

**REPORT ON PROCEEDINGS BEFORE**

**STANDING COMMITTEE ON STATE DEVELOPMENT**

**INQUIRY INTO ALLEGATIONS OF IMPROPRIETY AGAINST  
AGENTS OF THE CITY OF CANTERBURY BANKSTOWN COUNCIL**

**CORRECTED**

**At Dixson Room, Ground Floor, Mitchell Building, State Library of NSW, Sydney on  
Monday, 13 February 2023**

**The Committee met at 10:05 am**

**PRESENT**

The Hon. Aileen MacDonald (Chair)

The Hon. Scott Farlow

The Hon. Courtney Houssos

The Hon. Taylor Martin

The Hon. Chris Rath

The Hon. Penny Sharpe



**The CHAIR:** Welcome to the third inquiry into allegations of impropriety against agents of the City of Canterbury Bankstown Council. Before I commence, I would like to acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal Peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to Aboriginal and Torres Strait Islander people joining us today. Today we will be hearing from executive officers at the City of Canterbury Bankstown Council: Mr Matthew Stewart, the Chief Executive Officer; and Mr Ken Manoski, the Director of Corporate Services. Mr Stewart and Mr Manoski are accompanied by their legal advisers.

Before we commence, I will make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. The proceedings are also being recorded, and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings.

While parliamentary privilege applies to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at the hearing. I therefore urge witnesses to be careful about comments they make to the media or to others after they complete their evidence. Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily.

All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. I note that, in accordance with the resolution and with the prior agreement of the Committee, the witnesses appearing today are accompanied by, and will have reasonable access to or opportunity to consult with, their legal advisers during the hearing. If witnesses are unable to answer a question today and want more time to respond, they can take a question on notice. Written answers to questions taken on notice are requested to be provided within 48 hours of the provision of the transcript. Regarding audibility of the hearing today, I remind both Committee members and witnesses to speak into the microphones. Finally, I ask that everyone please turn their mobile phones to silent for the duration of the hearing.

**Mr MATTHEW STEWART**, Chief Executive Officer, City of Canterbury Bankstown Council, sworn and examined

**Mr KEN MANOSKI**, Director Corporate Services, City of Canterbury Bankstown Council, sworn and examined

**The CHAIR:** I welcome the witnesses for today's proceedings, Mr Stewart and Mr Manoski. Would you like to start by making a short opening statement?

**MATTHEW STEWART:** I appear today in my capacity as the CEO of Canterbury Bankstown council. I was first appointed to the position of general manager in 2011. Following council amalgamations in 2016, I was appointed by the Government as the first general manager of Canterbury Bankstown council. In my brief opening statement there are just five matters that I wish to address.

First, contrary to suggestions that have been made, at no stage have we ever refused to appear before the Committee. Rather, on numerous conditions, I requested particulars so that I could have an understanding of what particular issues or allegations the Committee was inquiring into. At each point we were not given information, other than on 16 December and 23 January when the Committee advised that it intended to ask questions relating to councillor entitlements, councillor disclosures, councillor expenses and policies relating to councillors. That said, I would consider the invitation once I had a proper understanding of what particular concerns or issues were under investigation. With none forthcoming, I did not get the chance to further consider the invitation. In any event, I have not refused to attend. I have always indicated my willingness to assist the Committee, and that remains my position.

Secondly, and as a related point, I have asked for particularity about any issues or allegations which the Committee wishes to explore, as a matter of procedural fairness. The terms of reference have been unhelpful, vague and broad, and extend to any matters in regards to the City of Canterbury Bankstown and previous City of Bankstown. I have not been provided with any information or particulars about the nature of any allegations or any issues that are subject of the inquiry or the agents against whom the allegations have been made. The Committee is required to uphold the procedural fairness resolution, and I have concerns about whether, to date, that has happened. The concerns have been stated in detail in the letters which have been sent on behalf of the council to the Committee. I don't repeat them now, but the letters have been published, at our request, on the inquiry website. I respect the processes and work of the Committee and respectfully ask in return that the requirements of courtesy, respect and procedural fairness be afforded.

My third point is that the council has been asked to produce a wide range of documents spanning some 18 years. In the council attempting to cooperate with the request of the Committee to provide documents over an 18-year period, it has had to expend significant resources and time to review and collate all of the requested documents. The Committee did refuse to provide any assistance with the costs. Nonetheless, council is continuing to comply with the request as best it can within its resources. Given these matters, and noting that the Committee has permitted that we are able to take questions on notice, we may need to do so to ensure that the answers are accurate.

Fourth, where allegations relating to the council have arisen through proper processes or concerns have been brought to my attention that have the potential to bring council into disrepute for alleged wrongdoing, I have sought to have those matters investigated in accordance with council's code of conduct processes and procedures. Those procedures include undertaking preliminary inquiry to establish if there is merit in a full investigation. A number of those matters have been canvassed by this Committee in earlier hearings and have been the subject of extensive reviews by bodies such as the Office of Local Government and the Independent Commission Against Corruption.

Fifth, the comments made under parliamentary privilege recently in relation to planning matters at Canterbury Bankstown and the former Bankstown council is an example of where I commenced a preliminary investigation under the code of conduct by engaging SINC Solutions from the adopted panel of conduct reviewers. This was done with the full endorsement of the council. Legal advisers were also engaged to oversee the investigation and provide a report on the issues which had been raised in Parliament. During the course of the investigation, attempts were made to contact the MP who made the allegations to clarify what they were and to obtain more information, but there was no response. Nevertheless, the investigation was carried out and the report from SINC was issued, and advice was also given by independent legal counsel. Those documents have been made available on council's website and, among other findings, it was concluded that there was no conduct identified as being in breach of the code of conduct or the Local Government Act which could be deemed corrupt conduct for the purposes of the ICAC Act or an offence under any other Act.

In relation to the allegations made in Parliament, there is no evidence of any corrupt or unlawful conduct or breaches of the code of conduct or Local Government Act, and it found the general manager and senior staff proactively took steps to ensure councillors were meeting their obligations in respect of the code of conduct. I do commend those reports to the Committee, and I do have copies available today if the Committee would like to receive copies if it doesn't have them already. I understand that Mr Manoski, who is appearing in his capacity—namely, council's director corporate—wishes to make his own brief opening statement.

**KEN MANOSKI:** I've been employed with Canterbury Bankstown council and the former Bankstown City Council for almost 31 years, of which the past 12 years have been as the director responsible for the oversight of council's corporate functions, including finance, governance, property, policy development, procurement, internal audit, legal and executive service functions. I wish to make some remarks in my opening statement, and I will be brief. First, I share and echo the observations made by Mr Stewart.

Secondly, contrary to suggestions that have been made during the Committee's inquiries and in the media, I have always been prepared to assist the Committee and have never refused and/or avoided the Committee's request to appear before the inquiry. Respectfully on numerous occasions council has requested details and information concerning the allegations and the questions of interest that the Committee is pursuing. This has not been provided and so, in attending today, I have no understanding of any particular questions or issues or allegations which the Committee might wish to explore.

Thirdly, the council has a well-established corporate governance framework, which supports the operations of our organisation. The framework consists of more than 90 council and operational policies. Of these policies, 20 are attributed to the council's corporate and governance functions, including council policies relating to councillor expenses and facilities policy, code of conduct, fraud and corruption prevention policies, business ethics and our code of meeting practice.

Importantly, council policies reflect applicable model codes, guidelines and templates issued by the Minister and the Office of Local Government, particularly those issued by the department's chief executive under section 23A of the Local Government Act, and other relevant statutory bodies. Separately, all council policies are considered and set by the governing body, that being the council itself, and, when appropriate, endorsed for implementation by the CEO and relevant staff. I will refer to some of these policies as appropriate today. I will try and explain them as best as I can, noting that they are quite detailed provisions in these policies and that I have had no opportunity to prepare for this Committee.

