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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC
COMMISSIONER

PUBLIC HEARING

OPERATION GALLEY

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 18 JULY, 2022

AT 10.00AM

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THE COMMISSIONER: Take a seat. Mr Sansom, the oath you took last week continues to bind you to tell the truth.---I understand that.

MS HEGER: Mr Sansom, I'll show you Exhibit 139 again, volume 10.1. Do you recall I was asking you about this article last week?---Yes.

10 And this article must have been the subject of some discussion at council at the time, correct?---I would imagine so. I was just trying to re-read it.

Do you need to take a moment?---If I could, just so I can just refresh my memory.

Okay.---Yes.

20 You'll see in the second-last paragraph it refers to a company donating money to Mr Badalati's election campaign in 2008. Do you see that?---Yes, yes.

And so this article was the subject of some discussion at council around this time, wasn't it?---It would have been, yes.

Well, do you have a recollection of that?---Not specifically but it would have been obviously a discussion.

Yeah. It's very likely it was a topic of discussion at council?---Yes.

30 And it's very likely you were concerned to read the article for yourself around this time, correct?---I would have been, yes.

Yes. And it's very likely that you read the article around this time?---Yes.

And I asked you on Friday about the 260 Belmore Road development. You'll see on the next page it also refers in the third-last paragraph to another \$2 million Riverwood development at 4-6 Coleridge Street. Do you see that?---Yes.

40 And it says that that was approved in December 2008. Do you see that? ---Yes.

And you of course voted in favour of that development in December 2008, didn't you?---I'll take your word for it. I don't recall that much detail from that many years ago I've, with all the years on council but, yes, if you, if it's in the record, I did.

All right. Okay. Well, let's assume for the - - -?---It looks as though I would have, yes.

- 10 Let's assume for the purposes of my questions that you did. You'll see that it refers to the owner for that development being Eastern Red Enterprises and it says that both Ly and you, that is Philip Uy, were directors of that company. Do you see that?---Yes.

Were you aware of Philip Uy's connection to this development when you voted on it in 2008?---Not to my recollection.

All right. But it's very likely you became aware of that connection when you read this article sometime in late 2012, correct?---Yes.

20

And over the page it also refers to another development in the Riverwood area at 8-12 Coleridge Street. Do you see that?---Yes.

And it notes that that was approved in 2005. Do you see that?---(NO AUDIBLE REPLY)

Well, it says it was lodged by Shun Li in 2005. Do you see that in the first paragraph?---Oh, the first paragraph. Sorry. Yes.

- 30 And then under the timeline it says on 7 September, 2005 the DA was approved for that site. Do you see that?---Yes.

And the article notes that Mr Uy was a director of Shun Li. You understand that?---(NO AUDIBLE REPLY)

Well, it says that in the article?---Yes.

And so it's very likely you became aware of his connection to that development in late 2012. Correct?---Yes.

40

Were you aware of that when you voted on it in 2005?---No.

Okay. So very likely in late 2012, you became aware that Philip Uy had been involved in three different developments that you'd voted on. Correct?---Yes, it would seem so. Yes.

And so it's very likely in late 2012 you became aware that Philip Uy was involved in the property development business. Correct?---Yes.

10 And I'm sure you were concerned around this time to find out whether there were other developments coming before council that Mr Uy may be involved in. Correct?---Probably, yes.

Well, it's very likely, isn't it?---Yes.

And you were concerned because you knew that if he was involved in a DA coming before council, you'd need to declare a conflict of interest, wouldn't you?---Yes.

20 And you knew that because he was your friend at this time, that is late 2012. Correct?---Yeah, a friend of sorts, yes.

Right. And so it's very likely you spoke to him about this article in late 2012. Correct?---I don't recall but I guess I could have.

Well, you've previously told investigators it was very highly likely you spoke to him. That was truthful evidence, wasn't it?---Yeah, well, it would have been highly likely. I'm just meaning I can't remember specifically when or what I said to him.

30 I understand. And can you remember what he said to you?---No.

Well, it's very likely you asked him whether he had other development applications coming up before council. Correct?---Yes.

All right. But you can't remember what he said in response. Is that right? ---No, I can't. And he wasn't, he was very careful with his words as I said before. Something I learnt later.

40 And, of course, you knew at this time, that is later 2012, that the code of conduct required you to reassess your position regularly in terms of any conflict of interest. Correct?---Yes.

And so from this point, you would have been very concerned to find out what development applications Philip Uy might be involved in, going forward. Correct?---Yes.

Did you think about at this time stopping your practice of catching up with Philip Uy in China?---I, I don't recall.

10 Well, you accept it was fairly risky for you to keep associating with him in light of what had happened before, that is, he'd been involved in three developments that you say you were unaware of. It was risky to keep seeing him in China, wasn't it?---It would have been but I'm not sure how many times I saw him in China after that. I don't recall how, when.

Well, I'll take you to some of those instances later.---Okay.

20 Well, in fact, I'll take you to some of those instances now. I'll just take that article down and I'll show you volume 18.1. That's MFI 58, volume 18.1. I'll just play you the video and then I'll ask you some questions about it.

VIDEO RECORDING PLAYED

[10.18am]

MS HEGER: All right. So that video was taken on 14 March, 2013, and that shows an occasion when you met up with Philip Uy in China. Correct? ---Correct. Yes.

30 And the lady you were holding hands with, she was an escort, wasn't she? ---She was a lady that I met through (not transcribable) other means, I think.

Sorry? Could you repeat that?---She was a lady that I met through other means.

40 Well, what do you mean "through other means"?---There was one lady that worked in a video shop that I used to go and get videos from, and sometimes I'd go out with her. Otherwise she may have previously been that one (not transcribable) been an escort, but I recall having gone out with her a few times.

But she was an escort, wasn't she?---I, probably, but they, they weren't all escorts, the ladies that I met in China.

All right. Well, you paid for her company on this occasion, didn't you?---I don't recall.

Well, you paid for her company previously, hadn't you?---Probably, yes.

10 All right. And obviously you're meeting up with Philip Uy for dinner on this occasion?---Yes.

And did you see at the start of the video that Philip Uy was holding the phone to his ear? Did you see that?---No.

We'll just play the first few seconds of the video again. Just watch the reflection in the lift door – those first few seconds.

20 **VIDEO RECORDING PLAYED** **[10.21am]**

MS HEGER: That was of course Mr Uy's reflection in the door, wasn't it?--Yes.

And he was holding the phone to his ear, wasn't he?---Yes.

All right. And so it appeared at this time that he was talking on the phone, didn't it?---Yes.

30 And you didn't realise he was filming you, did you?---That's correct.

Now, this video was taken before your wife died, but she was of course very, very ill at this time, correct?---Correct.

Which obviously must have been a very difficult and lonely experience for you at this time?---Yes.

