line items are used/not used and the quantities of use to apply against each can create an exposure in an evaluation process to manipulation.

35 Again, that risk that the price might be manipulated has been identified?---I recall when going through this, looking at this, I assessed the implications of this more broadly than to just this tender because I do believe that we didn't have a consistent approach to the procurement practices.

40 By that do you mean, in your view, the risk identified here is a risk not only for this tender but most or some or all tenders?---I would say most

[12.15 pm]

45 Has anything been done by the City, other than this centralised procurement we have spoken about, has anything been done by the City to guard against that

risk?---There are actions that were identified so when we did escalate it to being a high risk, there were actions, the primary one being centralisation of procurement but following out of that is then the implementation plan which would have looked at procedures, policies, training.

5

Was anything done after this report?---This report was presented to the - I presented it to the CEO and the Director, Corporate Services for their action. There was a meeting that was held for that. Since that time, the actual risk has actually been now identified as a strategic risk for the City at the moment, as an extreme.

10

Steps are in place, are they, or conversations are being had on how to deal with it?---Yes, very much so.

15

Madam Associate,if we could turn to the next page, please. You will see in the second paragraph at the top, commencing with the word,"Given", Mr Ridgwell it says:

20

Given the inputs to the LSFE - which is lump sum fee estimate - were not identified prior to tenders closing in this instance, we cannot dismiss the possibility that the selection of inputs was manipulated to contrive a particular outcome in this instance.

?---Yes, I see that.

25

Then at the last paragraph before the blue box, you will see:

30

At this point in the review it would be possible for Stantons International to request Mr Humble to reconstruct his thought process and provide an evidentiary basis for each assumption applied to the lump sum fee estimates on a line by line basis. Such evidence, if obtained, may assist this review, dismiss concerns regarding any possible manipulation of LSFES.

35

Then they go on to say:

There would be little benefit in pursuing this further at the point of time, given other unresolved exposures.

40

Were steps taken to request Mr Humble to reconstruct his thought process to dismiss concerns regarding possible manipulation?---Not that I'm aware of.

Do you know why not?---No, I do not.

45

Whose responsibility would that have been?---A combination of the Manager of Parks, the Manager of Finance about making sure that going forward, that this would be addressed.

5 Would there be any responsibility for you or your team in dealing with it as well?---It was one of the things that again we discussed through - when the conclusion of this report to actually - to address the issues and get the fulsome, but not specifically to this, no.

10 You will see the matters we have taken you to in page 3003, would you agree with me that these are matters considered by Stantons about which they could not expressly make findings to dismiss the risks?---Yes.

And they are matters that are critical to understanding the veracity or substantiation of the CCC complaint?---Yes.

15 Madam Associate, could you just go back to 3001, please, to the blue dot point. Sir, I'm mindful the witness has been in the box for a while. Would you be inclined to take a short break at this point, before the lunch adjournment, or continue through?

20 COMMISSIONER: How are you travelling for time?

MR BEETHAM: I think, sir, we will go to at least lunch, perhaps a little bit longer after the break.

25 COMMISSIONER: Mr Ridgwell, would you like a break?---No, I'm happy to proceed, thanks.

30 MR BEETHAM: Thank you, Madam Associate. Could you also hand - you should have a hard copy, Madam Associate, of a document numbered 2961. It should be an email from Mr Ridgwell to the CCC. You should have attached to that, Mr Ridgwell, a letter?---Yes, I do.

That's the letter dated 6 June to the CCC?---Yes.

35 This is the letter that Ms Moyser prepared that you edited?---That's correct.

And you will see reference to that editing on the email, the email we looked at earlier, and you will see from the covering email, this is a letter that you sent to the CCC?---Yes.

40 Is that because you had overall responsibility for this process?---Yes.

You will see that the letter is dated 6 June 2018?---Mm hmm.

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

You will recall the report we just looked at was supplied by Stantons to Ms Moyser on 19 July?---Yes.

5 Can you explain then why you would write to the CCC in terms that you have done in this letter when it was clear to everyone at that point that the final report had not been provided?---Thank you. It is a bit of an unusual circumstance in that respect but the complainant had been regularly following up with concerns.

10 Yes?---And I felt it incumbent on me to provide some response and closure. The actual specifics to the allegation to the CCC were ones that had been, to my belief, addressed and that's why we wanted to submit this information through to the CCC with the information and provide them this information. It was - - -

15 How was - sorry, go on?---I was going to say, there were still respects of dialogue going on about the finalisation of this report because it was an important report that needed then to be transferred to the City's Executive so that they were aware of the overall maturity or lack of maturity of the procurement system at the City of Perth.

20 I think some of your evidence in that passage was that, the issue identified there by the CCC had been addressed?---Yes.

And am I right in understanding your view is based on the draft version of the report received from Stantons?---Yes, correct.

25 We have just gone through that report in a little bit of detail and you agreed with me that there were a number of findings and risks identified by Stantons that were material to the CCC allegation about which they couldn't make a determination, do you remember that?---Yes, I do.

30 Having reflected on that, is it still the case that you think that review by Stantons meant that the CCC allegation had been addressed?---I reviewed through the findings of their opening report, in respect to the findings about bias.

35 Do you mean to say then you didn't read the balance of the report?---No, it's not that I didn't review the balance of the report, but I believe a lot of the information that's contained in here is actually based on a broader issue than the specifics of a tender. It's actually our systems, we didn't have standardised processes in place.

40 I understand that, but the CCC allegation was pretty specific, wasn't it?---Yes, it was, yes.

And if you look on the screen in front of you, you will see in the blue box:

45 *The review was unable to conclusively verify that the method of evaluating pricing is demonstrably unbiased, independent of the submissions received and not contrived to support a particular outcome.*

?---Yes, I do.

5 And that is critical, isn't it, to the CCC allegation?---It is critical but I acknowledge the systems in place at the City were ones that didn't have a consistency of approach or strength in process of how you do handle procurement at the City.

I appreciate that?---Sorry.

10 But here you're responding to the CCC?---Yes.

15 And you're indicating to them - I will take you to it. If you look at the paragraphs under numbers 1 and 2, you're indicating to them that,"The findings of the investigation ", that's the investigation that comprised of two parts, the Stantons' and, Shenton Aquatics' investigation - "did not substantiate the allegation against Mr Humble. There was no supporting evidence to indicate that Mr Humble received a personal benefit from being involved in the process, nor was any bias established." If you look at that blue box on the screen in front of you, isn't it plain that Stantons simply weren't able to and didn't do everything that was necessary to permit you to make that statement in the letter?---Yes, I understand.

20 Do you agree with that?---Yes, I agree.

25 Why then is that paragraph in the letter?---Again, we are looking at the higher level,yes, I can see what you're saying there. I understand.

30 COMMISSIONER: In a sense, Mr Ridgwell, it's right, there was no supporting evidence in a sense, but one of the matters that was made fairly clear by the final Stantons' report was that there was a reason why there was no supporting evidence, namely, it had not been got?---I understand. I accept that.

MR BEETHAM: I appreciate, Mr Ridgwell, that you accept that but - -
-?---Sorry.

35 - - - the question is why then, if a letter in which you had a hand in drafting, does the City say to the Commissioner of the Crime and Corruption Commission, an organisation which I'm sure the City takes very seriously?---Absolutely.

40 That the findings of this investigation, the one we just went to "did not substantiate the allegation against Mr Humble and there was no supporting evidence", why is that in the letter at all? It's not true, is it?---On reflection of looking through the report in detail, I agree.

Are you able to offer any explanation as to why it's there?---No, I'm not.

45 When you looked at this letter when it was sent to you by Ms Moyser and you amended it, and then when you, I assume, looked at it again before emailing it to the CCC, had you read Stantons' report in full?---Yes, I believe I had.

5 In those circumstances, one inference that can be drawn, can't it, is that you and the City and Ms Moyser, everyone involved in this letter was misleading the CCC?---No, I don't agree with misleading. It was my full intention to provide a response to the CCC, as is my role and continues to be that, and providing the information.

Is your evidence then that you didn't intend to mislead?---Yes, I did not.

10 Do you accept that notwithstanding that, this letter is misleading?---Yes, I would agree.

If you can turn over the page, Mr Ridgwell, you will see there's no reference to any attachments?---That's correct.

15 So you didn't send to the CCC the Stantons' report, the draft version you had at the time?---No, I did not. The CCC initial request did not seek to have any additional information provided to them.

20 You could have provided it nonetheless?---Yes, you could, definitely.

And in other circumstances, for example, that other procurement matter we were talking about earlier, you did provide the reports in that instance in relation to Mr Ranjan and Mr Kan?---To the CCC, yes, I believe I may have.

25 The CCC letter says:

Pursuant to the Corruption and Crime Misconduct Act, section 40 please provide your report advising of the outcome to the Commission.

30 Then it does go on to say:

Supporting documentation is not required.

35 ?---Mm hmm.

Did you understand that to simply mean this letter, all that's required is this letter?---That's correct, yes, and through that process, if I may, the CCC will go through an analysis to determine if they are satisfied or not.

40 They can only do that, can't they, on the basis of material available to them?---That's correct.

Which is this letter?---Correct.

45 Which you agree with me is misleading?---Yes, I would agree.

So it would lead, wouldn't, it inevitably to the conclusion that the CCC would go, "Oh well, everything's tickety-boo, because the findings did not substantiate the allegation"?---Yes.

5 And there was no supporting evidence that he received a personal benefit, nor was any bias established?---Yes.

And the only way that they could form any other view is if they had access to the Stantons' report or underlying material, is that correct?---Yes, that's correct.

10

[12.30 pm]

COMMISSIONER: Mr Beetham, let me just interrupt you for a moment.

15 Mr Ridgwell, there is something that is troubling me quite a lot and I want to give you an opportunity to explain it, in fairness to you?---Thank you.

You have said to me that this letter from you to the CCC of 6 June 2018 was not intended to be misleading, but it was in fact misleading. It's your statement "it was not intentional" that troubles me a little?---Okay.

20

If you look at the screen in front of you at the moment, you can see there's a document with the number 20.3001 in the top right-hand page, so this is a page from a Stantons' report, and you were directed to the words in the blue box which say:

25

The review was unable to conclusively verify that the method for evaluating pricing was demonstrably unbiased, independent of the submission received and not contrived to support a particular outcome.

30

On your evidence, that was something that you were conscious of before you wrote this letter to the CCC. What I'm having difficulty with is understanding how you would be conscious of what's written in that blue box in the final Stantons' report, and then write a letter which you say was not intended to mislead the CCC, but which was in fact misleading. I have difficulty reconciling those two parts of your evidence. Can you explain to me how I should do that, please?---Yes, thank you. It was an error in respect to it because of the fact that, having looked at the report, I was identifying holistically the issues that were being faced by the organisation and from my understanding of this, is that Stantons weren't able to do it because we don't have strong systems in place to be able to measure it.

40

If you look at what's in the blue box, aren't you being told there that the review was unable to deal with the allegation that was directed to you by the CCC?---Yes, I acknowledge that now.

45

Knowing that, how can you then write to the CCC and say:

The findings of the investigation did not substantiate the allegation against Mr Humble."

5 ?---I accept that and I would say that the letter shouldn't have gone out at that time,until it's concluded.

10 I know that, I've heard your evidence on that, but what's troubling me is how you can tell me that that was unintentional, and I'm giving you an opportunity to explain how it could be unintentional?---In the context of workload that I had at the time, I didn't give it my full attention to satisfy the transition of the extracts out of this report into the letter.

Is that all you want to say to me on that?---Yes, it is.

15 Mr Beetham.

MR BEETHAM: Madam Associate, would you please go to the document at 6589, TRIM reference 22158. This is a letter, Mr Ridgwell, that you wrote and signed?---That's correct, yes.

20 It's to Mr McFadden?---Yes, it is.

Who is associated with Hydroquip Pumps?---That's correct.

25 The complainant to the CCC?---Yes, it is.

This is 20 August 2018, so after you receive the final report?---Yes, that's correct.

30 If you can look at the third paragraph?---Yes.

Let me know when you've read that?---Yes, I have.

35 And everything we have just discussed in relation to the letter to the CCC applies equally to that paragraph, doesn't it?---Yes, it does.

Mr McFadden who raised in quite detail through his solicitors a complaint with the CCC and with the City has been referred to the City and has been told that an investigation was undertaken, the allegation was not substantiated and there's no evidence to indicate Mr Humble had received a personal benefit?---M'mm.