Fourthly, the matters raised by the Committee in its earlier hearings concerning the application of council's training funds have been separately investigated by the Office of Local Government, also known as OLG. The OLG have subsequently indicated in writing that they are satisfied that no further action is warranted in relation to the context of council's policy insofar as it relates to the professional development of the mayor and councillors or to the reimbursement of the mayor's expenses for particular subjects undertaken by the mayor. The council has previously responded to inquiries made by the OLG concerning the application of council's expenses and facilities policy to its Smart Cities overseas study tour. Again, the council addressed these issues raised by the OLG and no further action was required.

Finally, as noted by Mr Stewart, the council considers the allegations made by an MP in Parliament very seriously and proactively referred these for independent investigation and advice. The broad nature of the allegations and the manner in which they were raised has caused significant stress and anxiety for all of our council staff. Accordingly, it has been seen as important to have these allegations independently scrutinised by an experienced investigator and separately by legal counsel. The council did not have any involvement in the investigation. The report has been requested by the Minister and has since been provided to her. We have not had any feedback or inquiry from the Minister. I thank the Committee for the opportunity to make this opening statement.

**The Hon. SCOTT FARLOW:** Mr Stewart, Mr Manoski, nice to see you here today. Thank you for your attendance under summons to this inquiry. It has been characterised by you that you did not frustrate the Committee at all in terms of your attendance today, but you did write on several occasions seeking further clarification even when it was outlined to you that you could choose a date within this window. You still responded back asking what would be put before you today. I have been a member of Parliament now for eight years. I have never had a witness come back to us asking what would be the questions that we would put to them.

**The Hon. PENNY SHARPE:** Is there a question here?

**The Hon. SCOTT FARLOW:** Why did you take this approach to this Committee inquiry rather than fronting up from the very beginning and answering the questions of the Committee?

**MATTHEW STEWART:** Sorry, Mr Farlow, what is it exactly that you are saying that we asked?

**The Hon. SCOTT FARLOW:** I am asking why was it that you tried to frustrate this from the very beginning.

**MATTHEW STEWART:** I reject that we were trying to frustrate the Committee. Certainly under procedural fairness we were trying to get an understanding of what issues or allegations were to be put to us, and with an understanding of those, we would be in the best position to be able to respond to the invitation.

**The Hon. SCOTT FARLOW:** The Committee has broad terms of reference, as you acknowledged in your opening statement. Those broad terms of reference were given to us by the Minister for Local Government, with an inquiry undertaken by this Committee to look into those terms of reference. That was available for you as much as it was for us. Why didn't you take the approach of just coming before the Committee and answering any questions that we may have had for you?

**MATTHEW STEWART:** In our correspondence to the Committee, we also asked for a narrowing and some specifics about any allegations or concerns that may be raised, over quite an extensive 18-year period. That was the subject of engagement with the Committee. The Committee sought to summons rather than continue to engage, as is its right, and we are here today.

**The Hon. SCOTT FARLOW:** We were left with no other choice, because the Committee is also on a short time frame. With an election coming up, the activities of this Committee will be dissolved. Were you trying to run down the clock by not attending earlier?

**MATTHEW STEWART:** Absolutely not, Mr Farlow.

**The Hon. SCOTT FARLOW:** So there was no suggestion, from the mayor perhaps, that you should not be cooperative with this Committee or should not come any earlier?

**MATTHEW STEWART:** None whatsoever.

**The Hon. TAYLOR MARTIN:** Mr Stewart, Mayor Asfour was featured under the influence of alcohol on Channel 9's *A Current Affair* program. Are you familiar with that footage?

**MATTHEW STEWART:** I am.

**The Hon. TAYLOR MARTIN:** Who took that video?

**MATTHEW STEWART:** That video was from my device.

**The Hon. TAYLOR MARTIN:** Why did you do that?

**MATTHEW STEWART:** I can't recall why I did that at the time.

**The Hon. TAYLOR MARTIN:** Okay. How did that footage then make its way to Channel 9's *A Current Affair*?

**MATTHEW STEWART:** My devices were taken without my consent. My devices were provided to a member of Parliament and files were taken from my devices and shared without my consent. Despite several attempts at trying to recover my files and my devices, unfortunately that was—they never were returned from any persons, including from the member of Parliament.

**The Hon. TAYLOR MARTIN:** Do you commonly record compromising videos of the mayor?

**MATTHEW STEWART:** No.

**The Hon. SCOTT FARLOW:** Can I ask which member of Parliament?

**MATTHEW STEWART:** The member of Parliament was the member for Bankstown, Tania Mihailuk.

**The Hon. TAYLOR MARTIN:** What was discussed in the video?

**MATTHEW STEWART:** I can't recall.

**The Hon. TAYLOR MARTIN:** When was the last time that you spoke to the mayor about that video?

**MATTHEW STEWART:** At the time that it was appearing on *A Current Affair*.

**The Hon. TAYLOR MARTIN:** Okay. The mayor said he can't recall who took that video of him. How could it be, in your view, that he could possibly have forgotten it was you there in that position in that room?

**MATTHEW STEWART:** I don't feel that that's a matter for my opinion.

**The Hon. TAYLOR MARTIN:** You don't believe that the mayor misled the Committee?

**MATTHEW STEWART:** I don't believe he did.

**The Hon. SCOTT FARLOW:** Even though he surely knew it was you who was taking that video. Or was he so inebriated at the time that he could have no recollection of what actually occurred on that night?

**MATTHEW STEWART:** I can't speak for what state he was in.

**The Hon. SCOTT FARLOW:** You outlined that you had a discussion with him after that appeared on ACA. I imagine that discussion at that time was you outlining to him that it was you who had taken that video and the reasons as to how it came to be leaked to *A Current Affair*. Surely the mayor would have known that it was you who took that video?

**MATTHEW STEWART:** I can't speak for his recollection, and I can't recall the exact conversation at the time other than the fact that it was quite a heightened and stressful time.

**The Hon. SCOTT FARLOW:** I'm sure he wasn't happy.

**MATTHEW STEWART:** It was quite a heightened and stressful time for myself.

**The Hon. SCOTT FARLOW:** And I'm sure that he would have had knowledge that it was you who took it, and when he was appearing before the Committee he was not truthful with the Committee.

**The Hon. PENNY SHARPE:** Point of order: This question has now been asked in about three different ways. Mr Stewart has indicated that he has no more to add in relation to this and that the mayor has previously indicated that he doesn't recall that. I don't know why keeping asking the same question is going to elicit a different answer.

**The Hon. TAYLOR MARTIN:** Madam Chair, I'll continue. Mr Stewart, do you recall which trip in particular that footage was taken on?

**MATTHEW STEWART:** I don't. No, I don't.

**The Hon. TAYLOR MARTIN:** You don't recall the nature of the trip, or why the mayor and yourself were making that trip?

**MATTHEW STEWART:** No, I don't recall. And I don't recall the date.

**The Hon. TAYLOR MARTIN:** Nor the country?

**MATTHEW STEWART:** Australia.

**The Hon. TAYLOR MARTIN:** Okay, so domestic.

**The Hon. SCOTT FARLOW:** Mr Manoski, we've heard that Mr Stewart accompanied the mayor on some trips. Have you accompanied the mayor or any other councillors on any interstate or overseas trips?

**KEN MANOSKI:** Yes, there have been certain conferences that have been held throughout New South Wales.

**The Hon. SCOTT FARLOW:** Local government conferences and the like?

**KEN MANOSKI:** Yes, and the like, particularly, so those conducted by LGMA or LGNSW. Yes, I did attend a conference in Melbourne, which was the LGMA conference I think it was at the time. That's the only one I can recall interstate.