40 And as you said on Friday, you didn't share with her the fact that you were seeing escorts around this time, did you?---No.

And you didn't share that with your family or friends around this time, did you?---No.

And of course if this video had been shown to your wife around this time, you would have been very embarrassed, correct?---Yes.

And if it had been shown to your friends and family, you would have been very embarrassed around this time?---Yes.

10 Did Mr Uy ever show you this video?---Not to my recollection.

All right. Can you think of why he was taking this video on this occasion? ---I'm, I'm really not sure why he would be taking it. It was a pretty awful video, the way it's going all over the place everywhere, as an old photographer and art teacher. But, no, I don't know why. Whether it was just fun or, or what.

Well, you'd accept, wouldn't you, that one logical possibility is that he was taking this video so that he could use it against you in the future?---It is, but
20 he never did.

He never did?---No.

All right.---And I, I wouldn't have thought that he would. But why he was taking the video, I, I honestly don't know.

THE COMMISSIONER: When you say you didn't think that he, you don't think that he would have used it - - -?---Yeah.

30 - - - why is that?---Because with whatever faults, he never struck me as being someone who would blackmail me.

Mr Badalati was in that film as well, wasn't he?---Yes.

Yeah. Sorry.

MS HEGER: I'll tender volume 18.1. That'll be Exhibit – I'll just check that Commissioner. 256.

40 THE COMMISSIONER: Are you sure? I thought we'd gone beyond that.

MS HEGER: Sorry, it is 260.

THE COMMISSIONER: Thank you.

MS HEGER: You're ahead of me, Commissioner, as always.

#EXH-260 – VIDEO AT VOLUME 18.1

10

MS HEGER: Could I show you volume 18.2.

THE COMMISSIONER: What's the approximate date of these?

MS HEGER: The first one was 14 March, 2013. And the one I'm about to show is 27 July, 2013. We'll play that video now. I'll just replay it with the volume up.

20 **VIDEO RECORDING PLAYED**

[10.25am]

MS HEGER: The lady you were sitting next to in that video was an escort, wasn't she?---She had been. She was someone who I became a friend with, or kept in contact with actually for quite a while after.

All right. Did you pay for her company on this day?---I don't recall because a couple, quite a few times she just came out with me and we'd go to dinner or something like that but not actually a payment.

30

All right. But you'd paid for her company in the past, hadn't you?---The first time, yes.

And Philip Uy was aware that you'd paid for her company in the past, wasn't he?---He would have been, I guess.

And the same applies to the lady in the previous video?---Yes.

And you didn't know you were being filmed on this occasion, did you?

40 ---No.

And I take it as at this time, July 2013, if this video had been shown to your family or friends, you would have been embarrassed about that, wouldn't you?---Yes.

And can you think of any reason why Philip Uy was filming on this occasion?---Not really, other than just to film it because we were all having a good time, but I really don't know because I didn't know that he was filming it and he never used it against me in any way. The first time I was aware of all of this was here.

10

All right. So you've never seen that video prior to this inquiry, correct?
---Not to my recollection, no. But I think it would stick in my mind if I did.

And again you would accept one possibility is he was filming this video so that he could use it against you in the future?---It's a possibility. I don't think he would and he certainly didn't.

All right. I'll tender 18.2, that's Exhibit 261.

20 THE COMMISSIONER: Thank you.

#EXH-261 – VIDEO AT VOLUME 18.2

THE COMMISSIONER: Let me ask you this, these two videos were created first on 14 March, 2013, the second on 27 July, 2013. At that point in time you were fully aware, weren't you, that Mr Uy had an interest in developments that you had voted on?---I honestly don't recall in terms of
30 timeline, sorry.

Well, you were shown an article that I think was published in September 2012 and I think you agreed with Counsel that that would have been the subject of discussion, and can I suggest hot discussion, in council around the time. You must have known by the time you went to China in March and July 2013 that you had voted on developments in respect to which Mr Uy had an interest.---If that's the timeline, well, then I would have. I just don't recall the timeline.

40 Well, what I want to ask you is, why were you prepared to do that? That is go to China and associate with this man in circumstances where you'd

exercised your official functions in his favour on a development?---(NO AUDIBLE REPLY)

There must have been a reason.---Well, I was going over to see, see some people as well, I guess.

That may be, but he was there. Did he ever pay for dinners and things like that?---Did he?

10 Yeah.---Possibly sometimes, yes.

Well you know one way or the other, don't you?---No, because it was a custom that if you get invited they, he'd pay and, and then I'd pay sometimes as well, depending on what the dinner was or where. So I don't recall specifically on which circumstances I would have paid and which circumstances I didn't pay.

Did he ever pay for the escorts you saw?---No.

20 You're quite sure about that, are you?---Yes.

It just strikes me as odd, I have to say, that in circumstances where you knew first that he had an interest in these developments, second, that you voted in favour of them and, three, that because there'd been political donations involved, this had created some controversy, such that a newspaper felt that they should publish an article on it. I'm just, I'm trying to understand why in those circumstances you would have associated with Mr Uy at all, let alone in China, or alternatively why you didn't declare that you had a conflict of interest?---I don't recall why.

30

Very well.

MS HEGER: Can I show you volume 2.1, which is MFI 43, message number 6? Do you want to just read message number 6 to yourself and then I'll ask you some questions.---Number 6?

Yeah. Just read it quietly to yourself.---Yes. I recall that.

40 All right. So this is a message from yourself to Philip Uy on 12 September, 2013. And when you say "last night didn't go to plan" you're referring to a council meeting that had happened the previous day. Correct?---Correct.

And, of course, at that council meeting, Mr Badalati had been appointed mayor and you and Mr Hindi had been appointed to the JRPP. Correct?
---At, that meeting was a meeting to elect the mayor at the time.

Yes.---So we hadn't been, I hadn't been appointed as mayor.

No, Mr Badalati had been appointed mayor at the council meeting the previous day. Correct? Hadn't – sorry. I'm sorry.---No, that's not correct.
10 I'm sorry.

He – that's my mistake. Mr Badalati hadn't been appointed - - -?---I couldn't understand.

- - - mayor at the council meeting the previous day. Correct?---Had been?

Hadn't been.---That's correct.

Yes. But you and Mr Hindi had been appointed to the JRPP at that meeting.
20 Correct?---That is correct. Yes.

All right. And you obviously understood at this time that Mr Uy was interested to see Mr Badalati elected as mayor. Correct?---Yes.

And you understood that's because Mr Uy might have development applications coming before Hurstville City Council. Correct?---Just because he might be interested to find out how, how we went 'cause he, he knew all of us.

30 But why do you say he was interested in whether or not Mr Badalati was elected mayor?---If you have an acquaintance or a friend with someone on council, and there's an election, you have some interest in, as to whether or not he knew that he was going to stand for mayor, as to whether or not he was elected.