40 As we have discussed, that's not accurate, is it?---It is not, that's correct.

Mr McFadden would probably be quite upset and annoyed, amongst other things I imagine, to find that out?---Yes, I would agree.

45 You will see at the first paragraph of the letter, you say to Mr McFadden that:

The City of Perth has taken the allegations by Hydroquip Pumps and Irrigation very seriously.

?--- that's correct.

5

That's broader, isn't it, than simply the CCC allegation, that sentence? That's talking about all of the allegations in the letters, isn't it?---No. The context of that is that we weren't dismissing their allegations and that we would undertake an investigation. So we were committing to having an independent assessment undertaken.

10

But that sentence to an independent observer or to Mr McFadden would say, would it not, that the City has looked at the allegations that Mr McFadden made in his letters, you've taken them very seriously and you've thoroughly investigated those allegations?---That's right, by appointing a probity auditor and having an independent technical expert to support the process, yes.

15

You recall you agreed with me when you gave evidence that the City investigates only the allegation referred to it specifically by the CCC?---Correct, yes.

20

Not all of the allegations contained in Mr McFadden's lawyer's letters?---Yes, correct.

So again, that first paragraph might be taken to be misleading by Mr McFadden. He may have thought, do you agree with me, that you'd looked at all of the allegations?---Yes.

25

COMMISSIONER: Whether or not he thought that or not, as a matter of fact, it was misleading, wasn't it?---Yes, it could be read to be that.

30

MR BEETHAM: Madam Associate, could you please now bring up the email at 6373. Can you read that on the screen there, Mr Ridgwell?---Yes, I can, thanks.

Have you seen this before?---Not that I'm aware of. Sorry, give me a second.

35

Of course?---Thank you.

You will see that he refers to a preliminary draft version of the report to the City and you will see it's on 6 April?---Mm hmm.

40

You recall, perhaps, I took you to an email from Ms Moyser on that date where she sets out - she says certain things, there's no biases, et cetera?---Yes.

And I asked you whether or not she had ever corrected that?---Yes.

45

And you said no?---Yes.

That email, I can tell you, the one that was sent to you, was sent at 10.12 am and you will see this one is received a bit later in the day, just past 4?---Mm hmm.

5 Madam Associate, if you would go over to the next page, please, and the next one after that. Thank you, Madam Associate. This is the attachment, Mr Ridgwell?---Mm hmm.

10 I don't know if you can see on your version of the document, at the very bottom you might see in small writing words that say, "Probity review, tender 031-17/18 draft V1.3", do you see that?---Thank you, yes, just.

15 Just, yes, it's quite small. I think your evidence earlier was that the only point at which you could be certain you received a draft version of the report was 1 June 2018 and am I right in saying you don't recall receiving a draft before then?---Yes, sir.

You don't recall that?---Don't recall.

20 Madam Associate, could you please go forward two pages to 6377. I will direct your attention, Mr Ridgwell, to item 6 on that contents page?---Thank you.

Have you seen that heading before, "Observations regarding the misconduct allegations"?---No, I can't recall.

25 Madam Associate, if you could please go forward to 6387 and this is the substantive part of the report under that heading?---Mm hmm.

You will see, "Observation A" and in the second sentence Stantons say:

30 *However, given the evidence suggesting the evaluation process was flawed and the outcome may be erroneous, the City may wish to consider referring the matter to the CCC to investigate the possibility of an unclosed relationship/arrangement between Mr Humble and Western Irrigation.*

35 You're shaking your head, why are you shaking your head, Mr Ridgwell?---I can't recall seeing this.

40 Are you surprised to see that?---Yes. I don't recall seeing this. This is the first time I've picked that up.

You will see following that in this draft, Stantons writes:

45 *We note based on the allegation detailed in the letter from the CCC for a situation to constitute misconduct on behalf of Mr Humble, Mr Humble must have received some form of personal benefit from the award of the contract to Western Irrigation.*

Then they say:

5 *It is outside the scope of this review to investigate this possibility, other than to observe that the conflicts of interest were managed appropriately in this process.*

How could you explain how it could possibly be outside the scope of this review, given that's precisely what the CCC has asked the City to look at?---I agree.

10 Do you have any explanation as to - - -?---No.

15 Did Ms Moyser ever say to you, "Look, Mark, I think whether Mr Humble received a personal benefit is not within scope", in one of these conversations she had with you when she added the scope issues?---No.

Madam Associate, if you could go over to the next page, 6378. Can I ask you to read, Mr Ridgwell, the second paragraph?---Yes, thanks.

20 And then the paragraph immediately following the italics, the one that commences, "If the above sequence of events did transpire"?---Thank you.

And you will recall, and I can show you the final version again if you like, none of this is in the final version of the report?---No.

25 You seem surprised?---Yes, I am.

Are you disappointed to find this has been removed from the final version of the report?---Yes, I am.

30 Do you have - - -?---This would be something that you would send to the CCC.

35 It is suggesting, isn't it, that the matter should be referred to the CCC for further investigation?---That's always my approach, where a recommendation comes from an investigative body or agency or whatever it be, that we would refer.

There's quite serious suggestions made in this report?---Yes, there is.

40 And you've got no explanation as to why it was removed prior to the final?---No, I do not.

And you've not seen this before?---Not that I recall, no. I would be familiar with it, I'm sure.

45 If you had read something that said something like:

The City may wish to consider referring the matter to the CCC to

investigate the possibility of an undisclosed conflict of interest existing between Mr Humble and Western Irrigation.

5 It's likely, isn't it, that you would - - -?---Yes.

- - - you would take that opportunity to do that?---Yes.

10 Madam Associate, if you could go to the next page, please. If I can get you to read the blue box, Mr Ridgwell?---Yes, thank you.

15 Madam Associate, if you would go to the next page, and if I could ask you just to read - you can read as much of it as you like, but if I can ask you to read the paragraph above, "Observation C. In summary"?---The paragraph above, "Observation C"?

Yes, "In summary, we cannot conclusively dismiss"?---Thank you.

20 The passages I've just taken you to paint quite a different picture, don't they, to the final version of the report?---Yes.

It's a considerably more concerning version of the report?---Yes, it is.

25 If I were to tell you that this was removed either by or with the involvement or knowledge of Ms Moyser, would you have anything to say about that?---No. I don't have anything - no, no comment. Sorry, no comment, my apology.

COMMISSIONER: I understood?---Could you repeat the question, sorry?

30 [12.45 pm]

MR BEETHAM: Yes, certainly. If I was to suggest to you that these parts we have just looked at, these concerning parts of the draft report were removed either by or with the knowledge Ms Moyser, would that be of concern to you?---Yes, it would be, absolutely.

35 Would you have expected her to have raised it with you?---Yes.

Did she?---No.

40 Do you have any, and I know you can't speak on behalf of Ms Moyser, but do you have any explanation as to why?---No.

45 Would the explanation that Ms Moyser didn't consider this to be within the scope of Stantons engagement be an explanation that would satisfy you?---No.

Would this be one of those situations we discussed right at the start of your evidence where, even if that were true, it should remain in the report?---Correct.

And I think your evidence really just a moment ago was, not only should it remain in the report, it should go to the CCC?---Correct.

5 Had you received this version of the report, it's fair to say you would not have written in anything like the terms you wrote to the CCC and Mr McFadden?---That is correct.

10 And in fact, it would have been diametrically the opposite?---It wouldn't have been - it would have been a referral - it wouldn't be diametrically opposite, it would have been a different letter. It would have been a referral to the CCC with a copy of this report and what their recommendation was.

15 What would you have sent to Mr McFadden?---All I could be doing at this stage is just providing an update which is that the matter is still in hand and being investigated, because it is - again, wouldn't be able to provide any information to Mr McFadden during this period of time because it would be still waiting CCC directions.

20 How long has Ms Moyser been at the City, do you know?---I would say maybe four years.

As of today's date?---No, I wouldn't.

25 So you're saying four years from this?---As of today's date, I would say around four years would be something - or three to four years.

So in 2018, two or three years, something like that?---Yes.

30 I'm not asking you for a precise figure?---I'm sorry, it's been a number of years that I've worked with Ms Moyser.

Has she assisted you or been involved in these types of things before?---No, not to this level, no.

35 This is the one and only that you're aware of?---I've worked on other matters with her, with using an investigator but nothing of this type, no.

40 Investigating CCC complaints?---Yes, potentially. I can't recall specifically but it involves a matter of an employee, then it is quite possible.

I think your evidence at the start was, while Ms Moyser was assisting in this or had carriage of this because you were on leave at the start of January, ultimately this is the responsibility of Governance at the end of the day?---Yes, correct.

45 Which is your responsibility?---Yes.

And was Ms Moyser ever provided any training by you or anyone within your team about how to go about dealing with these types of things?---About investigations?

5 Yes, and engaging investigators?---No.

Is she still at the City?---Yes, she is.

10 Has she since been provided with any training?---We have an investigation procedure that we have, but no, not that I'm aware of, although may have undertaken fraud and misconduct training would have been one that's been going through the City that we have been undertaking for all governments.

15 But no specific training about,"Look, if a complaint comes in from the CCC, these are the steps you take, these are the people you speak to"?---We did have information that I do circulate to key officers about undertaking training, public sector and CCC. I don't recall if any specific one went to her or not.

20 Do you recall ever giving her that one-on-one training yourself,"Look, this is how you engage a firm, how you do the investigation and how you deal with scope issues", those types of things?---No, not that I recall.

25 I think your evidence at the start of the day was that during this period of time you were extremely busy with a number of things?---Mm hmm.

Do you accept that notwithstanding that, perhaps you ought to have managed this process a bit more closely?---Yes, I would accept that.

30 Is there anybody else within your team who has the capacity and skills that you have in this area, to whom you could delegate this type of thing to?---No, but I am now doing that, undertaking that training with one of my officers.

Is that in part to deal with your work load?---Correct.

35 So in the future, were this to occur, are you hopeful or are you likely to have somebody with governance training, specialist governance training and experience, with a hands-on role with this type of thing?---Yes.

40 I want to move to events after the report, Mr Ridgwell. There was a meeting on 13 July. I think you referred to this meeting earlier in your evidence?---Yes.

I think you had a meeting Mr Mileham and Mr Mianich?---Mm hmm.

45 And you talked about how - I think one of the things you talked about was your desire for there to be a centralised procurement, is that right?---That is correct. It was already on the radar but it had been progressing very slowly and with some resistance and my intention was to have this meeting so that this would be a

demonstration of the purpose of getting the centralisation of procurement because of the issues that I've faced in this report.

5 And those issues you're talking about though are not the ones we have just gone through but you're talking about the process?---The process, correct.

Deficiencies?---Correct.

10 What was the response to that proposal?---It was received by the CEO at the time and supported, that was Mr Martin Mileham, and he gave the authorisation for the Director of Corporate Services to expedite the centralisation of procurement and address the issues at hand.

15 Was there any push-back by anybody else in that meeting that you remember?---No, not that I recall. I think it was, "Get on and get this done."

20 Do you remember who else was at that meeting?---I think Martin Copeman was there as the - he may have been Acting Director at the time, as well as Barbara Moyser, if memory serves me correctly.

That's all you can recall at this stage?---That's I can recall.

Was Ms O'Brien there?---Sorry?

25 Was Ms O'Brien there, Kathleen - is it Kathleen O'Brien?---Kathleen O'Brien, yes. That's our paralegal. She may have been, I don't recall her being there. She may have been there for an observational - - -

30 There's a suggestion in the material before the Inquiry that there was push-back to centralising procurement from people not at that meeting, but from Mr Crosetta and Ms Moore?---Correct.

Do you understand that to be the case?---Yes, I do.

35 Why were they pushing back on the centralisation of procurement?---This is my only observation of it, is that they wanted to do it in their own Directorates. They believed it to be more effective to be done under their own outsourcing of it to the Directorates to achieve.

40 Other than the centralisation of procurement suggestion that was discussed at this meeting, were other steps taken to train staff, for example, Mr Humble and the other people involved in the tender?---That was one of the actions out of the meeting - sorry, out of the actual Stantons' report, was the training of not only those staff, but also more broadly to the organisation, is what we discussed because
45 this is just one tender but we were looking for broadly to that, or I certainly was.

Did that happen?---The training?

Yes?---No, I don't know.

5 Were any other steps taken to address the issues identified by the Stantons' report?---The report was provided to the Director, Corporate Services, to enact the actions out of it, is how I recall.