**The Hon. SCOTT FARLOW:** Anything overseas?

**KEN MANOSKI:** Yes. In my 31 years I did attend one overseas trip. That was to Japan and that was a study tour, if you like, where we were assessing whether council should pursue a waste facility at its Kelso waste site. My capacity of attending was in terms of financial management obligations. The study tour was trying to assess whether council should invest tens of millions of dollars in a waste facility and then the operations of that waste facility at the time. I do recollect spending some time with relevant people in Japan to understand some of those financial implications that we would need to consider if we were to pursue that facility.

**The Hon. SCOTT FARLOW:** Mr Manoski, were any of these trips for holidays or leisure, or had a holiday and leisure component to them?

**KEN MANOSKI:** No. Not for me, no.

**The Hon. TAYLOR MARTIN:** Did you ever attend a place called Relaxia while you were in Japan? Does that ring a bell?

**KEN MANOSKI:** No.

**The Hon. TAYLOR MARTIN:** That doesn't ring a bell.

**KEN MANOSKI:** No.

**The Hon. SCOTT FARLOW:** Mr Manoski, do you have dinner at all or meals with the mayor and other councillors at all?

**KEN MANOSKI:** We do have dinner with councillors at council meetings. That's part of our process before council meetings, part of our facilities policy.

**The Hon. SCOTT FARLOW:** But nothing outside of that remit, effectively.

**KEN MANOSKI:** Look, there may have been some situations where at the end of Christmas or Easter we might've got together but certainly not—

**The Hon. SCOTT FARLOW:** Not as a current standing arrangement, or that is a weekly event?

**KEN MANOSKI:** No, certainly not.

**The Hon. SCOTT FARLOW:** That's fine. And did you ever go to the mayor's house at all?

**KEN MANOSKI:** No.

**The Hon. SCOTT FARLOW:** Did you have the mayor over to your house or any other councillors?

**KEN MANOSKI:** No.

**The Hon. SCOTT FARLOW:** Mr Stewart, I might ask you similar questions. Could you please outline all of the trips that you've been on with the mayor and other councillors?

**MATTHEW STEWART:** I've been on council for 18 years, so I don't have a crystal recall of every single trip. In terms of overseas trips, I've been to Japan and Turkey and the US—that I can recall. I would need to be checking my records in terms of domestic trips, of which there would be numerous.

**The Hon. SCOTT FARLOW:** Sure. I'm happy for you to take that on notice. Were any of these trips for holiday or leisure?

**MATTHEW STEWART:** None of the trips were for the purpose of holiday or leisure, no.

**The Hon. SCOTT FARLOW:** Did they have a holiday or leisure component to them at all?

**MATTHEW STEWART:** The Turkey trip did have a private component of travel attached with it.

**The Hon. SCOTT FARLOW:** And how often would you have dinner with the mayor or councillors, Mr Stewart?

**MATTHEW STEWART:** As a matter of practice, that doesn't happen. Over 18 years at conferences or events there may have been occasions that—

**The Hon. SCOTT FARLOW:** And do you go to the mayor's house at all?

**MATTHEW STEWART:** No. The only time I've been to the mayor's house is on numerous occasions if I'm to pick him up for a meeting where I'm driving past to collect him to drive into town, or wherever it may be.

**The Hon. SCOTT FARLOW:** Okay. And do you have the mayor over to your house at all?

**MATTHEW STEWART:** The mayor has never been to my house.

**The Hon. SCOTT FARLOW:** How would you describe your relationship with the mayor? Would you call it a friendship or—

**MATTHEW STEWART:** I wouldn't consider it a friendship. I've had a working relationship with the current mayor since 2004 when he was elected, and since 2011 when I was first appointed as the general manager. He's one of the three mayors that I've had during that time that I've had to work closely with.

**The Hon. SCOTT FARLOW:** Okay. The mayor described your relationship as a professional relationship. Would you concur with that?

**MATTHEW STEWART:** I would.



**The Hon. SCOTT FARLOW:** Have you ever been on any overseas holidays with the mayor, or any holidays with him or his family?

**MATTHEW STEWART:** No, I haven't been on any overseas holidays. I've been on council trips and one self-funded trip to Chicago, which was reported to council, where I was advancing the interests of the city.

**The Hon. SCOTT FARLOW:** Okay, and that was self-funded on your behalf as well as on the mayor's behalf. Is that right?

**MATTHEW STEWART:** Yes, and that was reported to council publicly.

**The Hon. TAYLOR MARTIN:** When the mayor resigned from Labor's upper House ticket for the upcoming State election, it was, in my opinion, inappropriately put on Canterbury Bankstown council letterhead. Why were council facilities and staff used to assist the mayor in managing his candidacy for Labor's upper House ticket?

**MATTHEW STEWART:** At the time that that occurred I was on leave, so I wasn't at work or dealing with those issues.

**The Hon. TAYLOR MARTIN:** Mr Manoski, does that department fall within your responsibility?

**KEN MANOSKI:** No.

**The Hon. TAYLOR MARTIN:** Mr Stewart, do you know whose idea it was to compile that release on council letterhead?

**MATTHEW STEWART:** No, I don't. My understanding was that an enquiry came into the media unit and the response was sent from the media unit, but I haven't seen it and I wasn't involved with it.

**The Hon. SCOTT FARLOW:** Mr Stewart, while you were on holidays, who was the acting CEO?

**MATTHEW STEWART:** The Director of City Futures, Mr James Carey, I think, at that time it was. There were two different people acting at different times.

**The Hon. TAYLOR MARTIN:** Are you aware of who wrote that media release?

**MATTHEW STEWART:** No, I'm not.

**The Hon. TAYLOR MARTIN:** Are you aware of anyone that might've joined in to assist/manage the issue?

**MATTHEW STEWART:** No.

**The Hon. TAYLOR MARTIN:** Do you know if anyone on council objected to the mayor putting that announcement on council letterhead and releasing it?

**MATTHEW STEWART:** No, I'm not aware.

**The Hon. TAYLOR MARTIN:** Do you know if any of the members of the executive team were actually consulted on that decision?

**MATTHEW STEWART:** I'm not aware.

**The Hon. TAYLOR MARTIN:** Do you believe that it was right for ratepayers to have paid staff to assist the mayor in managing his State candidacy?

**MATTHEW STEWART:** I haven't seen the release. I haven't seen the inquiry, so I haven't inquired into that issue. My only understanding is that the request from the media came into the media unit for a council response, and one was provided out from the media unit, but that's all I know.

**The Hon. TAYLOR MARTIN:** In a question taken on notice, the mayor then referenced the person who managed the process of releasing that announcement on council letterhead as a—and I apologise for not getting this name right—John ChouEIFate. Does that ring a bell? Do you know of—

**MATTHEW STEWART:** He's an employee.

**The Hon. TAYLOR MARTIN:** Okay, and what's his responsibility?

**MATTHEW STEWART:** He's council's—his position is senior policy and media adviser.

**The Hon. TAYLOR MARTIN:** Do you recall when he was hired?

**MATTHEW STEWART:** I don't.

**The Hon. TAYLOR MARTIN:** Was it soon? Was it five years ago, or was it quite a while ago? Give us a ballpark—

**MATTHEW STEWART:** It was a number of years ago but I can't recall exactly when that was. He doesn't report to me so I don't recall exactly when that was.