Well, but you understood he had a particular interest in that because he'd been involved in property development that had come before Hurstville City Council in the past, didn't you?---Yes, but being a councillor in terms of developments or whatever else is, is all you need to be because you have a
40 vote. The mayor doesn't get an extra vote. So being a mayor doesn't really give any extra credence or - - -

But the mayor has a casting vote on some occasions. Correct?---Not on, not on, no. A mayor has a casting vote on general matters but not on development matters.

All right. Well, you also told him that you and Mr Hindi had been elected to the JRPP and, of course, you understood at the time that JRPP is a panel that determines development applications of regional significance. Correct? ---That's correct.

10

And you were obviously telling Mr Uy because you understood he was interested to know whether you and Mr Hindi had been appointed to the JRPP. Correct?---I thought he'd just be interested to know how things went with the election, so that's another point.

THE COMMISSIONER: But this man's a developer.---Sorry?

20 This man's a developer and you're telling him that things didn't go to plan, that Mr Badalati hadn't been appointed but don't worry too much because he and Con had been appointed to the JRPP. And you understood, didn't you, that as members of the JRPP, they might well have a role in approving developments by Mr Uy?---Large developments, the JRPP.

Yeah.---Yes. Across the region, not just the council area.

No, no, no. Large developments.---Sorry?

Large developments.---Yeah, but across, not just across the Hurstville City Council area.

30

I understand that. What difference does that make?---Well, the, it's large developments over a range of areas, so not all - - -

Including Hurstville?---Yes, including Hurstville, but not all, not all large developments go to the JRPP.

40 See, it sounds, it looks to me as though there's a text where you're conveying the bad news and the good news. The bad news was that Vince wasn't appointed as mayor. The good news was don't worry too much because he and Con have been appointed to the JRPP. And they are matters, do you agree, that Mr Uy, as a developer, would want to know?

---Yes, but it's something that would be in the paper anyway. It wasn't private or confidential information.

Well, it is in the sense that – I withdraw that. If that's right, then why did you see it as necessary to let him know?---Just because I wasn't sure where he was, and he mightn't see it in the paper until later.

Well, that might be right, but - - -?---It'd be something that he'd be interested in, yes.

10

Something that would interest him?---Yes.

Because Vince hadn't been appointed mayor but he had been appointed with Mr Hindi to the JRPP. All matters that Mr Uy would want to know about as a developer, correct?---Yes. But it's information that was in the public realm from the night that the elections occurred.

What's the plan you're referring there? You say "things didn't go to plan". ---It's just a, it's a figure of speech.

20

All right. Thank you.---There's no plan as such. It was just a figure of speech as far as Mr Badalati wasn't elected mayor, Mr Jacovou was.

MS HEGER: Well, before this message you had discussed with Philip Uy the fact that it would be a good thing if Mr Badalati was appointed mayor and if you and Mr Hindi were appointed to the JRPP, hadn't you?---Maybe the JRPP. I don't recall as far as Mr Hindi, Mr Badalati being appointed mayor.

30

And the reason why you said "didn't go to plan" is because you and Philip Uy had agreed that it would be a good thing if you and Mr Hindi were appointed to the JRPP, correct?---Possibly. I think it's more than just that, but anyway. It was a figure of speech as far as "going to plan".

THE COMMISSIONER: Well, it wasn't a figure of speech when you told him you'd been appointed to the JRPP with Mr Hindi, was it?---No, but that, in the public domain anyway. All you had to be there was on the meeting and if he, in the papers the next day or whatever else, you could, you'd know that. So, yes, I was just letting him know, but no sooner than

40

MS HEGER: Philip Uy knew Mr Hindi around this time, correct?---I believe so. I don't, I don't recall for sure.

What was their, the nature of their relationship around this time, as far as you can, as far as you were aware?---I honestly don't recall what their relationship was as such.

Well, you referred to Con being appointed to the JRPP. That rather suggests that you understood Philip Uy was familiar with Mr Hindi around this time, correct?---Philip Uy would have been familiar with the names of all of the councillors.

Well, I don't just mean with the name. He was familiar with Mr Hindi personally, wasn't he, around this time?---Yes, I guess so. I'm not Mr Hindi.

Can you recall what interactions they had around this time, September 2013?---No. No, I can't recall.

20 All right. Can I ask you about a trip that you took to China in March 2014. So this is March 2014. You and Wensheng Liu travelled on the same flight to Shanghai on 12 March, 2014, correct?---It is correct. I didn't, I'd forgotten completely until one of the previous discussions, previous interviews that I had.

Okay. And you travelled to China with Wensheng Liu on this occasion to meet some Chinese developers who were interested in that Gloucester Road car park, correct?---No, I actually don't recall why I did, and I couldn't at the time. I didn't, at that stage I really didn't know Mr Wensheng Liu particularly. We just happened to be on the same flight, which was probably Philip or someone like that organised. I don't, I don't recall.

Well, before this flight, Philip Uy had introduced you to Wensheng Liu? ---From what I understand, yes, but I don't, I didn't recall Wensheng Liu when I was in here for the, one of the, I think it was the private one, I was shown a photo.

All right.---And I didn't recall him. I know of him now but more from listening to this each day.

40

All right. So you travelled on the same flight as Wensheng Liu. Did you sit next to him?---No. No, I, well I don't recall, honestly.

You don't recall?---I, I didn't recall him when that was first pointed out to me and I still find it difficult to – I know the name now because I've heard it over and, many times, but I still find it difficult to picture in my mind, and that's from a person who can do that, him.

10 All right. Philip Uy asked you to travel to China on this occasion, didn't he?---Quite possibly but I don't recall specifically.

Okay. Well, it's very likely, isn't it, if you had no pre-existing connection with Wensheng Liu?---It is likely, yes.

All right. And Mr Liu has given evidence in this inquiry that the purpose of travelling to China was to meet with Chinese developers about the Gloucester Road car park. You don't dispute that, do you?---I don't recall but I won't dispute it.

20 Okay. And you understood at this time that – well, did you understand that Philip Uy had an interest in the Gloucester Road car park at this time?---I don't recall. Like I said, Philip was very careful with his words.

But you accept it's likely he asked you to go and so it's likely, isn't it, you understood at this time he had some sort of interest in the Gloucester Road carpark?---It's likely he asked me to go but that doesn't mean it's likely that I knew he had an interest.

30 Well, why else would he be asking you to travel to China to talk to developers about the Gloucester Road car park?---I don't recall him actually asking me to talk about the Gloucester Road car park.

Yeah, but reflecting on it now, if he's asking you to go to China to talk about the Gloucester Road car park, it's very likely you understood he had some sort of interest in that development at this time, correct?---Correct. What I'm saying is, I don't recall him actually specifically asking me to go to China to talk about that development.