The actions out, so the actions that are identified in the report?---Yes.

10 The Director of Corporate Services was assigned the responsibility of going through those?---Yes.

And putting those into practice?---Yes.

15 Was there any disciplinary action taken as a result?---Not that I'm aware of, no.

Did you have any discussion with Mr Humble about his needs to declare conflicts of interest at that point or any point in the future?---Not that I'm aware of, no.

20 Was there any other investigation done into the tender process?---No.

Or the allegation?---Not that aware of, no.

25 It was the view of the City at that stage, that the Stantons review, coupled with the Shenton Aquatics' technical assessment was all that was required and that was now done?---The recommendation that came out, or the discussion that came out of it was that the tender was awarded, I believe, for multiple years, on a year by year. Given the circumstances that were presented here, it was appropriate to re-tender, so not exercise that extension and re-tender.

30 Were you involved in that decision to re-tender?---Yes.

There's some evidence to suggest in fact that might have been your decision and you instructed Mr Copeman?---Yes, quite possible.

35 Does that sound right?---Yes, that would be. I always say whenever there is any level of uncertainty about a tender or procurement process, then it's always advisable to go - - -

40 Back to market?---Back to market and I think part of that reason is the concern by Hydroquip was one that I think this could address some of those concerns.

The matter did go back to tender, didn't it? It went out to tender again?---Yes, I believe it did, yes.

45 Are you aware or were you aware then or are you aware now that Mr Humble, about whom the complaint had been made in the first place, was involved in that

re-tendering exercise?---Yes, I am aware, yes.

Were you aware at that stage?---No, I don't believe so, no.

5 Shortly after that tender went out, Mr Humble did make a declaration of a conflict of interest. Do you recall speaking to him about that at all?---No, I can't recall, no.

And you don't recall them seeking your advice about that?---No, not that I recall.

10 Did Mr Copeman ask you anything about it, as Mr Humble's direct manager?---There may have been conversations about, you know - no, I can't recall. I would be speculating.

15 Did anybody approach you and ask, "Look, Mark, this allegation about Humble's been made in the past, we are going to go to tender again and he's going to be the Project Officer on the panel again, what do you reckon about that? Is that okay", did anybody have those types of conversations with you?---It is possible, yes.

20 Do you have any recollection of them?---No, I don't, sorry.

Were they to take place, given that Mr Humble did in fact sit on that Evaluation Panel, is it fair to say your advice would have been, "He's been cleared by the Stantons' report so it's okay"?---Yes.

25 Having looked at what we have gone through now, would you make that same decision today?---No, would have made a difference.

It would have made a difference, is that your evidence, it would have?---It would have.

30 There is - you recall I took you through the Stantons' report and it identified pricing manipulation - those are my words - pricing manipulation was a risk that was identified?---Mm hmm.

35 If I told you that there's evidence before the Inquiry that Hydroquip's tender, its price for the purposes of the review, was manipulated up in the first tender and that was done by Mr Humble, and then its price was manipulated or shifted up again in the re-tender by Mr Humble, do you think that's the kind of thing that a proper investigation would have identified in the first instance and perhaps would have protected against on the second instance?---Yes.

40 Just so it's clear, I'm not suggesting any corrupt intent on behalf of Mr Humble when I say that the price was put up, I'm just letting you know that as a matter of fact, the prices that were in the Hydroquip tender do not match the prices in the schedule that was used to evaluate the tendering prices?---Okay.

But that did as a matter of fact happen. I think, would you still agree with me,

with that clarification, that a proper investigation might have identified that and if not, without suggesting any ill intent, would have at least identified that as an anomaly and perhaps prevented it from occurring in the future?---Yes, that's correct.

5 And that's what, with the benefit of hindsight, Mr Ridgwell, should have happened?---Yes, I agree.

[1.00 pm]

10 And indeed, should have happened had somebody read the Stantons' report closely before responding to the CCC and Mr McFadden?---Yes.

Including yourself?---Yes.

15 Commissioner, those are my only questions.

COMMISSIONER: Thank you very much, Mr Beetham. Ms Priestley, do you have an application to make?

20 MS PRIESTLEY: No, Commissioner.

COMMISSIONER: Thank you. Ms Soliss?

MS SOLISS: No application, sir.

25 COMMISSIONER: Thank you. In that case, Mr Ridgwell, that concludes your evidence.

30 MR BEETHAM: Sorry, sir, I must rise. I understand Mr Urquhart has some questions for Mr Ridgwell on a separate topic.

COMMISSIONER: I was not aware of that. In that case, what I will do is, I will adjourn the proceedings now to 2 pm this afternoon, and after Mr Urquhart has finished asking his questions, I will then give other counsel the opportunity to
35 make an application if so needed.

MR BEETHAM: Thank you, sir.

40 COMMISSIONER: Is there any other housekeeping matter I need to deal with now?

MR BEETHAM: No, sir.

COMMISSIONER: I will adjourn the Inquiry until 2 pm.

45 **WITNESS WITHDREW
(Luncheon Adjournment)**

HEARING RECOMMENCED AT 2.00 PM

MR Mark William RIDGWELL, recalled on former oath:

5

COMMISSIONER: Mr Urquhart, you have the baton.

MR URQUHART: Yes, sir. Thank you very much, Commissioner, I do indeed.

10

EXAMINATION-IN-CHIEF BY MR URQUHART

Mr Ridgwell, I'm just going to ask you some questions regarding the conduct of Mr Keith Yong regarding electoral matters, okay?---Understood.

15

The Inquiry has heard evidence from Mr Yong and other members of his family regarding allegations they made of electoral roll irregularities just prior to the 2013 City of Perth elections, allegations that it seems were made entirely without any merit. Those allegations were investigated on behalf of the City of Perth by Ken Evans and Lyn Cavanagh, you know those two people, don't you?---Yes.

20

Were you aware of these investigations at the time?---No, I was not. I commenced employment at the City of Perth post the 2013 Local Government elections. I was aware of the issues surrounding the forms at the time.

25

Yes?---And was party to addressing some of the deficiencies within the form that could be - addressed some of those matters.

But that was much later though, wasn't it?---I'm not familiar with what exact date it was, but it was post the election.

30

So you did become aware of these allegations that the Yong family members and others were making?---No, not significantly. I've got to say, very, very limited because of the fact I had only just started the day after the Council election.

35

Nevertheless, what limited information did you have about them?---I can't recall the information at the time.

Were you aware though the allegations had been made by now Councillor Yong and his family?---Yes, and that it had been investigated.

40

So Mr Yong was in fact subsequently elected to the fourth and last position on Council at the October 2013 elections. He won with less than 13 per cent of the votes cast and he beat the fifth placed candidate by a mere 54 votes. So would you agree with me, very tight result?---Yes, I would agree.

45

Were you aware of the fact that he did come fourth and only by the merest of margins after those elections?---No, not - I wasn't - I was looking at the

onboarding of Elected Members at that time, just aware of the overall - end result, basically, of who was elected.

5 Nevertheless, between the 2013 and 2017 elections, were you responsible for assessing the applications by companies to have nominees?---Yes, I was.

Placed onto the City of Perth electoral rolls?---Yes, I was.

10 Was that authority delegated to you by the City's CEO?---That is correct.

Can you recall when that delegation commenced, just roughly?---Roughly between maybe three and six months after I commenced.

15 I see, so some time in the first half of 2014?---Yes.

Would that be right?---Sounds about right.

Do you still have that delegation?---That is correct, yes.

20 Have you maintained that delegation all along since the first half of 2014?---Yes, I have.

25 Just briefly can you tell us, are what circumstances are companies entitled to have nominees vote on their behalf?---Companies?

Yes?---So if they own property in the company's name or occupy a tenancy in a company's name for a period of occupancy, with a three month continuation.

30 Of course, within the electorate?---Within the electorate, yes.

And allowed to have up to two nominees?---Correct.

35 So occupies a property by a company, to have a right of continuous occupation under a lease or tenancy agreement?---Correct.

But am I right in saying it has to be in the company's name?---Yes, if it's in a body corporate, yes.

40 Between those two elections of 2013 and 17, when you got an application from a company, how did you decide whether to accept it or not?---Thank you. So through that process I introduced some systems into accepting it which one was, to evidence that it is a rateable property and evidence that, evidence that it is a registered company and also the checking of the Electoral Commission to make sure they are an Australian citizen - WA or Australian electoral roll.

45 That's with respect to the nominees?---Yes, and that recommendation would be put forward to me by an officer. I had a part-time officer, Governance electoral officer

and then it would be presented to me for a determination.

How do you determine if the property is rateable or not?---Evidence from a property database on our system.

5

What proof did the company have to provide to show that it did have a right to have nominees on the electoral roll, i.e., whether it be an owner or an occupier of the property?---The owner is fairly straightforward because that would be driven through our Pathway system. It would be a matching reflection of that, but - - -

10

How would that happen? Would you look to see if it was - - -?---That's right.

- - - paying rates or something?---That's correct. So one of the checks is to make sure that it's a rateable property and in doing so, that actually identifies the property owner, so they are matches there.

15

So that would be pretty easy to do?---Correct.

What about in circumstances of an occupier who's seeking to have nominees because they purport to have a lease or tenancy agreement?---Yes. They make a declaration on the forms.

20

An actual declaration or not?---Sorry?

Do they actually declare that they have a rateable property?---Yes, on the form it actually requires that they make a declaration to say that they have a three month tenancy.

25

We will have a look at one of those examples in a moment. However, there's no need to produce a copy of the lease or tenancy agreement?---No.

30

Would you agree with me under the Local Government Act, it would allow the City to make such a request?---Yes, I would agree.

So if a box was ticked to say the company was an occupier of rateable property, I'm talking about the box on the form?---Yes.

35

Would that just be accepted?---Of an occupier, yes.

Yes, of an occupier?---Of an occupier, yes.

40

Just be accepted?---Yes.

And unlike the owner, there would be no means of checking within the City of Perth records, would there, if that's the case?---The reason for actually reviewing the records on the rate, is for the rateable property definition. That's the primary purpose. So that's why we assess that part.

45

And then you do a search with ASIC to determine if the company exists or not?---Correct.

5 Obviously you inherited this system but can I ask you why would not the City specify on the form that proof of occupation had to be attached?---There is no - we don't have that - sorry. It's not something that we have sought in the past or at that level.

10 Any reason?---Just work capacity would be one, resourcing.

It would be pretty easy though just to have a line on one of those forms saying, "Please attach proof of occupancy"?---Yes, that could be something that could be introduced yes.

15 That would be relatively straightforward, wouldn't it?---It could be, yes.

Has it been introduced now?---No, it has not.

20 Notwithstanding what happened in 2016?---2016, no.

Candidates wanting to stand for election, they have to produce documentation that they have a right to stand as a candidate, don't they?---That's correct.

25 So in those circumstances, they are required to produce either a rates notice or a lease?---That's right. That's an initiative that we introduced. It's not required but it's something that we introduced.

30 I know that, but it wasn't introduced with respect to nomination forms for corporate bodies wanting to have nominees?---No. We do these checks for candidates.

35 So why the distinction?---Because of the escalation of it going to be an election, if a person submits a declaration and there's not evidence to support their leasing, then that could cause significant reputational damage to the City in respect to it, and also cause a cost to the City because we would have to potentially prepare for another election, an extraordinary election.

40 Turning then back to the nomination forms by companies, do you accept that this system that was in place could be manipulated?---Yes, it could be manipulated.

Were you aware of the practices of Councillors to lobby companies to apply for nominees?---As with every election, people would try to get people onto rolls, yes.

45 So the answer to that is yes?---Yes, I guess so. Candidates would try to get people on the roll, yes.

Were you aware of companies allowing Councillors to select the nominees?---No.

For the company?---No, I was not.

5 Have you since become aware?---I have since become aware.

Has that only just been - when?---Through these hearings.

So the last couple of weeks?---Yes.

10

Regarding Mr Yong's evidence?---Yes.

Is that right?---Yes.

15 The nominees, and this is no criticism of you because it's in the Local Government Act, but the nominees don't have to have any affiliations with the company, do they?---That is correct.

20 So in that instance of companies that would allow Councillors to select the nominees for the companies, a Councillor could simply get two of their mates or relatives to be nominees, couldn't they?---Yes, correct.

And that's not really the intent of the Act, is it, to allow companies to have the right to vote?---That is correct.

25

Were you ever on the look-out for such practices?---Of?