**The Hon. TAYLOR MARTIN:** Do you recall if his role was publicly advertised at that time or—

**MATTHEW STEWART:** Yes, it was.

**The Hon. TAYLOR MARTIN:** Do you recall if anyone else applied for and was interviewed for that role?

**MATTHEW STEWART:** Yes, a number of applicants. A number of people were interviewed.

**The Hon. TAYLOR MARTIN:** What exactly is the nature of his contract there? Is it full time?

**MATTHEW STEWART:** It's a full-time standard employee arrangement.

**The Hon. TAYLOR MARTIN:** So directly employed by the council, not as a consultant?

**MATTHEW STEWART:** Correct.

**The Hon. TAYLOR MARTIN:** Do you recall if the mayor advocated for John to be hired?

**MATTHEW STEWART:** No.

**The Hon. TAYLOR MARTIN:** Did he used to work as a media adviser to a Labor Premier?

**MATTHEW STEWART:** I have no idea.

**The Hon. TAYLOR MARTIN:** You don't recall. Okay. Were you aware of any other senior staff of the sort being former Labor staffers?

**MATTHEW STEWART:** No.

**The Hon. TAYLOR MARTIN:** Okay.

**The Hon. PENNY SHARPE:** Maybe we should invite Liverpool down.

**The Hon. SCOTT FARLOW:** Mr Stewart, a council statement on Friday said that Mr Asfour had been the victim of "a vicious smear campaign" and that "Asfour's charging of ratepayers for items such as clothing was within council guidelines". The statement said:

The mayor is vehemently denying any wrongdoing and has at all times adhered to the policy set by council, a policy scrutinised by the Office of Local Government.

The attack on the mayor has been a political hatchet job and those pursuing him must be condemned.

Do you know who wrote this media release?

**MATTHEW STEWART:** No, I don't.

**The Hon. SCOTT FARLOW:** Okay. You didn't have any involvement in its preparation?

**MATTHEW STEWART:** I didn't.

**The Hon. SCOTT FARLOW:** Do we know if anyone else assisted or that—you've made no inquiries?

**MATTHEW STEWART:** No, I don't, Mr Farlow.

**The Hon. SCOTT FARLOW:** Are you aware of which members of the executive team were consulted before this went out? I imagine that there's an approval process before media statements go out from council and that it has to be approved by some chain of command before something's issued under council letterhead.

**MATTHEW STEWART:** I don't know.

**The Hon. SCOTT FARLOW:** What is the usual process in terms a council media release being issued?

**MATTHEW STEWART:** The media unit receive media requests and then they try to seek the information from the organisation or individuals, and they put together the media response and then send it out to the media outlets.

**The Hon. SCOTT FARLOW:** There is no approval process for you or any other executive?

**MATTHEW STEWART:** No, there is not.

**The Hon. SCOTT FARLOW:** So things go out from council just by the media unit with no tick-off whatsoever?

**MATTHEW STEWART:** I have a media manager who is responsible for dealing with those issues. There is no sign-off by myself or any senior staff.

**The Hon. SCOTT FARLOW:** When it comes to this kind of statement, do you believe that that is an appropriate statement for a councillor to be making with respect to the mayor's candidacy?

**MATTHEW STEWART:** I haven't seen the statement.

**The Hon. SCOTT FARLOW:** You must be familiar with the statement, Mr Stewart.

**MATTHEW STEWART:** I haven't read the statement.

**The Hon. SCOTT FARLOW:** Mr Stewart, have you been living under a rock? Effectively, this is a major issue which has been impacting upon your council. There has been an inquiry. Have you not read that statement?

**MATTHEW STEWART:** Apart from being on leave, I've been quite consumed with responding to and assisting with the inquiry and I haven't been involved—

**The Hon. SCOTT FARLOW:** And this statement has not come before you or you haven't made any inquiries whatsoever?

**MATTHEW STEWART:** Correct.

**The Hon. SCOTT FARLOW:** It is quite extraordinary, Mr Stewart, for you to come before this Committee and outline that this is a statement that you're completely unfamiliar with and have made no inquiries about whatsoever. It just happened to come into the ether—no idea who prepared it; no idea how it got out there—with Canterbury Bankstown letterhead on it. That is something you have not been at all interested in?

**MATTHEW STEWART:** That is the case.

**The Hon. SCOTT FARLOW:** Mr Stewart, if there is found to be any impropriety from there by any investigative body, how does that reflect on you as the CEO of Canterbury Bankstown council? Would you maintain your position if there was to be found anything improper with the mayor's activities?

**MATTHEW STEWART:** I think the question does call for an element of speculation.

**The Hon. PENNY SHARPE:** An opinion.

**MATTHEW STEWART:** I would like to have the benefit of actual facts to be considering a question like that.

**The Hon. TAYLOR MARTIN:** Mr Stewart, do I recall correctly that in your opening statement you touched on your length of tenure at the council and at its predecessor?

**MATTHEW STEWART:** Yes.

**The Hon. TAYLOR MARTIN:** Do you mind just repeating?

**MATTHEW STEWART:** I think in 2002 I commenced at the council. I've been there continuously, except for a stint where I worked at another council around 2008.

**The Hon. TAYLOR MARTIN:** For how long?

**MATTHEW STEWART:** Approximately 12 months.

**The Hon. TAYLOR MARTIN:** And then went somewhere else or then came back into the position you were in?

**MATTHEW STEWART:** I can't remember exactly what position I was in when I left. I went to a manager role at Penrith and came back into a manager role at Bankstown.

**The Hon. TAYLOR MARTIN:** What were the circumstances behind you leaving at that point in time?

**MATTHEW STEWART:** Career opportunity.

**The Hon. TAYLOR MARTIN:** With a view to coming back?

**MATTHEW STEWART:** With a view to enhancing my career.

**The Hon. TAYLOR MARTIN:** Did you have any incidents with any colleagues at Bankstown council?

**MATTHEW STEWART:** I need some specifics about what you're talking about.

**The Hon. TAYLOR MARTIN:** Did you have any personal issues with any of your colleagues at that point in time which led to you leaving the council?

**MATTHEW STEWART:** No, I left council because an opportunity came up for a leadership position and I applied for the job and was successful.

**The Hon. TAYLOR MARTIN:** There was no issue with another colleague that left—

**The Hon. PENNY SHARPE:** Point of order: How is this questioning within the terms of reference in relation to what is before this Committee?

**The Hon. TAYLOR MARTIN:** I'm going to the nature of Mr Stewart's employment and the issues within the council.

**The Hon. PENNY SHARPE:** Are there specific allegations that you are putting to Mr Stewart?

**The Hon. TAYLOR MARTIN:** I'm giving Mr Stewart the opportunity.

**The Hon. PENNY SHARPE:** Or are you simply asking questions that are outside the terms of reference for what we are supposed to be looking at?

**The Hon. TAYLOR MARTIN:** No, I am giving Mr Stewart the opportunity to speak to them.

**MATTHEW STEWART:** I can't recall myself having any specific issues with any other individual, but I certainly applied for a job elsewhere to advance my career interests.

**The Hon. SCOTT FARLOW:** I might turn to the independent report, as you've outlined, in the Canterbury Bankstown council. This was a report that was conducted by SINC Solutions. Is that correct?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** The Committee understands that no conflicts of interest were declared by Kath Roach when conducting the investigation into those claims and we can provide no evidence that Lia Chinnery did not also work on the investigation, and they are both people who have worked on Canterbury Bankstown council matters before. Is that correct?

**MATTHEW STEWART:** No, not entirely correct.

**The Hon. SCOTT FARLOW:** Neither of these people have worked on Canterbury Bankstown council previously?

**MATTHEW STEWART:** When SINC Solutions put its proposal forward, it was very clear what personnel would be attached to the particular piece of work. SINC Solutions nominated Kath Roach as the only person that would be working on—no other person would be involved.

**The Hon. SCOTT FARLOW:** Has she previously done work involving Canterbury Bankstown council?

**MATTHEW STEWART:** SINC Solutions is on the panel of conduct reviewers, which councils must have adopted and must draw from. SINC Solutions has done code-of-conduct work for the council, along with a number of other conduct reviewers.