40 All right. Well, and when you arrived in China you did in fact meet with developers who were interested in the Gloucester Road car park, correct?---I don't recall.

You don't recall. Okay. But if you did, the penny would have dropped at that point that Philip Uy had some sort of interest in the Gloucester Road car park, correct?---Quite possibly, yes.

And of course, if you did, it's very likely you understood at this point that Wensheng Liu had an interest in the Gloucester Road car park, correct?
---Correct. Again, I, I really didn't know very much about them.

10 All right. Well, as we saw on Friday from some of the council documents, you voted in favour of a resolution to take the Gloucester Road car park to tender back in 2012, correct?---I remember that, yes, I remember.

And you recall that resolution referred to the company which had submitted an EOI as GR Capital Pty Ltd?---Yes. I remember.

Do you recall I showed you that?---On Friday, yes, I remember.

20 Yep. And so it's very likely, when you took this trip to China in March 2014, you understood that GR Capital Pty Ltd was Wensheng Liu's company, isn't it?---It's likely but I don't recall.

All right. All right. So you can't recall any of the meetings that you had on this trip to China?---No, I'm sorry, I can't.

Can you recall spending any time with Wensheng Liu in China on this trip?
---No, I can't recall any, spending any time with him.

30 Well, sitting here now, in circumstances where council had – I withdraw that. You understand that council ultimately withdrew the Gloucester Road car park from sale in July 2012? I showed you that on Friday.---Yes.

So in those circumstances, can you explain why you would have been meeting with developers regarding the Gloucester Road car park if it had been withdrawn from sale by this point?---No. I - - -

You have no explanation for that?---Yep.

40 Well, it rather appears that you were assisting Wensheng Liu in some way regarding this development, doesn't it, if all of this did occur?---It does but I have no recollection of that, I'm sorry.

THE COMMISSIONER: But you don't deny it?---Pardon?

You don't deny it, though, do you?---Well, I don't deny it because I don't recall.

Okay.---That's - - -

10 MS HEGER: Well, it's likely this was an occasion where you - - -?---If I could remember carefully, I could say yes or no, with, but I can't because I can't remember it well enough to say yes or no and be, and not, and be telling the truth.

I understand. Well, if all of this did occur, it's likely this was an instance where you were acting as sort of a walking reference for Wensheng Liu. Correct?---Yes, that's, that's certainly possible.

20 That is, you were there to illustrate that the council supported the Gloucester Road car park development. That's likely, isn't it, if this did occur?---That is likely, yes.

And if this did occur, that was a favour you were doing for Philip Uy, wasn't it?---I guess you could put it that way, yes.

And it was a favour for Wensheng Liu, as well?---Yes. Again, I didn't have a great deal of a relationship with him, but, yes.

30 All right. Wensheng Liu's evidence is that on this trip, he told you that he was working on a development at 1-5 Railway Parade. Do you have any recollection of that?---From watching it here, but, no, not from otherwise.

All right. But I take it you don't deny that you had a discussion along those lines with Wensheng Liu on this trip?---No, I, I can't, I can't recall, so I can't deny.

I understand. And, well, if that discussion did occur, it's likely you understood that Wensheng Liu and Philip Uy were working together on that development. Correct?---Yes, it would be likely.

Now, by the time this trip took place, Wensheng Liu had, in fact, briefed planners to work on 1-5 Treacy Street. I want you to assume that that's the case.---Mmm.

Did you and he discuss 1-5 Treacy Street on this trip?---I don't recall. I'm sorry. I really don't recall the trip.

I understand. Can I show you volume 3.21? So this at the top is an email from, I want you to assume that's Wensheng Liu's email address to yourself
10 on 14 March, 2014.---Yes.

And at the bottom, well, sorry, go to the previous page. You'll see it says "letter of invitation" on company letterhead "to whom it may concern" et cetera?---Yes. I've seen this before, but, yes.

Yes. And what it looks like is you have drafted that text set out in that email and sent it to Wensheng Liu. Is that what happened?---I don't recall but that's likely. Can I give a background on that quickly?

20 All right.---Every time I went to China, you'd have to get a, a visa. And the, and I had a close contact with the consulate in, in Sydney. And one of the people who knew me very well, I was invited to dinners over there, as well, said to me, "You keep coming back to get a new visa. If you can get a business visa, I can give you a business visa but you need someone to write a letter to say that you're doing business with them."

And who explained that to you?---One of the consuls at the consulate, one who I got to know very well. As I said, I was invited a number of times to have dinner at the consulate, as well, so I had good, good, good
30 relationships with the Consul General and the staff and it was one of the staff, 'cause I'd have to get a visa each time and so he was basically saying to me, "If you can get someone to, to do as a company, then I can give you a business visa."

All right. Now, this email was sent while you were in China with Wensheng Liu, you understand that, that you and he travelled on the same flight on 12 March and then you flew from Beijing to Sydney on 17 March?---Okay. Yes.

40 So it follows this was sent when you were in China with Wensheng Liu. Correct?---Correct.

And you'd obviously had a discussion about this with Wensheng Liu prior to sending him this email?---I'd assume so, yes.

And he, do you actually have a recollection of that discussion?---No, 'cause I might have also had a discussion with Philip Uy, discussed it with him.

Okay.---Which I think is probably more probable.

- 10 So it's more likely you discussed this with Philip Uy first, is that right?
---Yes, but again I, I don't recall, I do recall the reason why I got it, as I've explained, but I don't recall who specifically I spoke to it first. But I would have thought it would be Philip would be more likely to speak to him first before Wensheng Liu, given his English isn't as good.

All right. If we go to - - -?---Probably doesn't really make much difference either way.

- 20 Okay. If we go to the next page. This is a letter that Wensheng Liu sends back to you. Now, it says that you had been appointed as a consultant to this company. You hadn't actually been appointed as a consultant to this company, had you?---Well, it depends on what you mean, because I did get a letter saying that I'd been appointed as a consultant.

Yes, but had you been appointed on your understanding?---Well, how do you appoint a consultant? I'm just someone who gives them advice. That's a consultant.

- 30 Are you seriously suggesting that you understood this company was actually appointing you as a consultant?---Yes. But under the understanding that I wasn't getting paid or anything else like that.

All right. Did you end up doing any work for this company?---Not to my recollection.

Well, what sort of work did you understand you would be doing?---Giving advice in terms of doing dealings with people, businesses in Australia, I guess.

- 40 On what particular projects?---Anything.

THE COMMISSIONER: Just remind me, who drafted this letter?