Of companies allowing Councillors to select their own nominees for that company?---No, I wasn't.

30

I'm going to show you a document now. Madam Associate, it's 8.0951, TRIM number, sir, 13854.

COMMISSIONER: Thank you.

35

MR URQUHART: This is just an example of what I want to draw your attention to. This is a Form 2 modified enrolment eligibility claim for corporate nominees and this replaced an earlier form, didn't it?---That's correct, yes.

40 And can you tell please, the reason why this modified form was introduced?---The modified form was introduced so that the body corporate authorised person would sign for both the nominees, as opposed to the original one which would allow for one and the review that I undertook previously was that the form - prior to my time would allow for basically a blank nomination form to appear, unsigned

45

[2.15 pm]

Did this review arise out of those allegations that had been made by Mr Yong and members of his family?---Yes.

5 So that being the case then, you must have been aware then at some point in time about those allegations that had been made?---I was looking - at this point in time the investigation had closed but we were focusing on how we can address the form and how we can strengthen it.

10 But you knew the circumstances in which that review was required?---I knew the broadness, that there had been a complaint received, yes.

15 Were you aware of the outcome of the investigation undertaken by Mr Evans and Ms Cavanagh?---Not specifically, no, other than just the areas to address which was the form.

Generally, were you aware?---I would say generally, yes.

20 Generally, were you aware that it was determined that the allegations did not have merit?---I wasn't across the investigation. I'm sorry, I had started after it and - - -

I understand all that. I'm just asking generally?---I understand where I was with this was the focusing on the addressing of the deficiency in the form. That's what I addressed and then moved on.

25 You might well have been focused on that but were you aware generally that in fact these allegations had been made by Mr Yong and his family did not have any merit, there was no substance to them?---No, I wasn't aware.

You weren't aware?---No.

30 I'm just using this as an example. This was one of eight applications for nominees by companies that all had different full names but had the word "Osaka" in it?---Mm hmm.

35 Am I correct in my understanding that you would have assessed all of these nomination forms, given that they arose or were submitted in 2016 and 17?---Yes.

40 So just to use this one for an example. Can we just go to the second page, which would be 952, thank you, Madam Associate. When you refer to the declaration by the officer of the body corporate, are you referring, about three-quarters of the way down, to the italics phrase:

I am an officer of the body corporate authorised to nominate the above named person to vote on behalf of the body corporate.

45 ?---Yes.

Of course, that authorisation could also mean a delegation to somebody else, couldn't it?---Potentially, yes, that's right.

5 I'm just using this as an example of the eight that were submitted and with respect to the eight, if we can just go back to the first page, Madam Associate, 951, the postal address of the body corporate remained the same, it was that post office box 6116, East Perth, 6892?---Yes.

10 If we go over the page now to 952, we can see there that the postal address was to be the same post office box 6116, East Perth, 6892, and that also appears as the post office box address for the second nominee as well, okay?---Yes.

15 Indeed, there are another four nominations presented by corporate nominees at or about the same time that had the word "Osaka" in it, that had the same details both for the postal address for the nominees and the postal address of the corporation itself?---Yes.

20 Then it was only the final two that had as the postal address for the nominees, the same address that appeared on the State or Commonwealth electoral roll, so it was actually a street address but those final two forms were submitted at or about the time that the City of Perth was making enquiries about the regular use of this post office box address?---Right.

25 But the previous six all had the same post office box address of 6116. So that's just putting you in the picture without having to show you every single form?---Thank you.

30 I'm sure you're not the only one who's grateful for that. Most of these forms, however, Mr Ridgwell, didn't have - if I can just use as an example that 952 there - any phone numbers completed or fax numbers or emails for the nominee, do you see that?---Yes, I do.

35 So that was absent in most of them - not all of them but most of them. However, what was absent in all of them was any email address or contact number in case of enquiries, for the authorised person. We can just use that one as an example. Do you see it's just blank and the authorised person was Mr Takemori? So I think that can be taken down now, Madam Associate. I referred to the fact that there were eight nomination forms submitted by Osaka related companies but it is apparent that over a period of several years, you approved over 40 nominees representing
40 over 20 companies who each had one of two post office boxes as their postal address?---That is correct.

45 You're nodding and you realise what I'm talking about here, and those are the forms I'm talking about?---Yes, I do.

Am I right in saying that you did not notice the fact that these two post office boxes were appearing quite regularly?---To put it into context, they wouldn't be the

only applications that are received. We have a significant electoral roll, so I will receive numerous applications, in that context as well as it being in the broader context as my role as the Manager of Governance as well. So no, in that individual page on page on different days, no, I did not observe that.

5

And then for all these companies, the post office box addresses were always the same as the postal address for the companies?---Mm hmm.

10 So whether it be - if it was one, post office box 6116, that would be the same postal address that would appear on the front page of these nomination forms?---Yes.

Again, that's not something that you noticed?---No.

15 So this all meant that all the mail was going to one of two post office box addresses for, as I said, more than 20 companies and more than 40 nominees, okay?---M'mm.

20 And this of course included voting ballots, didn't it?---No, not at that - voting ballots at that stage, no, this was outside of the electoral process at this stage. There wasn't an election.

I know that, but if the election was coming up in 2017, voting ballots would be posted to that post office box address?---Yes, hypothetically.

25

Yes, hypothetically?---Understood, yes. I thought you meant it had.

Are City of Perth elections largely done by postal votes?---That is correct, that is the current practice, ongoing practice.

30

Can you vote in person on the day as well?---You can, in the context of getting a replacement ballot paper.

Is that the only exception?---Correct.

35

Otherwise, everybody votes by post?---Correct.

40 We have heard evidence, and correct me if I'm wrong, if this is not right, that you get your postal ballot paper and what, you just tick a box - do you just tick or cross who the four candidates are you want elected? I'm just talking about an ordinary Councillor election?---Yes. So what you will receive is an envelope which will contain a ballot paper, a ballot paper envelope, but as well as a ballot paper declaration form and then the person would complete the ballot, put it in the ballot paper envelope, which is to protect the voting, because it would identify the elector otherwise, and then there is a return mail which has an electoral certificate on it, 45 that you would include that into it and post it back to the City - sorry, to the WA Electoral Commission.

Does the voter have to sign anything?---That is correct, yes.

Do they have to put their signature on a form?---Yes.

5

Which form is that?---That is the elector declaration form.

Is there any way of checking the signature of that person to determine who they voted for?---Of who they voted for?

10

Yes?---No, that's separated. So as it goes through the machine, there's a bar coding that scans that the elector has voted.

Yes?---Then it goes through a machine - this is handled by the WA Electoral Commission, so please understand that I'm only informed of this process.

15

Yes?---Cuts through, removes the bar coding and the signature declaration by the person, it goes through another machine, removes it from that envelope, it goes through another machine and removes - ultimately you receive the ballot paper.

20

Of course, nominees have to sign the nomination forms, don't they?---Yes, that's correct.

If the City wanted to, I suppose theoretically, the City of Perth could see if that signature matches that of the signature of the nominee on the form, or not?---No.

25

You can't? Why is that?---Because the signatures are returned to the WA Electoral Commission who undertake the election on our behalf.

So the Electoral Commission would have to undertake that exercise?---Correct. Can I just explain one thing - - -

30

.

Just before you do that, can I just ask you, with the signature or where the person signs, has it also got typed out their name or anything like that?---Yes, I believe it does.

35

You believe it does, yes. Yes, you were going to say?---Just for a broader understanding is that the City of Perth's role in the electoral process is management of the electoral roll, the owners and occupiers roll. The WA Electoral Commission undertakes the residents roll which is the bulk majority of the roll and we appoint, as a Local Government, the WAEC to undertake the role.

40

So theoretically, could you match up the form to the signature, see if it matches but it would be a fairly convoluted process?---Yes, that's correct. I believe so, I don't know the logistics of it all.

45

No, because the Electoral Commission would have to go to the City of Perth and find the forms which are no doubt filed away somewhere, because the original forms are kept for some time, is that right?---That's correct, on our records system.

5 Getting back to these matters and the fact that there were over 40 company nominees that had the same - one of two post office box addresses, was it another Governance Officer at the City of Perth that first brought this regular use of the same PO Box to your attention?---Yes, that's correct.

10 Was that a Cathryn Clayton?---That's correct, yes

[2.30 pm]

15 Do you recall this was some time in the first half of 2016?---Yes, I believe it was in May 2016.

20 Good. Was it the case that she was conducting audits on the electoral rolls?---I believe she was - yes, that would be sort of - the case would be to actually, to produce rolls and check for any errors, because you've got - throughout this period of time, the responsibility is to make sure the roll is maintained ready for an election. So that includes just checking to make sure any properties sold have come off the system and the sort. So it would have extracted a spreadsheet that does that.

25 But she wasn't specifically looking for an irregularity regarding an excessive use of a PO Box address?---No, she was not.

30 But she did in fact notice the frequency in which the PO Box 6116, East Perth was appearing?---Yes, she did.

And I think it was subsequently found out that that post office box was the post office box for Keith Yong's law firm?---That is correct.

35 Is that right?---Yes.

And she found that out at well?---Yes.

40 Did she then tell you at a first meeting she had with you, that there were a number of company tenants from 108 St Georges Terrace that had the same PO Box for their nominees?---Yes.

Does that sound about right?---Yes, it does.

45 This was - - -?---She did - - -

Sorry?---She did a good job of identifying it.

Yes, undoubtedly. And this was the Osaka group of companies, was that right?---Yes. They would have been incorporated in it.

The example of what I've just shown you?---Yes.

5

Was Ms Clayton concerned about the frequency that this PO Box was appearing on the rolls?---Yes, and that's why she brought it to my attention.

10 Did you tell her that it wasn't unusual - this is in the first meeting that you had with her, that it was unusual for tenancies in the same building to use the same post office box address?---That's correct.

And that you weren't concerned?---No, I don't believe that to be the case because I asked her to provide me a fulsome report.

15

Yes. Wasn't that at a second meeting that she had with you? I know it's some time ago now?---I can only recall the time where I sought for her to provide me a fulsome report.

20 But at least in that initial meeting, alarm bells weren't ringing for you?---I can't recall the first meeting. I know with this meeting that I did have with Cathryn, I did ask her to provide me the full extract to see the extent of what we are talking about. I don't recall any other conversations.

25 Just going back to these Osaka forms, it would appear, just by using the dates on these forms, that they were submitted over the course of - a number of them were submitted over the course of several months, between March, April and May. Did you ever notice the fact that the rateable property was just the same level, level 16, at the same address on St Georges Terrace?---No.

30

Because it would seem then that, and I accept that the box was ticked to say that they were the occupier of the rateable property, so if that in fact was correct, each of these companies would have had to have a lease in their own name with respect to the same floor of the same building?---Yes, correct.

35

And that would be most unusual, would it not?---No, I understand what your initial question was. There can be businesses like chambers and the sort, legal firms that will have separate leases on an office or a whole lease might be produced for a floor and then there might be subsequent subleases.

40

Okay, yes, but - - -?---So that might be the conversation that we were discussing at the time, but I don't - - -

45 Osaka Gas doesn't sound like a law chambers know?---I don't know what their business was. I'm not too sure, it could have been - - -

But this seemed like, obviously, on the face of it, a number of companies that were

connected in some way?---No. I've again assessed it - recommendations come through from the officers about whether it should and approved. I assess it on the merits and the tests that we have and I process it. There's no talking about what industry they are or what the - - -

5

I'm just questioning the merits here, because we have got Osaka Gas Australia Pty Ltd, Osaka Gas Ichthys Development Pty Ltd, Osaka Niugina Pty Ltd, another one very similar name, so Osaka Gas Crux Pty Ltd, Osaka Gas Sunrise, another one with that unpronounceable name and Osaka Gas Gordon Pty Ltd. So it didn't strike you as odd or have you cause to make some further enquiries as to why all these companies seemed to all have separate leases on the same floor of the same building?---No, it didn't. The only assessment we did was to make sure that the companies were valid.

10

15 However it came about, Ms Clayton, as I understand it, did undertake some further investigations after that first meeting with you and identified that Keith Yong and members of his family were on the silent electors list and had the same PO Box address, do you remember that?---Yes.

20 At that point in time, did you decide that the matter had to be taken to the Chief Executive Officer?---Yes.

If it wasn't for Ms Clayton's persistence, would I be right in saying it's most likely Mr Yong would have received dozens of voter ballot papers to his PO Box addresses the following year?---I'm sorry, I don't understand the word, persistence of what, sorry?