**The Hon. SCOTT FARLOW:** Do you have any other organisations that you use for that work?

**MATTHEW STEWART:** Centium and Train Reaction are two that come to mind.

**The Hon. SCOTT FARLOW:** As part of that panel, what sort of auditing work does SINC Solutions do for Canterbury Bankstown council?

**MATTHEW STEWART:** A range of investigations, preliminary conduct reviews under the Act and also investigations pursuant to preliminary conduct reviews.

**The Hon. SCOTT FARLOW:** What's the total value of the work that SINC Solutions does for council?

**MATTHEW STEWART:** That I wouldn't be able to tell you.

**The Hon. SCOTT FARLOW:** If you could take that on notice, that would be helpful. Have they provided any work assisting council with ICAC investigations?

**MATTHEW STEWART:** They have worked on Operation Dasha. I don't think they were engaged by council; I think they were engaged by counsel.

**The Hon. SCOTT FARLOW:** Do they assist council with onboarding work—onboarding staff or onboarding councillors?

**MATTHEW STEWART:** Inductions.

**The Hon. SCOTT FARLOW:** Mr Manoski, in terms of that onboarding work, how does the councillor onboarding process work?

**KEN MANOSKI:** As every councillor is elected, following an election there is a requirement through the OLG that we carry out a comprehensive induction program for all of our councillors. The purpose of the induction is certainly to provide them with some information and clarity around their roles, the expectations of their role, particular policies that specifically apply to them, interpreting those issues and providing them with an overview of all of those legislative issues that are required under the Act. The induction program is also to convey all of the major operational issues that we or they are responsible for—for instance, the preparation of our budgeting process, the preparation of operational plans, strategy, their role in developing strategy and so forth. We try to canvass all of those major issues. The Office of Local Government's guideline provides a checklist of stuff that we must follow and provide and go through, and we do that as a matter of course.

**The Hon. SCOTT FARLOW:** Let's take the last local government election, for instance, that was on 9 December. Following that, some candidates are declared elected pretty much on the night because of their result and others slowly fill in after preferences and that are concluded. Then you have a council meeting where councillors are sworn in. Is that correct?

**KEN MANOSKI:** Yes, that is right.

**The Hon. SCOTT FARLOW:** Is the onboarding undertaken after that or before that?

**KEN MANOSKI:** If we go back, for instance, to the last election—I think the election was in December given the issues with COVID. We have a requirement under the Act to swear in the councillors quite quickly. There was a process done there to do that. We were required, within a very short period of time, to also elect a mayor. That process happened very quickly—shortly after the 15 councillors were declared. I don't know the exact date but shortly in the new year we then carried out a fairly comprehensive induction program. Every councillor must attend, so it's not just—

**The Hon. SCOTT FARLOW:** So every councillor attends. Do they attend individually or is it done as a group?

**KEN MANOSKI:** There are two ways that we do it. One is where there are particular sessions that all councillors attend. We do that either on an evening or weekend. I think it was on a weekend this time around. We go through all of that checklist that OLG provide us; that's for all returning councillors and all new councillors. We also encourage councillors who want some further information around some of that induction to certainly engage with us again to get some more information and some clarity if they want.

**The Hon. SCOTT FARLOW:** Which council staff run that onboarding process?

**KEN MANOSKI:** That's generally run by a mixture of our executive services area, our governance area and our city futures area. Because of the wideranging things that we're required to provide, there are a series of people that are involved in that process. We also prepare quite a comprehensive induction manual that provides all the information to councillors. They have access to it both electronically and in hard copy. It's an important document for them to be able to draw upon to understand anything that may relate to their roles.

**The Hon. SCOTT FARLOW:** Mr Manoski, where does SINC Solutions come in as part of this onboarding process? What's their role?

**KEN MANOSKI:** What we do is in most, if I recall, over the many years I've been there, we generally manage the process in a couple of ways. We will obtain some quotes as to who may provide the induction services, particularly around some of the more technical issues that the councillors need to be fully across. In this round of induction, I do believe SINC Solutions did provide a component of the induction for our councillors. As I said, the remaining part of the induction is carried out by staff to provide them an overview of, for instance, things like our operational plan, development policies and so forth.

**The Hon. SCOTT FARLOW:** Is councillors' professional development included as part of this onboarding process at all?

**KEN MANOSKI:** Yes, professional development is probably an important introduction made by the Office of Local Government and the Minister many years ago. I think it was in around 2016 the Minister and OLG commenced consulting with our sector or councils in general around providing a detailed handbook or guideline,

if you like, of what councillors' roles were, the expectations as part of those roles and the kind of capability framework that they needed to acquire the relevant skills and experience in fulfilling their duties. I recall there were some changes to our Local Government (General) Regulation, as well, to strengthen that requirement. In accordance with OLG's instructions and guidelines, we adopted a policy that we needed to, outlining what the professional development requirements were. That was endorsed by council.

**The Hon. SCOTT FARLOW:** Thank you, Mr Manoski. Turning back to 2017, the Committee has recently received the advice that was provided to Mr Asfour regarding his MBA and regarding his ability to have that paid for by the ratepayers. Mr Stewart, that memo was signed by you. Is that correct?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** The memo referred to a one-on-one onboarding with Councillor Asfour and Councillor El-Hayek as well. Is that unusual from the usual process—that there's a one-on-one onboarding process?

**MATTHEW STEWART:** No. Separate to the formal onboarding process, I meet with all councillors, together with a range of staff.

**The Hon. SCOTT FARLOW:** So that's a separate onboarding process, is it?

**MATTHEW STEWART:** What it is is handing out equipment. What we do is we meet with them all as soon as we can after declaration of polls, and we issue phones, printers, laptops and equipment. We do that with all councillors either as individuals or groups, however they want to come. The invitation is put out there, and then they come in and sit down and we hand all that over. They take it away, sign for it and so on.

**The Hon. SCOTT FARLOW:** You said the declaration of polls, but is that done before or after the swearing in of councillors?

**MATTHEW STEWART:** I can't remember exactly when it was done, but there's no requirement for it to be done before or after—but after declaration of polls.

**The Hon. SCOTT FARLOW:** So after declaration of polls but not necessarily before or after the swearing in.

**MATTHEW STEWART:** That's my recollection.

**The Hon. SCOTT FARLOW:** I think in this instance it was undertaken on 19 September, or at least the memo was from 19 September, while the councillors were sworn in on 26 September. Would that be a usual occurrence?

**MATTHEW STEWART:** I can't recall.

**The Hon. SCOTT FARLOW:** Would you be able to provide on notice a digital copy of the memo?

**MATTHEW STEWART:** Can we take that on notice?

**The Hon. SCOTT FARLOW:** Yes, thank you very much. Mr Stewart, I turn back to the SINC Solutions investigation into council. It's my understanding that just one month before you assigned Kathy Roach, as you outlined, who was the sole person who was to manage that investigation, she also had undertaken a review into your performance as the general manager. Is that correct?

**MATTHEW STEWART:** She had facilitated the general manager's performance review committee.

**The Hon. SCOTT FARLOW:** That was a committee process, was it? Who else sat on the committee?

**MATTHEW STEWART:** A number of councillors.

**The Hon. SCOTT FARLOW:** I take it that the mayor would have been one of those councillors. Is that correct?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** How many councillors would have been on that committee?

**MATTHEW STEWART:** I'd have to check my records.

**The Hon. SCOTT FARLOW:** Okay, you're happy to take that on notice?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** That review found that you were highly effective or exceptional in all 14 strategic outcomes. Is that correct?