MS HEGER: Well, you drafted it initially, didn't you, as we saw in the email?---I guess so, yes. I don't recall but, yes, from that, yes. My memory's not good enough to remember every single thing I did every day of the week for years. But - - -

10 Well, the fact that you drafted it initially rather suggests that this was all just an artifice so you get a business visa. You didn't intend to do any work for this company, did you?---If they wanted me to. But like I said, I, it was the consul, consulate, one of the consul's staff who suggested to me "If you have somebody who has a business, ask them to appoint you as a consultant and then I can give you a business visa because you're going backwards and forwards regularly."

You didn't have any discussions with anyone at this company, did you, about this appointment?---Probably, probably not, no.

20 All right. So this is really another instance of Philip Uy doing a favour for you, isn't it?---Not really because it, I can continue going and just getting new visas, a new visa each time I went.

Yeah, but you understood there was a benefit in getting a business visa, didn't you?---Well, not, the only benefit was that I didn't have to go and get visas on a regular basis.

Well, that was a benefit, wasn't it? It's much more convenient, you'd accept that?---It's more convenient, yes.

30 Yes, so this was an occasion of Philip Uy doing a favour for you. You must accept that.---Yes, it wasn't one that I would consider a conflict as per se.

Well, I didn't ask you that question, but it was a favour, wasn't it?---Yes.

And it was a favour by Wensheng Liu as well, wasn't it?---Well, it was but, again, as I said, I didn't have much contact with Wensheng Liu as to whether, how much he was involved in this or not.

40 Have you seen Wensheng Liu since this trip to China in March 2014?---Not to my recollection, but that doesn't mean that I may have at a restaurant or something like that.

Who booked the flights for this trip?---I don't recall.

Who paid for them?---I don't recall.

All right. Can I show you volume 7, I'll show you volume 7.38. So this is an email from someone to Wensheng Liu on 10 March, 2014.---Ah hmm.

10 And if you scroll further down, go back a step, there are some what appear to be flight details for Wensheng Liu and yourself. Do you see that?---Yes.

And they record flight details on 12 March. Do you see that?---Yes.

So these are the flight details for the trip we've just been discussing. You'd accept that?---Yes.

And it also says at the bottom an amount of money, 4,455 AUD. Do you see that?---Yes.

20 And if we go to the next page, you see there's an itinerary there for Wensheng Liu. Is there also one for Mr Sansom? Yes. There's also an itinerary for you.---Yes.

Again, for 12 March. Do you see that?---Yes.

All right. So Wensheng Liu booked these tickets, didn't he?---It would appear so but I don't recall.

30 All right. And an inference open from that email is that he also paid for them. Do you accept that?---Yes.

THE COMMISSIONER: Well, he did, didn't he?---I can't recall.

It's a significant sum of money, \$4,455, surely you would remember that? ---The, where was that amount?

MS HEGER: That's in the email, and to be fair that might have been for both tickets.---Yes, it would have been.

40 Yes, but even half of that is a significant amount of money, correct?---Yes.

Do you have any recollection of paying for these flights yourself?---I don't but I did pay for flights as well and I, sometimes I would pay with Chinese money in China.

THE COMMISSIONER: Well, is this the case, that sometimes you would pay and sometimes others would pay?---It could have been, yes.

Well, surely you would remember that, that on some occasions you would pay and on other occasions somebody else paid.---This is going back eight
10 years.

Yeah, I know that.---And I don't remember all those details because I was going backwards and forwards quite regularly.

Were you employed at that stage?---Yes.

Doing what?---I was a consultant, a teacher.

Thank you.---I worked in, of all things, ironically, Employee Performance
20 and Conduct for the NSW Department of Education.

Right.---As a senior project officer.

Was that a full-time position?---Yes. I went from being a teacher to a non-teaching position in the Department of Education and I stayed there until I retired. When I retired to look after my wife, but then she passed away a week before my retirement, I stayed on contract for another year working there.

30 So when did you fully retire?---2016 I guess it would have been.

Thank you.

MS HEGER: All right. And just so you understand, this trip is separate to another one that you took in March 2014 with Ms Wang and I'm going to ask you about that one later. But insofar as this one is concerned, do you have any recollection of paying Wensheng Liu in some way for these flights, whether by cash or otherwise?---I don't but that doesn't mean I didn't. I just don't want to say absolutely because I can't recall.
40

All right. Well, if in fact you were taking this trip to meet with Chinese developers in respect of the Gloucester Road car park, which I think you've accepted as a favour to Mr Uy or Wensheng Liu, it's very unlikely you paid for yourself, isn't it?---Probably, yes, but sometimes I paid for myself anyway. So - - -

THE COMMISSIONER: But when you paid for yourself, were there occasions where you were meeting developers?---No, more when I was just going to across to meet Philip and other people over there.

10

Yeah.---To be quite honest I don't recall any other occasions when I went across to meet developers in China. I had forgotten about this one.

MS HEGER: I'll tender 7.38, which is Exhibit 262.

#EXH-262 – VOLUME 7.38

20 MS HEGER: You then took another trip to China with Wang Hui also in March 2014 correct?---I believe so.

Can I show you volume 3.18, which is MFI 44. So this is an email from Direct Link Travel to yourself, dated 12 March, 2014, and you'll see it contains some flight details for you, flying out on 23 March, returning 5 April. You see that?---Just trying to find the time and dates. I'll take your word for it, but - - -

30

It's about halfway down the page.---Oh, 23, yes.

You can see "Date, 23 March".---23 March, yes.

You see that?---Yes.

And "returning 5 April". You see that?---Yes.

Now, Direct Link Travel, that was an agency based in Sydney, wasn't it?---I believe so.

40 Okay. I'll tender that. That'll be Exhibit 263.

THE COMMISSIONER: Thank you.

#EXH-263 – VOLUME 3.18

MS HEGER: And then I'll show you 3.20, which is MFI 45. Again an email from Direct Link Travel to yourself, this time on 13 March. If we could just scroll up the top so we can see the email address.---Yeah, I can see that.

And these are the flight details for Wang Hui, again for 23 March and 5 April. You see that?---Yes.

I'll just tender 3.20. That's Exhibit 264.

#EXH-264 – VOLUME 3.20

MS HEGER: Now, by this time you and Wang Hui were in a relationship, correct?---Yes.

This was after your wife had died, correct?---At this time, 12 March, 2014. Around the time. I'm not, I can't, I should be able to recall, but - - -

All right. You met up with Philip Uy on this trip, correct?---Yes. I believe so. I - - -

And Philip Uy booked the tickets for you, didn't he?---I'm not sure. I guess so.

I'll just show you volume 2.5, page 5, which is MFI 46. Starting with message number 5. Message number 5, I want you to assume that's a message from Direct Link Travel to Philip Uy, and it's on 12 March, 2014. And you'll see it has details for yourself and Wang Hui for the trip to China on 23 March. You see that?---Yes.

And it - - -?---What did it say, it went to somewhere else, I - - -

I want you to assume it's a message from Direct Link Travel to Philip Uy. You understand that?---Oh, okay, sorry, yes. I understand.