25

If Ms Clayton didn't discover this regular use of the PO box address?---Yes.

30 The following year, the ballot papers would have been sent to these two PO Boxes?---There is the potential for that, yes. I didn't know what persistence meant, but I do understand what you're saying now. Yes, there is a potential that could have happened but again, we do go through a process of review and it could have been brought to the attention again - - -

35

Or it might not have?---Or it might not have, yes, correct.

Because you certainly didn't notice anything irregular?---No.

40 So had the details remained the same on the owner occupiers electoral roll, Mr Yong had 45 ballot papers coming his way, plus his, his mother's and his sister's?---Yes.

45 So if we have a look at that now. Madam Associate, the first one is 8.0758, thank you. I will just have you take a minute to familiarise yourself with that?---Yes, I'm familiar.

Is this an extract that was taken from the owner occupiers roll?---Yes, I believe so, yes.

5 And this isn't necessarily how the owner occupiers roll would appear, would it?---No, that's correct.

10 Can you just tell us, please, how it would appear? What would you see on the owner occupiers roll and just before you do that, I'd just better cite the TRIM number, 12458?---I would suggest, from memory I would believe it to be in name of elector, they would be sorted by.

So name of elector, it would obviously also have the post office box?---Correct.

15 And that is where the ballot papers are to go to and any other correspondence?---Yes, that's correct.

And would there be identification of the business address or the corporation's address?---Yes, it's listed there.

20 But would that appear on the owner occupiers roll?---I believe so, yes.

And then also the company, would that appear?---Yes.

25 So when you say it's separated by the name of the electors, it's in alphabetical order, is it?---I believe it would be, yes.

30 So it wouldn't be this obvious then, would it, if it was done that way because you won't have PO Box 6116 appearing one after the other?---No, that's correct. There's 3,600 people on the owners and occupiers roll, or thereabouts, so it expands it.

So even more credit to Ms Clayton then for picking this up?---Yes.

35 It wouldn't appear like this, so obvious, would it?---No, I agree.

Then the final column, would you have there the company that they are the nominees for?---Yes, correct.

40 We also can see right in the middle of the page there, the three Yongs, Angie, Lilly and Yit Kee, who is Keith Yong. If they were on the silent roll, their names of course wouldn't appear on the owners occupiers roll, would they?---That's correct.

They would be on a separate list?---They would be, yes, removed from that one.

45 So there's 32 names there, including the three Yongs. So we get 29 others from that. Then if we look at 8.0768 now, thank you, Madam Associate. TRIM number, sir, 12457.

COMMISSIONER: Thank you.

5 MR URQUHART: There are 16 names there and these were the people who had the other post office box address, PO Box 862, Victoria Park, WA 6979, and again, same thing as before. These wouldn't appear like that, it wouldn't be so obvious that they regularly had this same post office box address?---Correct, and this was a second wave of PO Boxes that we identified.

10 We, or Ms Clayton?---Well, Ms Clayton, but it was encouraged to look through the whole process, for any duplication.

15 So from what I understand from that, by the three Yongs placing themselves on the silent electors list, so their names and PO Box address didn't appear on the owner occupiers roll?---Mm hmm.

Did you actually approve their applications to be silent electors, do you remember?---No, I can't recall.

20 This is going back in February of 2015?---No, I can't recall.

25 But if you sent the letter to them stating that their application was successful, if that had happened, then would you have made that assessment?---If I wasn't on leave at that period of time - I'm not too sure. I couldn't tell you definitively if the answer to that is yes or no.

30 Would that normally be your job?---Yes, it would normally be my job and not uncommon for lawyers and other people, for certain businesses to want to be on the owner and occupiers roll as a silent elector.

So lawyers, I understand that?---Yes.

What about candidates or Councillors, do they often make that request?---No.

35 They don't?---No. You've got policemen, there's sometimes reasons for it, for personal welfare and well-being, those sorts of requests can be made but again, those of those come through our residents roll.

40 The three Yongs all made their applications at or about the same time?---Right.

45 Over the course of a couple of days in early February 2015 and they each received a letter on the same date, 19 February 2015, saying the same thing. So we will just use as an example the one you sent to Ms Angie Yong. Madam Associate, that's 8.0658, TRIM number 12449.

COMMISSIONER: Thank you.

[2.45 pm]

MR URQUHART: Whilst that's happening, I can indicate to you that they all
swore affidavits stating that they believe that the publication of their address would
5 place their safety at risk with Mr Yong saying it's because he was a Councillor and
his mother and sister saying it's because they were related to Councillor Yong,
okay?---Mm hmm.

10 There we go, this is one of the examples. That's your signature, isn't it?---That is
correct.

You say:

15 *I acknowledge receipt of the statutory declaration referring to this
matter. I believe you have sufficient grounds for requesting that your
address be omitted from the City of Perth owners and occupiers roll in
accordance with the provisions of Regulation 13(2) of the Local
Government (Elections) Regulations 1997 and approve your
20 request. The owner occupiers Registrar at any future rolls will now
record your name and the designation, "Address omitted" under
Regulation 13(2).*

Does that suggest then that they do go on the owners and occupiers roll?---Yes, but
25 their address will be removed.

Their address will be removed. The address that would be removed would be PO
Box 6116?---No, would it not be the - - -

30 I'm asking you?---No, it would be the electoral address.

Yes, but that was their electoral address. These three had asked that that be their
postal address?---Right, okay.

35 So that being the case, their personal addresses wouldn't be on the owner occupiers
roll if they didn't seek to be silent electors?---Yes.

Isn't that right?---Yes.

40 So my question for you then is why would their safety be at risk if a PO Box
address was on the owner occupiers roll?---If you Google the address, you might
be able to identify the location of the business. I don't have Google on me I would
imagine if you could Google that, and the person, that may come out on a website,
potentially.

45 It's not much of a direct link though, is it?---To identify a person from the roll?

Yes?---A name and a PO Box?

Yes?---I can see a connection.

Tenuous?---It's a connection.

5

Can you identify a circumstance in which their safety might be at risk if a PO Box address appeared on the electoral roll?---If you have a look at their business website, it may have their PO Box on it. I think you'd find that link.

10 It does, Mr Yong's PO Box is on his business website?---Okay.

So he's not concerned about his safety in that circumstance?---M'mm.

M'mm?---No, I accept your approach.

15

So why then did you approve it?---Using our processes of what silent electors are, this is the normal process that we would go by.

20 I would have thought only if their residential or their actual address where they live would appear on the roll, rather than a PO Box address?---Yes. I agree, on reflection of that, that would be something that should have been raised.

25 Because you see, this would be an effective way if the Yongs wanted to do this, if this was their motive, this would be an effective way of distancing themselves from those two post office box addresses, or at least one of them?---Yes, potentially.

30 Once Ms Clayton discovered this further evidence, was the decision made by you and the CEO that Mr Yong would be spoken to?---I informed the CEO that I'd speak to Mr Yong in respect to it.

You did do that?---Yes.

35 Can you recall doing that?---Yes, I do.

Did you prepare a file note?---Yes, I did.

40 Of those communications you had with him. Rather than seeing if you can remember something from over three years ago, would you prefer if I just take you straight to the file note?---I would love that to be the case.

I thought you might. 8.0766, TRIM number 12466, sir.

COMMISSIONER: Thank you.

45

MR URQUHART: Do you recognise that as the file note?---Yes, I do.

The subject you've got there is, "Councillor Yong investigation and discussions on electoral discrepancies"?---Yes.

5 And date, 30 May 2016. You refer to the fact that Ms Clayton had made this identification and then the second paragraph reads:

10 *Each application had been appropriately assessed and accepted based on merit and subsequently approved by myself. I didn't have concerns over the electors as such but over the delivery of the ballot papers to a City Elected Member, potential future candidate.*

So you did have concerns?---That's correct.

15 And what were those concerns, as to why you would be concerned if all these ballot papers went to him?---Because the ballot papers would then be in possession of a candidate at the time.

Yes, and could therefore be manipulated?---Correct.

20 You continue:

25 *I contacted Phil Richards, Project Manager, Local Government Elections, at the WAEC - Western Australian Electoral Commission - and discussed my intended course of action which was meet with Councillor Yong and recommend that the mailing addresses be amended to the elector's address contained on AEC - Australian Electoral Commission - or WAEC system.*

30 Is that right?---That's correct.

:

35 *Phil Richards agreed that the collection of ballot papers could potentially constitute a breach of the Act and should be addressed to ensure it does not occur.*

Then you go on to say:

40 *I met Councillor Yong immediately after an Elected Members briefing session on Monday, 30 May 2016 at 6.30 pm in level 9, southwest meeting room, and discussed the matter.*

You continue:

45 *I informed him that whilst no breach had currently occurred, it was strongly recommended that the electoral addresses be amended to the individual's AEC/WAEC address.*

Then it continues on to 767, thank you, Madam Associate:

5 *He advised that he would consider the matter and advise me accordingly. I followed up with Councillor Yong the next day at 5.30 pm, just prior to the Planning Committee meeting and he advised he is still considering the matter.*

We will just finish it off:

10 *Follow-up made for one week. In the event that no response is heard, then a meeting with the CEO will be arranged. In the event no resolution can be made, the matter will be referred to the WAEC for proper investigation and action.*

15 So you had two meetings it looks like with Mr Yong, on 30 May and 31 May?---Correct.

20 Did you ask him at either of those meetings, why on earth this had happened?---Yes, I did.

25 And what was his response?---His explanation was that he believed it to be more beneficial to actually hand-deliver the ballot papers to the electors to ensure that they would participate in the election process, because the return rate on elections is quite low, 30 per cent, and he believes that by actually personally visiting the person and delivering the ballot paper would actually see a more favourable return.

He was going to do that for 45 individuals, was he?---That's what he stated.

30 Did you believe him?---I didn't really - umm - - -

35 It sounds a bit implausible, doesn't it?---Well, he seemed to believe that was what was going to be the case. I didn't necessarily make a judgment call on it because that was not what was going to be going forward. That's not how I was going to address the issue, as you will see later.

Nevertheless, you say that he "advised that he would consider the matter and advise me accordingly." Did you suggest to him what should be done?---Yes.

40 And he wasn't too keen on that?---He said he wanted to consider it.

He didn't straightaway say,"Of course"?---He just said he wanted to have a consideration of it and I gave him the opportunity to consider it.

45 When you followed up with him the next day, he was still considering the matter?---Considering the matter,that's right. So that's why I put a follow-up for it.

But it's not his decision to make, is it?---No, it's not.

Why didn't you just say to him, "This is what's going to happen"?---I gave the opportunity for him to consider the matter before I made my final decision on it.

5

I know that but why didn't you say to him, "This is what's going to happen"?---I may have actually said that during the meeting, that "This is what our intended course" - sorry, I believe that I said, "This is what our intended course of action is."

10 But your file note had already said that you had concerns over the delivery of ballot papers to a sitting Elected Member, didn't it?---Yes. It was not time critical at the time. I think that's the important contextual thing to place in here, this is well outside of an electoral process so there was no harm in actually just giving it a week or ultimately what it ended up being, to make a decision, a month.

15

You didn't say to Mr Yong, "Well look, there really is no need for you to receive all these people's ballot papers. If you want them to vote, all you need to do is give them a call after the ballot papers are posted out"?---No, I wouldn't have stated that because I'm not going to give election advice to the candidates or Elected Members, but that being said, I did say it was not appropriate.

20

That would be sound advice to them?---Yes.

You are the Manager of Governance?---Correct.

25

That would be part of your responsibilities, wouldn't it?---Yes, it was and is and was actioned.

30 If Mr Yong's explanation was indeed correct, he was making an awful lot of trouble for himself, wasn't he?---Yes. My observation of the response was that it was naive to think that was an appropriate course of action.

Naive?---Yes.

35 But did you get the impression that he believed it was appropriate?---Yes, I did get the impression, but as a solicitor - sorry, a lawyer and as an elected official, I was surprised that he wouldn't see that as not being acceptable.

40 Because of course, when Mr Richards agreed that the collection of ballot papers could potentially constitute a breach of the Act, you understood what he was referring to there, didn't you?---Yes, handling of the ballot papers.

45 Yes, that he could get the ballot papers, open them up, tick the right boxes and submit them?---We didn't get into those discussions. We actually just got into the actual handling of the ballot papers. So having possession of them is not appropriate. We didn't get into - - -

No, but that's what could potential constitute a breach of the Act?---I think even handling the ballot papers can be a breach of the Act.