**MATTHEW STEWART:** I can't actually recall.

**The Hon. SCOTT FARLOW:** Take my word for it; I think it did, so congratulations on that front from that review. The review found that your contract should be extended for a further five years. Is that correct?

**MATTHEW STEWART:** I believe that was a matter that was put to the council.

**The Hon. SCOTT FARLOW:** The value of your contract for that further five years was over \$2½ million. Is that correct?

**MATTHEW STEWART:** I only know my annual TRP.

**The Hon. SCOTT FARLOW:** I take it, on that basis, five years is over \$500,000. Is that correct?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** The review found that your contract should be broadened to include study tours and professional development. Is that correct?

**MATTHEW STEWART:** There was a requirement that my professional development be articulated on an annual basis.

**The Hon. SCOTT FARLOW:** What does "articulated on an annual basis" mean?

**MATTHEW STEWART:** Each year the council is required to develop a performance plan for each year, and they were matters that should be considered on an annual basis as part of any professional development relevant to what's happening at the time.

**The Hon. SCOTT FARLOW:** Would that additional sum be paid for by council, to cover your professional development?

**MATTHEW STEWART:** I believe so, but I haven't done any.

**The Hon. SCOTT FARLOW:** Is there a budget for your professional development on a yearly basis?

**MATTHEW STEWART:** I'm not aware of any budget for my professional development, to be honest with you.

**The Hon. SCOTT FARLOW:** What would be the process for you undertaking any professional development and having that reimbursed?

**MATTHEW STEWART:** Firstly, the professional development would be articulated in a performance plan. Once that's agreed to by council, it would be booked by executive services staff. It would only be able to be undertaken if there was appropriate budget in place.

**The Hon. SCOTT FARLOW:** That would be in addition to your \$500,000 per annum?

**MATTHEW STEWART:** It would be.

**The Hon. SCOTT FARLOW:** You don't feel that there's any need for you to pay for your own professional development, but that it should be paid for by council?

**MATTHEW STEWART:** I do undertake my own professional development. But where council feels that I should be doing professional development, in accordance with my contract, then that should be appropriately dealt with.

**The Hon. SCOTT FARLOW:** Have you expensed professional development to council previously?

**MATTHEW STEWART:** I can't recall any.

**The Hon. SCOTT FARLOW:** Would you be happy to take that on notice?

**MATTHEW STEWART:** I could.

**The Hon. SCOTT FARLOW:** What study tours have you expensed to council?

**MATTHEW STEWART:** None.

**The Hon. SCOTT FARLOW:** None?

**MATTHEW STEWART:** That I'm aware of, none.

**The Hon. SCOTT FARLOW:** And no international tours or the like?

**MATTHEW STEWART:** No.

**The Hon. SCOTT FARLOW:** You outlined before that you did a self-funded tour to Chicago.

**MATTHEW STEWART:** Correct.

**The Hon. SCOTT FARLOW:** Was that Smart Cities, or was that a different one?

**MATTHEW STEWART:** It wasn't Smart Cities, but it was related to business incubators by Southwestern University.

**The Hon. SCOTT FARLOW:** You paid for yourself for that trip?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** Did you pay for the mayor as well?

**MATTHEW STEWART:** No.

**The Hon. SCOTT FARLOW:** The review that was undertaken by Ms Roach found that, on your request, your title should be changed from the general manager to the CEO to reflect the progressive nature of Canterbury Bankstown council. Is that correct?

**MATTHEW STEWART:** My understanding is that Ms Roach facilitated the councillors undertaking the review, so it was a council process. But the request for the title change was my request.

**The Hon. SCOTT FARLOW:** That was approved by that panel, at least?

**MATTHEW STEWART:** The full council.

**The Hon. SCOTT FARLOW:** SINC Solutions has consistently found the Canterbury Bankstown council and its executive to be performing exceptionally. You will take it on notice, but I estimate it has received at least hundreds of thousands of dollars in contracts from the council. Do you believe that this organisation is suitable to conduct an independent investigation into Canterbury Bankstown council?

**MATTHEW STEWART:** I certainly have no questions with SINC Solutions' integrity, no.

**The Hon. SCOTT FARLOW:** You don't believe there are any conflicts of interest there whatsoever?

**MATTHEW STEWART:** No, I don't believe so.

**The Hon. SCOTT FARLOW:** Don't you think that if they had not cleared Canterbury Bankstown council of these allegations, that would have had a deleterious impact on SINC Solutions and their role and their previous work for Canterbury Bankstown council?

**MATTHEW STEWART:** I don't believe so. I believe that is a comment that's a reflection on myself and Mr Manoski, but I don't believe that to be the case at all.

**The Hon. SCOTT FARLOW:** So, no conflict of interest. In terms of the allegations that were put before SINC Solutions to investigate into Canterbury Bankstown council, who chose which allegations would actually be investigated? Because there were only a select number that were.

**MATTHEW STEWART:** At the time when we went through the *Hansard* comments, we weren't able to identify any particular allegation that was raised—rather, insinuations. It's part of the process, especially to ensure that all council officers, including myself, were kept at arm's length. We did engage counsel, who set out the parameters of what the investigation should be looking at—not myself—with one of those to be that SINC Solutions should try, as best they could, to distil what the allegations were, or were aimed to be, and that those would be reviewed by counsel.

**The Hon. TAYLOR MARTIN:** Mr Stewart, just sticking with SINC Solutions for a moment, within weeks of SINC Solutions beginning their inquiry, Kath Roach was given tens of thousands of documents. We are now here, months later, trying to gain access to basic information. Why is there such a discrepancy between the availability of documents to SINC Solutions versus the New South Wales Parliament's upper House inquiry?

**MATTHEW STEWART:** Specific to SINC Solutions, a large number of documents—the bulk of the documents relied upon—SINC Solutions were able to publicly source, themselves, from council's website, being public reports. The remainder of the documents were confidential council reports, which were sitting in our document management system for council meetings, that were not archived and mixed into other boxes.



In addition to that, at the time the comments were made I provided assistance to ICAC in relation to their own inquiries, where they sought particular information that was readily available as a result of that inquiry early on.

**The Hon. TAYLOR MARTIN:** Did SINC Solutions request any of your personal expenses? And did you provide them?

**MATTHEW STEWART:** I don't recall that they did.

**The Hon. TAYLOR MARTIN:** Why is it that we have not been able to ascertain your personal expenses when asked for?

**MATTHEW STEWART:** I understand that we have had ongoing correspondence with the Committee in relation to responding to the requested documents over quite a broad range of issues over a very large time period, where council has been and continues to be engaging with the Committee in correspondence but also applying itself, within its resources, to the production of information. A number of productions have been made and we will continue to do so.

**The Hon. TAYLOR MARTIN:** I believe that was through part of a GIPAA process. Nonetheless, my colleague earlier asked—

**The Hon. SCOTT FARLOW:** While it is part of a GIPAA process, this Committee still hasn't received them, I don't believe.

**The Hon. TAYLOR MARTIN:** There we go. I believe my colleague asked a few questions just a few moments ago and your answer was, basically, that you couldn't recall, on numerous occasions there. I've got a few examples; I will jog your memory. On New Year's Eve 2018 you spent approximately \$439 at Roof Rack Superstore. Do you recall what you bought?

**MATTHEW STEWART:** I don't recall that transaction.

**The Hon. TAYLOR MARTIN:** Do you think it might have been for personal use or was it for use in your role as general manager of the council?

**MATTHEW STEWART:** I would need to refer to the records to be of assistance.

**The Hon. TAYLOR MARTIN:** I will help jog your memory. Over the next fortnight you had payments in Coffs Harbour. What were you doing in Coffs Harbour for the first two weeks of January 2019? Were you on holidays? Do you recall a holiday in Coffs Harbour?