And then message number 6, so it's another message from Direct Link Travel and it talks about Wang Hui, ticket fare 1,040, ticket change fee 120. You see that?---Ah hmm, yes.

And then message number 7, Philip Uy writes back, "Okay." You see that? ---Yes.

10

And if we scroll through to message number 12 – just pausing there. That rather suggests that Philip Uy booked the tickets for you, doesn't it?---Yes.

Message number 9, that's another message from Direct Link Travel to Philip Uy, I want you to assume, and it says, "Can the ticket for Wang Hui be issued today?" Do you see that?---Yes.

And if we go through to message number 12, I want you to assume that's a message from Philip Uy to Direct Link Travel.---Okay, yes.

20

On 13 March. And Mr Uy says, "Give me your account." Do you see that?---Yes.

And then message number 13, Direct Link Travel responds with some bank details. You see that?---Yes.

So Mr Uy paid for these flights, at least initially, didn't he?---On here, yes, it appears that way.

30 You accept that?---Yes.

And why was he doing that?---I don't recall.

Well, Direct Link Travel had your email address. You accept that?---Yes.

And it would have been, well, Direct Link Travel easily could have sent you an invoice for these flights. Correct?---Correct.

40 And you could have paid it if you'd received the invoice around this time. Correct?---Yes.

So if it was your intention to pay for these airfares, there was no real need for Philip Uy to make the initial payment, was there?---No, other than he has more contacts as far as making the bookings and things, I guess, I'm not sure.

THE COMMISSIONER: But what about paying for them?---Sorry?

What about paying for them?---Well, Philip often would pay for things and I'd reimburse him with cash in China.

10

I see.

MS HEGER: Yeah, but you never paid Philip Uy with cash for these airfares, did you?---I don't recall.

You don't recall one way or the other whether you gave him cash?---That's correct.

20 Okay.---It was something I did. I had an account in China, as well. But it's remembering individually each time, no, I can't, I'm sorry.

THE COMMISSIONER: But, surely, you'd remember if Mr Uy had paid your airfare?---I went to China many times and often with Mr Uy.

I understand.---So, no, I don't, sorry, I don't recall whether he did or didn't.

30 Well, are you saying that on all occasions you went to China, you paid yourself?---No, that I don't recall this one, whether I paid or, whether I gave him money later, he paid for it there, obviously, but, or whether I gave him money in China or not. I don't recall.

Are you saying that on occasions where Mr Uy organised the travel, that you always paid him back?---My recollection was mostly, yes.

Mostly suggests that there were occasions when you didn't?---Well, because, because I don't recall well enough to say every single time.

40 I don't understand that. Surely you would recall if Mr Uy even on one occasion had paid your airfare.---No.

You don't recall that?---He possibly did but, no, I don't recall a specific time when he paid or a specific time when I paid.

But put the specifics to one side. You know, don't you, that on occasions he would pay?---More than likely, yes.

Well, when you say "more than likely" it's a fact, isn't it?---I guess so, but I can't say it's a fact if I don't recall for, for sure. It is more than likely, yes.

10 MS HEGER: Yeah. And if it had been your intention to pay for these flights, you could have just paid for them directly. There was no need for Philip Uy to make the payment and then you to reimburse him, was there? ---I guess not, other than he had the contacts with the agent.

No, but you also had the contact with the agent because they'd emailed you the flight details, hadn't they?---Yes.

Well, that rather suggests that you had no intention of repaying Mr Uy for these flights at all, doesn't it?---It could, but again, I don't recall. I'm sorry.

20

All right. Can I show you a statement of Wang Hui?---Mmm.

And, in particular, paragraph 7. I'll just let you read paragraph 7 to yourself and then I'll ask you a question.---Yes.

Now, to be fair, Ms Wang doesn't specify a date for the occasion that she's referring to but can you think of any other occasion, other than this one in March 2014, that she might be referring to?---Probably not. She, we did go separately a number of times. We went over for the, up in Beijing, it was
30 one of the big, not Olympics but trade fair, international trade fair. So we, we did go separately a number of times as - - -

Yes, but she's referring to an occasion where you went together and you met up with Philip Uy.---And in this, on this occasion that would be what she was aware, what she thought. Anyway, yes. So on - - -

You think it's likely she is referring to this trip in March 2014, do you?
---It's likely but I think we went on other trips as well after - - -

40 Other trips where you met up with Philip Uy?---I'm not, I think we might have on another occasion as well, yes.

Okay.---But there's every probability that it's the same one. I, again, I just don't want to be emphatic yes or no.

Oh, I understand. I think there was another occasion in April 2015 where you and Ms Wang travelled together and met up with Philip Uy. Is that your recollection?---Again, I can't remember the exact time and days, but yes.

10 All right.---I do have a recollection of those.

All right. Well, did Philip Uy pay for your flights for that trip in April 2015?---Not to my recollection, no.

Okay. All right. And Ms Wang says that Philip Uy paid for her airfare and she thinks he must have also paid for your airfare. She also says, "He paid for our hotel." Is that what happened on this trip in March 2014, did Philip Uy pay for your hotel?---I don't specifically recall. He sometimes would pay for the hotel because he knew the people there and then again I would
20 give him Chinese money.

Well, do you have a recollection of giving him any money for this stay?---I don't have any recollection at all. I don't even recall what hotel it was. I'm not doubting what's there but - - -

She also says, "I don't know why Chinese Philip," she's referring to Philip Uy there, "paid our airfares and hotel. I guess he must have needed a favour from Philip but I don't know. I think Chinese Philip wanted Philip to travel to China and meet with some businesspeople and have a nice lunch because
30 Philip was Hurstville City Council." Is that what happened on this trip in March 2014, did you meet with some businesspeople in China?---I honestly don't recall. However, if that's what Hui remembers, then that probably is correct. She is more likely to remember something like that because it's the first time, than, than me.

All right. And you did from time to time, I think you've already said, meet with some contacts that Philip Uy had in China for lunch or dinner, correct?---Yes, yes.

And if he did pay for your flights or accommodation on this trip in March 2014, why do you think he did that?---Well, if he's asking me to go over and meet with colleagues over there, I guess it's like a, a work thing.

You were doing a favour for him so he would pay for you, is that right?
---Yeah, I was doing a favour for him by, by going over and talking to other businesspeople in China but nothing, not, nothing that related directly to Australian business.

10 THE COMMISSIONER: What sort of businesspeople did you meet with?
---I don't recall.

Potential investors in Australia?---Possibly, but I honestly don't recall what their position was.

MS HEGER: I'll tender the statement of Wang Hui. That will be Exhibit 265.

20 **#EXH-265 – STATEMENT OF WANG HUI**

MS HEGER: Philip Uy had also referred to you travelling to China to promote some red wine. Is that what happened?---Yes.