5 I think that's right, yes. Do you recall a meeting involving yourself, the then CEO, Mr Mileham, and Mr Yong about a month later?---Yes, I do

[3.00 pm]

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can you recall what was discussed at that meeting?---At that meeting, a similar discussion was held and we explained what the decision was, understanding that the CEO - I have delegated authority for this.

5 Yes?---So it's the CEO who's the ultimate person for it so I wanted that, escalation, so the CEO to be engaged in that conversation was critical and the CEO, Mr Martin Mileham, explained that these changes were to take effect, based on the recommendation that I'd put forward.

10 So Mr Yong wasn't given a choice - - -?---No.

- - - as to what would happen?---No.

15 And then did you subsequently prepare - incidentally, did Mr Yong admit the grave error that he had made, can you recall?---No, I don't recall. He accepted the decision. He didn't challenge it.

He didn't have much choice, did he?---No.

20 But no suggestion of contrition or anything like that?---Not that I recall, no.

If we have a look now at 789, thank you, Madam Associate, TRIM number 12463, sir.

25 COMMISSIONER: Thank you.

MR URQUHART: Can you recall sending this memo to Mr Yong?---Yes, I can.

On 8 July:

30

Dear Councillor Yong, further to our meeting of 28 June 2016 attended by yourself, Martin Mileham and myself, I am writing to confirm the intended actions arising from our discussions. All electors with the mailing address of PO Box 6116, East Perth, 6892 and PO Box 862, Victoria Park 6979, will be contacted to inform them that their residential address used by the Western Australian Electoral Commission will be used for the purposes of mail-outs relating to the conduct of City of Perth elections. Additionally, all future enrolment applications related to the above PO Boxes will have a similar intended course of action.

35

40

Then you refer to the fact that there would be four people who can retain the mailing address of PO Box 6116, all being members of Mr Yong's family, is that right?---Yes, that's correct.

45

Thank you, Madam Associate. So all of these nominees are advised?---That's correct.

5 This is what's going to happen. Was anything further done about Mr Yong's conduct?---No. We - no, there was not. We addressed the issue of the PO Boxes, removed them from the roll, made notifications to electors that were affected by this, and they got direct letters to themselves.

Yes?---In one instance we did get a response, I recall, whereby someone said, "Look, I don't recall receiving that."

10 Don't worry, I'm going to take you to that?---Are you? Okay.

15 Absolutely, yes. Let me just establish this, am I right in saying that the written confirmation from the City of Perth stating that these nominees had been accepted for the electoral roll, that would have been posted to the PO Box address?---That is correct, yes.

Did you question Mr Yong at all about that?---Of the acceptance, no.

20 Or what he did with those forms?---No.

25 So nominees wouldn't know that they had been accepted, unless Keith Yong, or someone who had access to those PO Boxes, told them?---At the time of accepting those, those were the PO Boxes that, it was thought, being that they would then go to the electors.

But the only way these 45 people would find out that they had been accepted as nominees would be if someone other than the City of Perth told them?---Yes.

30 If we now have a look at 8.0864, thank you, Madam Associate. I was about to give you a TRIM number, sir, but I don't have one.

35 This is a file note from Cathryn Clayton again, with respect to a telephone call she had with a - she goes by the name of Christine Yong, who is no relation of Keith Yong, did however, work for him at one point at his law firm. Is this the matter that you were referring to a moment ago?---Yes.

Ms Clayton's file note says:

40 *Ms Yong called in regard to a letter she received from me in response to an enquiry regarding PO Box numbers used on multiple applications as the mailing address. She did not know what she had signed up for and had no recollection of the body corporate Osaka Gas Ichthys Development Pty Ltd, nor had she received the acceptance letter which had been sent to PO Box 6116, East Perth WA, 6892. I sent her*
45 *original application via email with instruction to confirm the signature was hers and she emailed response to remove her name from the owner and occupier roll, confirming that the signature was hers.*

Then Ms Clayton indicates action required. You subsequently found out about this, did you not?---Yes, I did.

5 Did alarm bells ring when you had seen that this particular nominee had not received the acceptance letter?---No, it did not set alarm bells.

Why?---Because people forget what mail that they do receive and what they don't, even ballot papers.

10

But she wasn't ever going to receive this acceptance letter because it went to a PO Box that she had no access to?---I'm not aware of how the mailing address, how it works.

15 You're aware of this by now?---In the context of - - -

Wait on, this is 18 July 2016, you're aware as of May of 2016 that this postal address, 6116, was Keith Yong and his family's post office box address?---Yes.

20 What I was particularly concerned about was her, and this is what Cathryn was looking at to see if there was any falsification of signature but this Christine Yong actually confirmed that signature was hers.

So that's all settled?---Yes.

25 But what about the fact she hadn't received the acceptance letter, because if in fact Mr Yong's account was correct, then it would be consistent, surely, that she would have been notified by him that she was now a nominee?---This was one - we wrote many letters to all of those affected and only one came back with that comment.

30 Only one corresponded with the City of Perth aside from some that said,"I do not want to be a nominee any more"?---Yes.

But just on this one though, it looks like, on the face of it, that she hasn't been informed she's a nominee?---Based on this, yes, I would agree.

35

So therefore that would cast some doubt, would it not, on Mr Yong's innocent explanation that, "No, I was just going to hand-deliver all these ballot papers to these 45 people"?---Yes, I could understand that.

40 So as the Manager of Governance, now that you've understood it, what did you do?---She was removed from the owners and occupiers roll, as per her request.

No, I'm asking you, did you go to Mr Yong and say, "Why didn't you ever notify this nominee that the City of Perth had accepted her"?---No, I did not.

45

I know that, but why? Why didn't you?---I don't know why I did not. I was more focussed on the concern about the signature because at this point in time we were

trying to chase up whether the signature was - so I was more fixated on a higher issue.

5 You already had suspicions that there might be something inappropriate going on here by Mr Yong. He has given you an innocent explanation for why he did what he did. Then, two months later, you get information that would challenge his version of events?---It was - - -

10 Would you agree with that?---Yes, I would. The person didn't recall even signing this, if I remember, on this one.

15 I'm more interested in what she has told Ms Clayton about not receiving the acceptance letter?---I thought that in the first instance she said that she knew nothing about it and that she didn't know anything about the signing of anything.

I'm not interested in that, I'm just concentrating on this?---Okay.

20 Her evidence was - - -?---Her recollection wasn't very clear, so that's maybe why I didn't go through the investigation.

25 It's going to be difficult too also following up with other nominees because you didn't even have any contact telephone numbers from them, or only with respect to a handful, isn't that right?---Yes, only with their Australian Electoral Commission address.

Yes.

30 COMMISSIONER: Mr Ridgwell, can I just ask you to look carefully at that first paragraph. Just take a moment to read it carefully to yourself?---Yes, thank you.

Look at the second paragraph, read that carefully to yourself?---Thank you.

35 Would you accept that they are dealing with different subjects matter?---I thought they were connected.

Do you accept they are dealing with different subjects matter?---On reflection, yes.

40 The first one is dealing with really one point, isn't it?---About not recognising the body corporate?

She had no recollection of the body corporate and she had not received the acceptance letter, which had been sent to that PO Box?---Yes.

45 That's seemingly a pretty significant problem, isn't it?---Yes, and then when we - - -

Just stay with this for a moment, please?---Yes, sure.

So that's the first paragraph that you read in this email. Forget about the second one for a moment?---Mm hmm.

When you read that paragraph, did the penny not drop for you?---No, it did not.

5

You understood what she was telling you though, didn't you?---Yes.

Having understood what she was telling you, already then being aware that this PO Box had been misused in the way that it had been, did that not ring alarm bells for you and indicate to you that maybe you should just do a check of all of the others who were in the same position?---No, it didn't.

10

It should have though, shouldn't it?---On reflection of all of this that's coming out, yes, it should have. I accept that. I look at the totality of the four years of this enrolment process that we are talking about and yes, on reflection, I would agree.

15

You don't need to look at the totality, you just need to look at this paragraph. Looking at this paragraph, I'm finding it a little difficult and in fairness to you, I'm giving you the opportunity to explain it to me, why alarm bells were not ringing loud and clear to you?---Thank you. Because this is a file note based on the email correspondence that both of them had come together at that point in time. So the email of her confirming it was at the same time. So she had actually acknowledged,"I had signed the document", so she was familiar. That's how I'm taking that to be the position of it.

20

25

Looking at this carefully now, do you accept that alarm bells should have been ringing for you?---Yes.

Did you read it carefully at the time you got it?---Yes, I believe I did.

30

If you read it carefully at the time you got it, surely alarm bells should have been ringing for you then as well?---It was because the - I think at the time that this file note had happened, we had actually received the response that actually said, she said,"No, I have signed this document." So in isolation to this file note, but I don't think in the context of - - -

35

[3.15 pm]

But how does that deal with the first paragraph?---It was the credibility of her saying that she had no knowledge of the body corporate when later she does actually state that she did sign that.

40

Nor had she received the acceptance letter which had been sent to the PO Box 6116, East Perth, what about that part?---Yes, I can only say that I did not raise it.

45

Thank you?---And I apologise.

There's no need to apologise to me. I'm just trying to understand how you missed it, but thank you. Mr Urquhart.

MR URQUHART: Thank you, sir.

5

Mr Ridgwell, I'm going to suggest to you the bells of Big Ben would be ringing loud and clear by the following day, because I'm going to now show you an email exchange that you had with Ms Clayton?---Okay.

10 Once Ms Clayton gathered further information regarding this matter. Madam Associate, could we have a look now, please, at 869, TRIM number, sir, 12553.

COMMISSIONER: Thank you.

15 MR URQUHART: So this is sent on 19 July, the day after this file note from Ms Clayton:

20 *Mark, this person did sign the enrolment form so that is not an issue, except she did not really know what she was signing for. What worries me is that she did not receive her acceptance notice. This could be a problem as we don't know if all the body corporate entities have also received the copies of the acceptance notices to ensure that the people nominated are actually their nominees. This is a worry.*

25 It most certainly is, isn't it?---Yes.

If we go now to 868, thank you, Madam Associate. This is your response on 22 July, three days later:

30 *Thanks Cathryn, it is a worry. People sign documentation without knowing what it is. Also, that is exactly why we are changing the address to their home address. It was worth the changes made, great spotting.*

35 There are two different issues, isn't there?---Yes.

But people are signing documentation without knowing what it is. Then we have Ms Clayton saying:

40 *There could be a problem because we don't know if all the body corporate entities have also received the copies of the acceptance notices.*

45 They wouldn't because the post office box address for those body corporates was, lo and behold, the East Perth post office box address, yes?---Yes.

Was any attempt made to contact, for example, Mr Takemori?---No.

If you had, Mr Takemori, it seems, would have told you that he had no idea that he was signing these eight nomination forms to enable nominees to be enrolled and vote on his companies' behalf?---Right. So you're saying that he signed
5 nomination forms and left them blank for - - -

Yes. For? You know who, guess who?---Councillor Yong.

Yes, that's right. Councillor Yong's fingerprints were all over these forms, weren't they?---It appears so.
10

It was so. Mr Ridgwell, you're now saying, "With hindsight and with all this pointed out to me by the Commissioner and me, that yes, clearly more should have been done", but we are only bringing to your attention facts that you knew at the
15 time, do you agree with that?---Yes, I agree.

So why on earth wasn't this matter investigated further or at least referred on to the WAEC?---I believe that we had addressed the issues which, when now I look at it on reflection, I say that I've conflated two issues and overlooked an important
20 issue.

The most important issue of all, isn't that right?---Well, the address has changed by that stage, so that prevented any electoral fraud to occur, because it wasn't going to the PO Box. So that's why I'm saying that's why I felt I'd addressed this situation.
25

"She did not really know what she was signing for. What worries me is she did not receive her acceptance notice"?---Mm hmm.

It's more than just changing the address, isn't it?---By changing the address, it now went directly to, which is what happened in that previous one, directly to the elector so that they could raise it.
30

But it ignores what Mr Yong had been doing because let me also tell you this: you've identified the fact that this is still 18 months out from the election.
35 Mr Yong, under questioning last week, said that yes, it would have been his intention to try and get more companies to nominate people. So he had 45 votes coming to him, 18 months out from the election. 45. Can you remember how much he won by in 2013?---I think you said 54.