**MATTHEW STEWART:** I don't recall.

**The Hon. TAYLOR MARTIN:** On 3 June 2021 you spent \$556.30 at Felix bar and bistro. Do you recall what was purchased?

**MATTHEW STEWART:** No.

**The Hon. TAYLOR MARTIN:** Do you recall who was with you?

**MATTHEW STEWART:** I cannot recall.

**The Hon. TAYLOR MARTIN:** Were you there alone?

**MATTHEW STEWART:** I cannot recall being there.

**The Hon. TAYLOR MARTIN:** Are you allowed to purchase alcohol in your role as CEO, or general manager at the time?

**MATTHEW STEWART:** In relation to the expenses for the council, there is no prohibition of alcohol.

**The Hon. TAYLOR MARTIN:** Do you have a vehicle provided as part of your package?

**MATTHEW STEWART:** I do.

**The Hon. TAYLOR MARTIN:** Which vehicle is that at the moment?

**MATTHEW STEWART:** I have two vehicles as part of my package.

**The Hon. TAYLOR MARTIN:** Would you mind outlining each of those two?

**MATTHEW STEWART:** I have a Tesla and a van.

**The Hon. TAYLOR MARTIN:** Does the Tesla have a charging station?

**MATTHEW STEWART:** Yes.

**The Hon. TAYLOR MARTIN:** At council?

**MATTHEW STEWART:** And at home.

**The Hon. TAYLOR MARTIN:** Did you install that charging system through your own personal account or did council arrange for that to be done?

**MATTHEW STEWART:** I installed the charging system at home myself.

**The Hon. TAYLOR MARTIN:** Did you cover the cost or has council picked up the tab for that?

**MATTHEW STEWART:** I covered the installation of that.

**The Hon. SCOTT FARLOW:** And the fee for the charger as well?

**MATTHEW STEWART:** The charger came with the car.

**The Hon. SCOTT FARLOW:** What discretion does the general manager have to award tenders without putting it to council for a vote?

**MATTHEW STEWART:** In terms of tenders, there is quite a comprehensive and long process and policy around how tenders are managed. I have a small role to play within the delegations that I have set by the council, depending on the value of the tender.

**The Hon. SCOTT FARLOW:** Do you have any discretion, when it comes to awarding tenders, without putting it to council for a vote? Is there a discretionary threshold or something that enables you to award tenders without it going before council?

**MATTHEW STEWART:** Yes.

**The Hon. SCOTT FARLOW:** What is that threshold?

**MATTHEW STEWART:** Off the top of my head, I can't recall. I think it's—

**The Hon. SCOTT FARLOW:** Mr Manoski, can you provide any insight?

**KEN MANOSKI:** What was the question, sorry?

**The Hon. SCOTT FARLOW:** Is there a threshold, in terms of tenders, before it has to be put to a vote?

**KEN MANOSKI:** Yes, there is. Under section 55 of the Local Government Act and, I believe, 377—without referring to the Act. There is the capacity for the council itself to delegate to the general manager a set limit to accept tenders. At the moment that threshold is \$10 million.

**The Hon. SCOTT FARLOW:** And that is before it goes out for tender, is it?

**KEN MANOSKI:** No, sorry, I might explain it if you would like.

**The Hon. SCOTT FARLOW:** I would appreciate that.

**KEN MANOSKI:** Under the Local Government Act, section 55, there is a requirement that anything in excess of \$250,000 must be carried out as part of a tender process. Essentially, the process that we follow—we have a centralised procurement function. What that means is, essentially, we have staff dedicated to coordinating and managing, if you like, tender processes. What will happen in general is, subject to funding being made available through our operational plan and our budget for a project—that is the first check. Then the responsible areas, who manage either capital works or services or functions, where that service is in excess of \$250,000, or estimated to be over \$250,000, they will approach our procurement area and seek to establish a tender file, I will call it; that's opening up a specific file for a particular tender.

The role of the procurement area is then to formulate a tender document. We have standard templates, which are provided to us and developed with our legal providers as to what we need to be reflecting in those tender documents. They manage that process of preparing the tender. They develop the scope, staff that are involved. An evaluation plan is developed, and certain staff who are to oversee the project, or determining who the project is, they form part of the evaluation team to prepare the scope for those documents. What they also do is sign confidentiality agreements as part of the process.

Then, in accordance with the Local Government (General) Regulation, there are three ways that we can go out to tender. So that's an open tender, an EOI process, that we do. What essentially happens is the panel itself will determine what the most appropriate method of tendering will be. They will carry out that process. They will evaluate the submissions. Once they finalise their submission or their recommendations, that then flows through a series of gates, which is to be signed off by the relevant finance manager, governance manager and the relevant

director that is responsible for that project, and then it will flow on to the general manager at that point for his consideration. Those are for all tenders, if you like, up to the value of \$10 million. Anything beyond \$10 million must go to council for consideration.

**The Hon. SCOTT FARLOW:** What is council's internal audit process or verification process to assess tenderers and their bona fides, so to speak?

**KEN MANOSKI:** We will assess, if you like, the risks associated with any tenders. In a number of tenders we will, as part of the evaluation plan, determine to engage probity officers, and some of those might be external. Or, in some cases, we may draw upon the internal auditor being involved in that process, particularly where we want to assess the financial risk or any other strategic risks that are associated with it, particularly as the value increases and the nature of the tender or the project—then we will readily engage. If they are quite straightforward and vanilla-type tenders then they're easy to manage, but in the more larger ones we will certainly seek some probity advice and guidance around some of those.

**The Hon. SCOTT FARLOW:** When it comes to this process, have councillors ever selected a tenderer that was not council staff's recommended tenderer? Do you have any recollection of that?

**KEN MANOSKI:** No, I can't say that there has been any situation that the council has not taken the recommendation of the evaluation panel that was set for these projects.

**The Hon. SCOTT FARLOW:** You've outlined the background checks that are undertaken. Do you make inquiries as to who the beneficial owners are of a tenderer as well? And for any companies that submit a tender? Do you do that at any stage of the process?

**KEN MANOSKI:** Look, I'm not entirely familiar with that particular point, but my recollection is that we do carry out financial health checks on any particular companies where we are not familiar. Obviously, when making a submission each tenderer makes declarations that that's who they are and that's who they are acting for, or whatever it might be. We rely on that process. From time to time I believe that we may need to seek clarification but that all information is provided by the tenderers, and we rely on that.

**(Short adjournment)**

**The CHAIR:** Let's proceed.

**The Hon. TAYLOR MARTIN:** Thank you, Madam Chair. I just want to hash back over the issue of the media release in regards to the mayor's Labor candidacy. Will you commit to conducting an investigation into how council resources and staff time were used for that candidacy, and the management of and the communication of that candidacy?

**MATTHEW STEWART:** I don't think, without the benefit of the detail, I could commit to that but it's certainly a matter that I can look at and make a determination as to whether there's an investigation warranted.

**The Hon. TAYLOR MARTIN:** Are you aware of any other instances of council resources and staff time, in particular, being used for Labor Party political business?

**MATTHEW STEWART:** No.

**The Hon. TAYLOR MARTIN:** Okay. I'll just give one final chance before I move on: Do you think it's appropriate for council resources to be used for somebody to launch their State political career in this way?

**MATTHEW STEWART:** It's not a matter of my personal opinion. The policies and procedures, and the Local Government Act sets forward clear outlines around those matters.

**The Hon. TAYLOR MARTIN:** Thank you.

**The Hon. SCOTT FARLOW:** Thank you. I just want to turn now to some issues raised with the LEP with respect to the zoning of Brett Street in Revesby. One side of the road is zoned six storeys. One side of the road is zoned four storeys. Can you provide any indication as to why that is the case?