When was that?---I don't recall when and I had forgotten about it until I heard it back in here. I like wine and I'm a connoisseur. I've actually done workshops with Len Evans who was chief of winemakers in Australia. He was aware of my contacts with wine organisations in the Hunter Valley, and
30 he was aware of my expertise in assessing wine, so that's why he asked me if I would assist him.

And this trip took place while you were a councillor on Hurstville City Council, correct?---I think so. I don't recall but, yes.

And Mr Uy has said that he paid for your flights and accommodation on, for that trip, the red wine trip I'll call it.---Yes.

Is that your recollection?---I'd forgotten about it, to be quite honest, but it
40 probably would have been because I wasn't going there to do him a favour. I was going over there to give him advice on what to do and what he

shouldn't do in terms of wine. He had brought back some wine on one occasion, I do recall, and I tried a bit of it and I said to him "It's not very good quality wine. You're not going to sell it in Australia, not when you're competing against the Hunter Valley and places like that." So that, I recall something along those lines, not necessarily those exact words, but that may have been why he asked me to go over.

Okay. Can you say whether the red wine trip was before or after this March 2014 trip?---I think it was after but I really can't, I really can't say.

10

Okay. Right, can I now ask you some questions about Landmark Square. And you understand I'm referring to the property bounded by Forest Road, Durham Street and Roberts Lane in Hurstville, you understand that?---Ah hmm.

Now, in about August 2014, Wensheng Liu's company entered into some options to purchase Landmark Square. Were you aware of that at the time, that is August 2014?---Not to my recollection.

20 You have no recollection of discussing that with Philip Uy or Wensheng Liu?---No. I don't recall discussing it with him at all.

All right. But you were obviously friends with Philip Uy around this time, August 2014, correct?---Yes.

And so it's possible you had a discussion about it?---It's possible, but it would have just been a general discussion because I don't recall in any detail.

30 Okay. Were you aware around this time that Mrs Hindi had entered into a buyers' agency agreement with Wensheng Liu's company about Landmark Square?---No, I was not aware of that.

When did you first find out about that?---I can't recall when, to be quite honest.

Well, you obviously found out about it as part of the evidence in this inquiry, is that right?---Yes, I did hear.

40 Yeah.---I don't recall finding out about it previously.

Okay. Now moving forward to October 2014, and I'm trying to deal with all these events in chronological order.---Mmm.

In October 2014, a development application was lodged for 1-5 Treacy Street, Hurstville. You're aware of that?---I don't recall the exact date or whatever else, but yes, I'm aware it was lodged and I'll take – obviously you've got the right dates.

10 Yes. Well, it was October 2014. Did you have any discussions with Philip Uy about that around this time?---Not to my recollection, no.

Well, Mr Uy's evidence is that even prior to the DA being lodged he asked for your advice on whether there needed to be a commercial space on the ground floor of the building. That's what happened, isn't it?---More than likely. I had lots of people ask me for advice on different things.

Do you have a recollection of those discussions with Mr Uy?---No, not specifically, no.

20 All right. And you're aware that the company that lodged that DA was GR Capital Group?---I am now. I'm not sure if I was then.

Okay. And you're aware now that GR Capital Group also lodged a voluntary planning agreement offer in respect of that development, correct? ---I am aware of that now, yes.

Did Philip Uy speak to you about the VPA offer around this time, October 2014?---Not to my recollection. I don't recall.

30 All right. Did you offer Philip Uy any other advice on 1-5 Treacy Street around this time, other than what he says was a discussion about the commercial space on the ground floor?---I don't recall. I do recall maybe suggesting that the two units on the top floor get set back and use it as a terrace. Something along those lines, I think, but - - -

And this was prior to the DA being lodged in October 2014?---No, I don't recall.

40 Could have been before? Could have been after?---And it may have just been, be, being me thinking that when it came to council.

Okay. Well, by this point in October 2014, you understood that, well, it's very likely you understood that Philip Uy had already had three DAs come before council in the past, that you'd voted on. Correct?---I think so, but I don't recall.

Well, you accepted it was very likely you became aware of that from reading that media article. Correct?---Yes.

10 And you also understood by this point that Philip Uy was involved in the Gloucester Road car park in some way because it's very likely he asked you to take that trip with Wensheng Liu to China. Correct?---Yes, again, though, I don't, I don't sort of specifically recall.

Okay. And I think you also accepted it's likely you knew by this point that Philip Uy had been working together with Wensheng Liu on 1-5 Railway Parade. Correct?---Correct, but I don't recall. Like I said before, I, I recall very little about Wensheng Liu.

20 All right. So by the time you were having these discussions with Philip Uy about 1-5 Treacy Street, just before the DA was lodged, you'd been around long enough, hadn't you, to know that Philip Uy's interest was not just as an ordinary member of the public. Correct?---I guess so. I don't recall.

And you appreciated by the time you had those discussions, that he must have had some sort of commercial interest in 1-5 Treacy Street, didn't you? ---I don't recall.

30 But it's very likely, isn't it, given you knew he was a property developer and he's talking to you about 1-5 Treacy Street? It's very likely you understood him to have some sort of commercial interest in the development, isn't it?---It's likely but if I don't recall it, I can't say yes or no.

All right. You understand that in November 2014, you voted on the VPA offer for 1-5 Treacy Street?---I understand that, yes, but I don't remember.

Okay. And, of course, before council voted on the VPA offer, staff prepared a report assessing the VPA offer. Correct?---Correct.

40 And, of course, you received that report prior to the council meeting in November 2014, correct, and, of course, you read that report - - ?---Yes.

- - - prior to voting?---Would have, definitely.

Can I show you that report, which is volume 1.3, page 70, part of Exhibit 126? So you'll see this is the staff's report on the VPA offer. It says under the heading Executive Summary, "The purpose of this report is to advise that council has received an offer to enter into a voluntary planning agreement from Gadens Lawyers acting on behalf of GR Capital Group." Do you see that?---Yes.

10

And you'll see at the top, it says "company extract included", yes?---Yes.

And so the company extract for GR Capital Group was attached to this report. Correct?---I guess so. I don't recall.

Okay. But your practice was to read the attachments to these assessment reports. Correct?---Yes.

20 And you were concerned to do so because you needed to see who the companies were and who was involved to assess whether you had a conflict of interest. Correct?---Correct.

Okay. And I can tell you as at this time, the company extract showed that Wensheng Liu was a director of GR Capital Group. You don't dispute that, I take it?---I don't know, but I'll, I'll take your word for it.

All right. So when you read this report, you saw that Wensheng Liu was a director of the company making the VPA offer. Correct?---I assume so. I don't recall.