That's it, yes. I know you say you were under considerable workload but in this instance here, all the work you had to do was refer this matter on to the WA Electoral Commission, am I right there?---Yes.
40

And/or the police?---Yes.
45

Would you agree?---Yes.

It was a massive oversight by you, wasn't it?---On reflection, yes.

Mr Parkinson's just drawn my attention, Mr Ridgwell, to the subject heading that it seems Ms Clayton had used, do you see that?---Yes, I do.

5

"Please don't be a can of worms." It should have been a can of worms, shouldn't it? It should have been a can of worms that was opened and properly investigated, yes?---Yes.

10

It was just tossed in the trash can, wasn't it?---Sorry, I don't agree on that, respectfully. I do believe that we addressed issues. There is a gap in here that I can see but I mean, if I had turned a blind eye to the PO Boxes and let those happen, then that would be those sort of statements that you're making but in this instance here, I've missed an important part, I acknowledge that, but I have not turned a blind eye to it.

15

You did not address the most significant issue of them all, did you?---I don't agree.

20

And that is whether there was an attempt of electoral fraud here. That was the major issue, surely?---My expectation - - -

25

Mr Ridgwell, once you had one of these nominees saying she did not receive the acceptance form and that she did not know what she had really signed up to, that's enough for a proper investigation, surely? Then you get the implausible explanation from Mr Yong that he was going to collect all these 45 ballot papers and travel all around the Perth metropolitan area dropping them off. So in light of all that, you ought to have referred this matter on for an investigation of the most significant issue?---I did go to the WAEC and I talked about my actions and they were supported.

30

That was two months earlier?---Correct.

And you were receiving this additional information?---Of one individual.

35

Yes?---And I've got to say, we get this a lot, people saying, "I didn't get this ballot paper" or "I didn't get my rejection."

40

How often have you received information that a sitting member of the Council is getting dozens and dozens of electoral papers sent to his post office box addresses, how often did you get information of that nature?---Only this once.

Yes. Do you at least agree you should have done a lot more than what you did?---Yes, I agree.

45

Have any changes now been made to the assessment of company nomination forms?---No, there has not been.

Nothing at all?---Nothing at all, no. We are resourced with a part-time person. If that's something that falls out of this Inquiry, we will definitely need to address.

5 I thought it was a matter that should have been addressed back in May of 2016?---In the context of that PO Box, that was restricted.

So have changes been made now?---Yes, yes.

10 To all nominees of corporations or just these?---Just these ones.

So it hasn't been made - - -?---Globally, no.

Globally?---No.

15 Can I ask why not?---We don't have the resources to have gone through the whole 3,600 - - -

20 No, just from now on, from 2016 on, when you get a nomination form, just state that the postal address has to be the person's residential address. That would be easy enough to do?---It would be, yes.

Also, that there be some contact details for the nominees?---Yes.

25 Because most of these forms had no contact details for the nominees?---It's not a mandatory requirement to have those on, but I acknowledge that would strengthen the process.

30 These are just all strands - it would seem to me quite a strong circumstantial case that Mr Yong had an ulterior motive, would you agree with that?---I would be speculating, but on reflection of it, I would say yes.

Something that certainly warranted some investigations?---I didn't think at the time but now, I would agree.

35 That expression, opening a can of worms, is one where you open a can of worms and it gets very messy. So is it a case of, well look, this is just too hard?---No.

No? "I've got too much on my plate"?---No, no.

40 Bear with me for one moment. Thank you, Commissioner. Thank you, Mr Ridgwell.

45 COMMISSIONER: I'm going to ask you, Mr Urquhart, is there anyone to follow you on your side of the Bar table?

MR URQUHART: No, there won't be today - there is, yes. Not for this witness, no, but there will be another witness that we are calling.

COMMISSIONER: Thank you.

MR URQUHART: Thank you, sir.

5

COMMISSIONER: I'm going to re-extend my invitations to make applications. Ms Priestley?

MS PRIESTLEY: No application, thanks, Commissioner.

10

COMMISSIONER: Ms Stanton?

MS STANTON: No application, thank you, Commissioner.

15

COMMISSIONER: Mr Ridgwell, it's been a long day for you. Thank you for your assistance. You're excused.

WITNESS WITHDREW.

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COMMISSIONER: I will now adjourn for 15 minutes.

(Short adjournment).

HEARING RECOMMENCED AT 3.45 PM

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COMMISSIONER: Yes, Mr Beetham.

MR BEETHAM: Commissioner, I call Barbara Moyser.

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COMMISSIONER: Thank you. Ms Moyser, please come forward and take a seat in the witness box to my left. Do you wish to take an oath or make an affirmation?

MS MOYSER: An affirmation, please.

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COMMISSIONER: Thank you, Madam Associate.

MS Barbara Mia MOYSER,affirmed:

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COMMISSIONER: Please take a seat. Mr Beetham.

MR BEETHAM: Ms Moyser, could I just ask you to repeat your name and occupation for the purposes of the transcript, please?---Barbara Mia Moyser.

MS SOLISS: I'm sorry to interrupt.

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COMMISSIONER: Ms Soliss.

MS SOLISS: Can I just confirm that I have leave to represent Ms Moyser today?

COMMISSIONER: Yes.

5 MS SOLISS: Thank you, sir.

COMMISSIONER: I gave you leave earlier and that was for today and any extension of today's proceedings.

10 MS SOLISS: Thank you, sir.

MR BEETHAM: Ms Moyser, we will start from the top again. Can you just restate for the transcript your name and occupation, please?---Barbara Mia Moyser.

15

And what is your occupation?---Senior Employees Relations Advisor.

Where do you do that?---At the City of Perth.

20 How long have you been doing that for?---Since September 2014.

And you're still in that role?---Yes.

So a touch over five years now - a touch under five years?---Just under, yes.

25

Maths is not my strong suit, I apologise. To whom do you report, Ms Moyser?---To the HR Manager.

And who's that?---Alison Egan.

30

Has it always been Ms Egan?---No.

Who have you reported to previously?---When I first commenced at the City, it was Michelle Howells.

35

Yes?---Following Michelle Howells, it was Kelly Pember and then Alison Egan.

Do you ever report to or have you ever reported to Mr Ridgwell?---Not directly, no.

40

Have you ever reported to Mr Mianich or - I will rephrase that. Have you ever reported to the Director of Corporate Services or the CEO directly?---Not directly, no.

45 Ms Moyser, I want to ask you some questions about a topic you've been asked some questions about before, which is the tender that resulted in the award of a contract to a company called Western Irrigation, do you remember what I'm

talking about?---Yes.

I'm particularly interested in the review process that followed that award, do you remember what I'm talking about there?---Yes.

5

You've been asked questions about that at other times before this Inquiry?---Yes.

Are you aware that the Inquiry has recently obtained copies of some of your notebooks from the time into the first half of 2018?---Yes.

10

Prior to those notebooks being provided to the Inquiry, did you have a chance to look at them?---Yes.

And refresh your memory from those notebooks?---Yes.

15

And you've done, that just so it's clear, quite recently before coming here today?---Yes.

How long ago was that?---Following the request and initially when the initial request was made.

20

The initial request being the one some time ago now?---Yes.

And then the most recent one, last week?---Correct.

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Madam Associate, could you please bring up, not for the first time today, the document at 2867, please, TRIM 16201.

COMMISSIONER: Thank you.

30

MR BEETHAM: Do you recognise that document, Ms Moyser?---Yes.

That's the allegation that was put to the City or referred to the City by the CCC?---Yes, that's right.

35

Relating to the tender that resulted in Western Irrigation being appointed?---Yes.

It's after that complaint was referred to the City, I think your evidence on the past occasion was, you with some involvement of Mr Ridgwell engaged a firm called Stantons to conduct a review?---Correct.

40

Correct me if I'm wrong, but as I understand the evidence on the last occasion, when you were asked questions when you were asked questions by Ms Joseph, the position was reached, I think, that you agreed that the review that was conducted didn't respond directly to this allegation, is that right?---Yes.

45

There was some discussion on that past occasion about the scope of the review and

how that was changed - pardon me, I will rephrase that: the scope of the review and what it included?---And my understanding, yes.

And your understanding of that scope?---Yes.

5

Part way through that examination, those questions from Ms Joseph, she asked you this, and sir, this is at page 10 of the transcript of 15 May 2019.

COMMISSIONER: Thank you.

10

MR BEETHAM: Ms Joseph asked you, Ms Moyser, this:

15

So again, Ms Moyser, could you please clarify whether or not the City made a conscious decision to limit its investigation or review purely to the tender process, instead of the complaint that had been made by Hydroquip?---I don't know. I don't know that. I don't remember the specifics of that discussion. I think Mark's focus was the CCC letter but the copy of the Hydroquip letter was also provided to Stantons and to Shentons.

20

Does that reflect your understanding of whether or not the City made a conscious decision to limit the investigation?---Yes.

25

Am I right in saying that your understanding at present and then is that you weren't involved in any conscious decision to limit the investigation or review carried out by Stantons, is that right?---Sorry, can you say that again?

30

Certainly. Am I right in understanding your evidence then and now is that to the best of your recollection, you were not involved personally in consciously deciding to limit the scope of Stantons' investigation?---Correct.

Yes?---Yes.

35

If at any time I ask too complicated a question or I speak too fast, which I can do, please let me know and I'll put the question again. Have you discussed that particular question, the question of whether or not the City made a conscious decision to limit Stantons' review with anybody since giving your evidence in May this year?---Other than with my - - -

40

Other than with your solicitors?---Solicitors.

Did you discuss it with anybody at the City?---No.

45

Have you discussed it with Mr Ridgwell in particular?---No.

And not with Mr Humble or Mr Copeman?---No.

On the last occasion you also gave some evidence - this is at transcript page 16, sir.

COMMISSIONER: Thank you.

5 MR BEETHAM: And I will just paraphrase rather than read you the passage, Ms Moysen, that during the period of Stanton's review and investigation, you went back and forth with Stanton on their draft report seeking clarification in part?---Yes.

10 Do you remember that?---Yes.

Is that, sitting here today, your recollection of your involvement in that review?---Yes.

15 So when you went back and forth on the report with Stanton - I will take it a step at a time. You did go backwards and forwards with Stanton on the report?---Yes.

And was it simply for the purposes of seeking clarification?---And understanding of their assessment.

20

Do you recall having any involvement in setting the scope of the report?---No.

Do you recall any involvement in actually manually editing the report yourself?---I made comments on the report, on a draft report.

25

Yes?---In regards to my understanding of what they were going to do.

So those comments, do you understand those to be comments in the margin, so to speak?---Mm hmm.

30

And did you change the report in any way, do you remember?---No.

When you say no, do you mean you don't remember or you - - -?---I don't remember changing the report, no. I remember making comments on the report.

35

Electronic comments?---I don't know about electronic. I know I did handwritten comments.

40 Do you recall doing any electronic comments?---I can't remember the electronic comments. I may have done but I definitely remember writing comments.

I think your evidence on the last occasion as well that the scope for Stanton was set by Mr Ridgwell?---Yes.

45 Is that still your understanding?---Yes.

Madam Associate, could I ask you, please, to turn up the document at page 6806,

TRIM 22556.

COMMISSIONER: Thank you.

5 MR BEETHAM: You will see at the bottom of that page, Ms Moyser - can you read that on the screen? Is it big enough?---Yes.

You will see at the bottom of that, there's an email from you to Wade Dunstan?---Mm hmm.

10

Who's Wade Dunstan?---He is from Stantons.

Was he the person with the responsibility for preparing the report?---Yes.

15 You see that's dated 16 January 2018?---Yes.

Do you recall this email at all independently of seeing it now?---I'm not sure how to answer that because I have seen it in the private hearing and I'm seeing it now and I know that I wrote it but do I actually remember writing it? That I don't know.

20

That's fine. You see there you say you've spoken with the Director and CEO?---Mm hmm.

25 Who's the Director you're referring to? Would it be Mr Crosetta?---Yes, I think it was Paul Crosetta.

And?---And the CEO was Martin Mileham.

30 You see towards the end of that sentence you've written:

We have decided a full assessment of the actual tender is required.

?---M'mm.

35

What do you mean by a full assessment of the actual tender, what did you mean at that time?---My understanding of Stantons, when I originally spoke about what they could do, was that they were not able to assess the merit of the submissions.

40 The technical merit, is that what you mean?---The technical merit, so the validity of the tender submissions, and they could only conduct probity.