**MATTHEW STEWART:** No. I'm not able to provide any assistance with respect to that particular zoning there. I don't have any intimate knowledge of it.

**The Hon. SCOTT FARLOW:** You weren't involved in the preparation of the LEP at all?

**MATTHEW STEWART:** No, so—

**The Hon. SCOTT FARLOW:** So who was involved in the preparation of the LEP?

**MATTHEW STEWART:** The LEP itself was a result of a planning proposal based on work going back to in the order of circa 2010-12. It would have been planning staff that were involved in developing a strategic document called the local area plan. The local area plan set forward a strategy as to how the housing strategy and the housing targets would land within centres. Part of that strategic work was then to look at the built form. I wasn't involved, obviously—not being one of the planning staff—in that particular work but that was the subject of various planning staff but also external consultants and a public exhibition process. But that particular detail I have no awareness of.

**The Hon. SCOTT FARLOW:** Okay. So no concerns have been raised with you about the fact of the sites that have been zoned for six storeys in Brett Street, and all but one of them are owned by the Revesby Workers' Club?

**MATTHEW STEWART:** No. No concerns were raised with me.

**The Hon. SCOTT FARLOW:** None at all? The shopkeepers and owners on the other side who've got properties zoned for four storeys haven't raised concerns with you about the differential?

**MATTHEW STEWART:** I can't recall any. I've no memory of any concerns being raised with me.

**The Hon. SCOTT FARLOW:** Did any councillors declare a conflict of interest in determining that LEP due to their association with Revesby Workers' Club?

**MATTHEW STEWART:** Several. In terms of the LEP, several councillors declared several conflicts of interest. My recollection is that the LEP ultimately didn't have quorum for council to consider, and so the determination was delegated to the local planning panel to make a decision and refer it to the department.

**The Hon. SCOTT FARLOW:** Thank you, Mr Stewart.

**The Hon. TAYLOR MARTIN:** Mr Stewart, when the new *Councillor Expenses and Facilities Policy* was on exhibition at the ordinary meeting of 25 September 2018, item 7.2 was a recommendation:

1. In principle, Council endorse the proposed Councillor Expenses and Facilities Policy, as outlined in this report.
2. The proposed Councillor Expenses and Facilities Policy be placed on public exhibition in accordance with the requirements of the Local Government Act 1993 and that a further report be submitted to Council at the conclusion of that period, where submissions are received. In the event that no submissions are received, the policy be taken as being adopted by Council.

Do you recall as to why that policy was revisited and changed?

**MATTHEW STEWART:** Mr Martin, which policy was it?

**The Hon. TAYLOR MARTIN:** In regards to councillor expenses and facilities.

**The Hon. SCOTT FARLOW:** The expenses and facilities policy.

**MATTHEW STEWART:** And when was the date of that?

**The Hon. TAYLOR MARTIN:** It was 25 September 2018.

**MATTHEW STEWART:** I don't have a detailed recall. However, it is a requirement upon every council that within 12 months of an ordinary election it must put the policy back through the process for re-adoption by council, and I think that fell within that.

**The Hon. TAYLOR MARTIN:** Sorry, I just couldn't quite hear the last part of your—

**MATTHEW STEWART:** I think that that policy review fell within those requirements on council from the Office of Local Government.

**The Hon. TAYLOR MARTIN:** Okay. Were any councillor expenses approved during that exhibition period?

**MATTHEW STEWART:** I couldn't say that they were; but if there was, it would have been under the current policy at that time.

**The Hon. TAYLOR MARTIN:** So the previous policy is in—

**MATTHEW STEWART:** Correct.

**The Hon. TAYLOR MARTIN:** Okay. Are you able to take on notice to check for that period as to whether any expenses did not fit in the previous policy yet were imbursement as if the new policy was in place?

**MATTHEW STEWART:** I'm struggling to understand exactly what you're saying. Could you just articulate that for my benefit?

**The Hon. TAYLOR MARTIN:** Of course. Just in that interim period, when the new proposed policy was on exhibition, if any expenses were claimed that did not meet the previous policy but met the new policy—

**MATTHEW STEWART:** Sure.

**The Hon. TAYLOR MARTIN:** Do you mind? Thank you—happy for that to be taken on notice. Thank you. One last one: If a councillor submits expenses and they're approved outside of that formal policy—if they don't meet that policy—who is then liable for the unauthorised disbursement of council funds, if that were to take place?

**MATTHEW STEWART:** I wouldn't know. I haven't come across that circumstance.

**The Hon. TAYLOR MARTIN:** Okay. All right. Thank you.

**The Hon. SCOTT FARLOW:** And was the policy formally adopted by councillors following that exhibition period?

**KEN MANOSKI:** The Act's quite clear on what we're required to do. After every election, there is a requirement under the Local Government Act that a council must review its facilities policy within 12 months of an election, so council would have followed the requirements of the Act—review the policy, put it to council. The facilities policy specifically under the Act must be exhibited, so we would have exhibited it at the time and then, following the exhibition, subject to there being no submissions, the policy is adopted again by council.

**The Hon. SCOTT FARLOW:** Considering these expenses—and many of the expenses have been ventilated through this Committee to the Canterbury Bankstown council—Canterbury Bankstown council, of course, applied for a special rate variation in 2021-22, the largest in metropolitan Sydney, a cumulative increase over five years of more than 32 per cent when it comes to the rate for Canterbury Bankstown council, has there been any analysis done in terms of the expenses policy and any look for the costs savings in that area, Mr Stewart or Mr Manoski?

**MATTHEW STEWART:** Well, firstly—thank you, Mr Farlow—I don't agree that the rate rise was the largest in metropolitan Sydney at the time, and certainly last week IPART released a number of determinations which almost all of them exceeded ours. And the 32 per cent quoted—obviously it's a complex issue of, after amalgamations, we had harmonisation of rates, which we were required to deal with. During the rate freeze period, Canterbury council lost \$5 million off its rate book because of a retiring 15-year infrastructure levy, which the Minister told us to do an SRV to put back because the rate freeze precluded it staying. The 32 or I think it was 34 per cent only contains itself the minimum rates for businesses and residents as opposed to the general ad valorem rate. So, whilst it is quite complex, I don't agree with that. Council's required to review its policy, as we discussed, following a council election. It's not on the policy review agenda at this point in time for a further review right now. Having said that, though, the policy is largely modelled on the OLG model template, which we apply as a base to any consideration of that particular policy.

**The Hon. SCOTT FARLOW:** Anything further?

**The Hon. TAYLOR MARTIN:** I'm good, thank you.

**The Hon. SCOTT FARLOW:** Okay. We're done.

**The CHAIR:** Are there any more questions?

**The Hon. PENNY SHARPE:** Thanks very much. I just want to clarify: In relation to councils, who is the official spokesperson for council?

**MATTHEW STEWART:** The mayor is the official spokesperson for council.

**The Hon. PENNY SHARPE:** So in relation to media approvals and those kind of things, it's a matter for the mayor in relation to that; it's not a matter for council staff.

**MATTHEW STEWART:** Correct.

**The Hon. PENNY SHARPE:** Thank you. Is there anything that's been raised today that you wanted to take the opportunity to clear up, or to clarify, or to expand upon from the questions that have been asked today?

**MATTHEW STEWART:** I would need to refer to the transcript to refresh my memory. I can't think of the last question, let alone five questions ago.

**The Hon. PENNY SHARPE:** Okay. That's fine. There's nothing else from me.

**The CHAIR:** As there are no further questions, thank you for participating today. The Committee has resolved that answers to questions upon notice be returned within 48 hours of the provision of the transcript. The secretariat will contact you in relation to the questions you have taken on notice. Thank you.

**MATTHEW STEWART:** Thank you.

**(The witnesses withdrew.)**

**The Committee adjourned at 11:30.**