So when you say "full assessment of the actual tender", did you mean that to mean both of those things, the probity plus technical assessment?---Yes, I think so.

45

Madam Associate, if you could go back one page to 6805. Can I ask you to read first, Ms Moyser, the email at the bottom, an email from Mr Dunstan to you that

evening, the 16th and just read the first paragraph and let me know when you've finished reading that to yourself?---Mm hmm.

5 You will see Mr Dunstan deals with a number of things in that first paragraph?---Mm hmm.

If I could just then ask you to look at your response at the top, the following day, and if you just read all of that and let me know when you've done that?---Yes.

10 When you say there:

In regards specifically to this tender, your opening paragraph does outline the specific issue we are facing.

15 Are you able to give some precision as to what in Mr Dunstan's first email you're referring to?---The audit style review, I think

[4.00 pm]

20 So that's in the second line?---M'mm. I think that's because the purpose of contacting Stantons from my understanding was to look at a probity audit.

Yes?---Which was recommended or provided by Mark to undertake.

25 So that I understand that correctly, are you saying that Mark recommended to you - -?---To contact Stantons.

For a probity audit?---Yes.

30 Did Mark say to you, "Look, Barbara, we have got this complaint from the CCC, here it is. You see what it says there about Mr Humble potentially gaining a benefit. Get somebody to investigate that allegation"; did you have that kind of conversation?---Not - no. Not like that, no.

35 Did you ever that conversation with anybody? Did anybody ever say to you, "We need to investigate that particular allegation in the letter"?---My discussion, or my recollection of my discussion with Mark is there was this allegation from the CCC that we needed to investigate and what process do we need to undertake for that.

40 And your evidence is that Mark recommended Stantons for a probity review?---Yes.

As a result of that conversation?---Yes. I wasn't familiar with Stantons.

45 You'd not used them before yourself?---Prior, no, and I believe that Stantons was familiar to the City for probity. I didn't know what a probity audit was.

Did Mr Ridgwell, to your recollection, say, having regard to the fact that you hadn't used Stantons and you didn't know what a probity review was, why you were asked to do this instead of him or someone in his team?---Because the allegation related to an employee.

5

Did he suggest to you that you stay in touch with him in relation to the probity issues at all?---Yes. Sorry, I don't know if that was expressly stated but that was - -

10 That's what happened?---The assumption, yes.

But you don't recall whether or not he expressly said that to you?---Yes, I don't remember if he said that expressly to me, no.

15 Madam Associate, could you please now go to an email at 6358 which is 22188. I will be playing a bit of catch-up with my files, Ms Moyser, so I apologise for that?---Yes.

You will see there an email from Mr Dunstan saying:

20

Please find attached a quote and a breakdown for the probity audit we discussed earlier today, 23 January 2018.

Do you have any recollection of that meeting?---No.

25

Could you, Madam Associate, please go back a few pages to 6353. Do you recognise this document?---No, not - I don't recognise it.

30 If I suggested to you that's the quote that's attached to Mr Dunstan's email, would that sound about right?---Yes.

Does it look like the kind of thing that Stantons would be quoting for, "Review tender documentation and agenda", it's the second item there?---Sorry, what did you just ask?

35

Does this look like the kind of thing that you would ask Stantons to do or Stantons was being involved to do?---I think they provided a quote on the work but I didn't break it down like this for them.

40 No, but I'm suggesting to you that this is the quote that they provided to you?---Yes.

You don't recall this document?---I don't recall it, no, not specifically.

45 Do you recall who was going to be involved from Stantons, who was going to prepare the report? There was Mr Dunstan?---It was Mr Dunstan.

Was there anybody else?---No, but he did allude to who he reported to.

Is that Mr Donnelly, Kevin?---I think so, Kevin, yes.

5 So would it be right to say Mr Donnelly was the more senior of the two?---Yes.

You will see on this document on the far right, there's a column, "Proposed hours" and, "Principal" and, "Senior"?---Mm hmm.

10 Would it fit your recollection that principal, the reference to, "Principal" under that might be Mr Donnelly and the reference to, "Senior" might be Mr Dunstan?---I would assume so.

But you - - -?---I don't - - -

15 Sitting there today, you don't recall that?---No.

Could I ask you to go down this list of items to the fourth last item above, "Total hours, estimated" and it should start, "Review and test/explore"?---Mm hmm.

20 Do you see that?---Yes.

You see there it says:

25 *Review and test/explore where considered appropriate the claims in the complaint to the CCC.*

Do you see that?---Yes.

30 I know you said you don't remember this document but does that refresh your memory in any way? Do you ever recall Mr Dunstan or Stantons saying to you, "That's one of the things we were going to do"?---No, I don't remember them saying that.

35 Ms Moyser, if I suggested to you this was the quote that was contained in the quote that you accepted, would you cavil with that? Would you disagree?---I wouldn't disagree with that, no.

40 Madam Associate, could I ask you to turn forward, please, to 7269. Do you recognise this?---Yes.

What is it?---They are my notes.

And they are dated 23/1?---Yes.

45 You may recall but if not I can take you back to it, that was the date on which you received from Mr Dunstan that email saying, "I attach a quote", do you recall

that?---Yes.

So this was the record of the meeting that you had with him on that day?---Yes.

5 Can I just ask you to read that to yourself?---Yes.

You will see near the bottom of the page there are - I will start from halfway down the page, you will see, "Electronic versions"?---Yes.

10 Is that a reference to materials he asked you to provide him?---Yes.

Under that you will see three dashes, "Criteria matrix, tender documentation, evaluation handbook", do you see that?---Yes.

15 And then under that, "Score sheets, conflict declarations" and then importantly, "CCC and legal letter"?---Yes.

Do you recall that attached to the CCC letter was a letter from Hydroquip's lawyers?---Yes.

20

Is that what "legal letter" means?---Yes.

So is this then a request and you're recording your request from Mr Dunstan for a copy of the CCC letter and the legal letter?---Yes.

25

Did you know why he requested those things if, in your view at that time, it was only for a probity review, rather than any sort of more detailed consideration?---I don't know.

30 No?---No.

Did you have any discussion about it at the time?---With Wade?

Yes?---Not more than what I've written there, I don't remember.

35

Do you agree with me that request made on that date in January suggests, at least suggests that Stantons thought it was within their scope to consider the allegation in that letter, the CCC letter, and the complaints in the Hydroquip letter?---That that's what they thought? I don't know what they thought but I do know that they requested a copy of what the City received.

40

Would you accept that might suggest that they thought it was within their scope?---Without knowing what was discussed, my understanding was that we just needed to look into what the CCC provided us.

45

But they have asked - is it the case they have asked in any event for the letter from Hydroquip as well?---Yes.

Reading that now, does that suggest to you that they were interested in considering the matters in that letter?---I'm not sure if they requested it because they were

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aware that the City received that as part of it.

So it might be, if I understand your evidence correctly, that they requested it simply for context?---Yes.

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Madam Associate, if we could go back to the quote, please, at 6353. I take you back to that item, Ms Moyser, that we looked at before?---Yes.

10 Review and test/explore, where they considered appropriate, the claims made in the complaint to the CCC, do you see that?---Yes.

Would you agree with me that that suggests, on the premise this is their quote, they thought that was within the scope of what they were looking at?---Yes.

15 And when that's read and remember you received that the same day as this meeting?---Yes.

When that's read, that might suggest that's why they requested that legal letter?---Prior to - they requested that and then included it in their quote?

20

Yes?---Yes.

25 Madam Associate, could we now go to the document at 7274. I can indicate, Ms Moyser, we will be looking at a couple of your notes and asking you to explain some of them for us. This is one of them. You will see this is a note of a meeting with Mr Dunstan, Wade Dunstan, on 27 February 2018?---Mm hmm.

You will see under the third dot point, do you see the third dot point, "Closeness of scores"?---Yes.

30

And I think it says, is that, "Some significant differences on scores"?---"Some significant differences on scores."

Then it says, "SP favour Hydroquip"?---Yes.

35

Is that Mr Pascoe so, is that what that says?---Simon Pascoe, yes.

And, "BH favour Western Irrigation"?---Correct.

40 And that's Mr Humble?---Yes.

45 Reading that now, are you able to explain what you mean when you've written there, "SP favour Hydroquip and BH favour Western Irrigation"?---From memory, I think the discussion was around - in looking at the scores, there were three Panel Members. There was Simon, Blake and Myles and it was a discussion around the scores and that there were some significant differences in scores between Simon and Blake and that those significances were that Simon had a higher score for

someone like Hydroquip and Blake, a higher score for Western Irrigation, that would indicate a higher preference for them in comparison with Myles, I think, but I don't know.

5 So when you've written this, one favors Hydroquip and one favors Western Irrigation, that's something, and the explanation you've just given, that's something that Mr Dunstan sort of informed you about?---Yes.

And you see "favour" is in inverted commas?---Yes.

10

Is that to indicate you don't mean favour in an intentional way, you mean simply that's what seems to have occurred?---Correct.

Based on the scores?---I think so, yes.

15

You will see a little bit further down - the next one you will see an arrow pointing across, "Price versus weighted criteria"?---Mm hmm.

And the next one day, "Pricing schedule"?---Yes.

20

And you've written there, "Tenders provide", and then you've written, "Then what was process to determine how pricing calculated"?---Mm hmm.

25 Was that Mr Dunstan saying to you it's not clear - was this your record of Mr Dunstan saying to you it wasn't clear at that stage how pricing was calculated?---Yes. So if I'm reading that correctly, in looking at the pricing schedules, the tenderers or the submissions provided pricing and then it was unclear as to what was the process in how to determine how the pricing was calculated.

30

[4.15 pm]

35 By the Tender Evaluation Panel or by the tenderers?---No, I think by the tenderers in their submissions and I've got, "List of items" and "price them" and, "Add up to achieve a total" and he's indicated - what he's indicated is they have provided a list of items and priced them and then added them up to give a total than he's called it a, "Basket of goods types process."

40 Is your recollection is that he's referring there to the tender submission by the respondents to the tender?---Yes.

45 And you will recall, and I just want to clarify, the last time you were here, Ms Joseph I think showed you a spreadsheet that Mr Humble had prepared where he compared the pricing of each of the tenderers, do you recall seeing that document?---Vaguely, yes.

So it's not that document? It's not that exercise by Mr Humble that Mr Dunstan's

referring to?---I think he's talking about the individual submissions.

5 Thank you. If we go a little bit further down on that page, you will see, going down the left-hand side, an asterisk, an asterisk and then a dash and it commenced,"No process"?---Yes.

"No process for", is it defining?---Defining.

10 "Fee estimate?---"Fee estimate."

Is that again a reference to the tender evaluation or a reference to the tenderers?---I don't know if he's referring to the City's procedure to say that there's no process for defining a fee estimate or that there was no - - -

15 If you look up a little bit, if you go up to the two asterisks, you will see the first one, you've written, "Haven't defined up-front which items would be selected for the basket"?---Mm hmm.

20 Can I suggest that is a reference to Mr Humble's selection of items for his price analysis; do you remember that?---Yes.

Does that seem to make sense to you?---That makes sense to you.

25 Then it goes,"How did they conclude that these items should be included"?---Yes.

And that might be a question of how did Mr Humble, and perhaps the other members of the panel?---Yes.

30 Select those items, is that right?---I'm not sure if it's the responsibility of the panel. I don't know whose the responsibility is, in defining that, whether that needs to be part of the tender that goes out and then the submissions need to address it or whether that's for the panel to then look at that, I'm not sure of.

35 I'm just trying to clarify what basket we are talking about, this reference to "basket"?---I think it's from the submissions. On reading this over, I think it's in the assessment of the submissions.

40 So the,"No process for defining fee estimate" though, that's got to be a reference to something the City's done, isn't it?---"No process for defining fee estimate", yes.

So the process for defining the fee estimate was an issue back in February 2018?---Yes, it was unclear in that process, yes.

45 Sir, that might be a convenient time.

COMMISSIONER: Thank you. I propose to adjourn this to 10 am tomorrow morning. Ms Soliss, do you have any difficulty with that?

MS SOLISS: No, sir.

COMMISSIONER: Thank you. That suits you, Mr Beetham?

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MR BEETHAM: Yes, sir.

COMMISSIONER: Very well. I will adjourn the proceeding until 10 am tomorrow morning. Thank you.

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WITNESS WITHDREW

**AT 4.19 PM THE MATTER WAS ADJOURNED
UNTIL FRIDAY, 16 AUGUST 2019**

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