30

Okay. And, of course, as you've just accepted, when you read this report, it's likely you understood Philip Uy had some sort of commercial interest in the 1-5 Treacy Street development. Correct?---That's if I remember the GR Capital had, was related to him.

No, but you've accepted earlier in your evidence that by this time it's likely you understood Philip Uy had a commercial interest in this development. That was your evidence, wasn't it?---Yes, it's likely but I can't say yes or no definitely.

40

Okay. Now, you'd also accept, of course, that by this time you had a non-pecuniary interest in 1-5 Treacy Street because of your relationship with Philip Uy, correct?---Yes.

And it follows from the fact that you likely understood Philip Uy had a commercial interest in this development that you likely understood at this time, that is when you voted, that you had a non-pecuniary interest in 1-5 Treacy Street, isn't it?---It is. I don't recall.

10 And you didn't declare any such interest when you voted on this development, did you?---I don't recall. It would be in the minutes. I did declare on many occasions.

But if the minutes don't recall you as declaring a conflict, you accept that you didn't, correct?---Yes.

And the same applies to Wensheng Liu, doesn't it? By this time you had a non-pecuniary interest in this development by virtue of your relationship with Wensheng Liu, didn't you?---I didn't really have a relationship with
20 Wensheng Liu, which is what I've said.

No, but in March 2014, only a few months earlier, you travelled to China to help him promote the Gloucester Road car park, hadn't you?---(NO AUDIBLE REPLY)

Well, I'll withdraw that because you've said you don't recall one way or the other.---Yes.

30 But assuming that you did travel to China in March 2014 with Wensheng Liu to meet with Chinese developers interested in the Gloucester Road car park, you'd accept that that's the sort of relationship you should really be disclosing when you voted on 1-5 Treacy Street, don't you?---I guess so. But as I said, I really don't have much recollection at all of Wensheng Liu.

All right.

THE COMMISSIONER: You do recollect, though, that I think you said you declared conflicts of interest many times?---Yes.

40 MS HEGER: And you accepted you adopted quite a cautious approach to declaring conflicts of interest, correct?---Yes.

THE COMMISSIONER: But you didn't make any declaration at any time, did you, in relation to Philip Uy?---I don't recall.

Well, if the records show that you didn't, have you got an explanation for that?---No.

MS HEGER: All right. The recommendation of the author of this report, as you can see under the heading Author Recommendation, was that council
10 decline the offer for the VPA. Do you see that?---Right, the Author Recommendation.

Yes. You see that?---Yes.

And then on the next page, under the heading Offer to Enter into a Voluntary Planning Agreement, it sets out what the offer involves, points 1 to 4, do you see that?---Yes.

And then on the following page, in the second paragraph, it says, "The
20 following comments are provided on the proposed offer. However, this information has not been conveyed to the applicant's lawyer, and the offer had not yet been reviewed by council's lawyers." Do you see that?
---Whereabouts is that, I'm sorry?

The second paragraph on this page, the second sentence. "The following comments are provided". Do you see that?---Ah hmm, yes.

And of course you understood it was best practice for council's lawyers to review a VPA offer before council voted in favour of it, didn't you?---Yes, I
30 would have, yes.

All right. And you'll see it summarises why, in the author's view, the VPA offer was considered not to provide a sufficient public benefit. You see that at points 1 to 4? I'll just let you read that to yourself.---Yes.

All right. So in circumstances where the offer hadn't been reviewed by council's lawyers and staff considered it provided insufficient public benefit, why did you consider it appropriate to vote in favour of this VPA offer?---They were recommendations. It was the council who made the
40 decision so - - -

Yes, but why did you make that decision?---Well, because I, I, at the time I would have thought it, it was a reasonable offer.

But why did you think it was a reasonable offer in light of this analysis by the staff?---Well, the analysis by the staff is by one person, it doesn't, you can analyse it separately and it, look at it and think that it is, it is a reasonable offer.

10 Well, sitting here now can you explain to me why you consider the VPA offer provided a sufficient public benefit?---I can't remember all the details but I don't have to agree with the officer's recommendation.

Oh, I accept that, but sitting here now you can't tell me why you disagreed with the officer's assessment on this occasion, can you?---At the time I would have looked at it and thought that it was a reasonable offer irrespective of the recommendation from one officer.

20 But sitting here now you can't tell me why you thought it was reasonable, can you?---It's too long ago, sorry.

All right. Well, can I suggest to you that one of the reasons you voted in favour of this VPA offer was in part to help your friend Philip Uy, wasn't it?---I don't recall.

And it was in part to help Wensheng Liu, wasn't it?---Again, I don't recall and as I've said before I have very little memory at all of Wensheng Liu or any interaction I had with him.

30 THE COMMISSIONER: Is it possible that what Counsel just put to you is correct, though, that you voted in favour because of your relationship with at least Philip Uy?---It's possible but I would still have looked at it closely irrespective of that, and as I said, I don't, council staff make recommendations, the council makes the decisions.

MS HEGER: And let's assume that Philip Uy had paid for your flights or accommodation in China back in March 2014. Surely you felt a sense of obligation, having received those payments, to vote in favour of this development, correct?---No, no. I didn't, I didn't have a sense of obligation
40 in that respect. If I, if it wasn't suitable to what I thought was reasonable then I wouldn't - - -

All right. Well, assuming he did pay for your flights or accommodation back in March 2014, you accept that a member of the public might perceive that those payments were intended to influence your votes on 1-5 Treacy Street, wouldn't you?---Yes, it could be and I should have declared a non-pecuniary, non-significant interest at the time in retrospect.

10 All right. So you should have made a declaration because of your relationship with Philip Uy, correct?---Yes, but I could have just done it as a non-pecuniary, non-significant, yes.

I understand. And you should have made a declaration because of that trip that you'd taken in Wensheng Liu in March 2014, correct?---Again, I have very little recollection of Wensheng Liu or anything like that, so I wouldn't necessarily see that as being any sort of a conflict with Philip Uy. I should have declared a non-pecuniary, non-significant interest.

20 Well, but if it's true that a few months earlier in March 2014 you travelled on the same flight as Wensheng Liu to China and met with developers interested in the Gloucester Road car park, you accept that you should have declared that when voting on 1-5 Treacy Street on this occasion, don't you? ---Well, they're different developments, aren't they?

Well, they are, but in circumstances where you'd done a favour for Wensheng Liu only a few months earlier and he had done a favour for you in organising that letter for the business visa, you should have disclosed that relationship when voting on this development. Do you accept that?---I accept that I should have declared a non-pecuniary, non-significant interest.

30 All right.

THE COMMISSIONER: I think you said in hindsight you agree that you should have. What I would like to know is why you didn't turn your mind to that – sorry, I withdraw that. You may have. But why didn't you declare a conflict of interest around the times that have been put to you?---I, I don't recall. Like I said, with this one, in retrospect, I'm looking at it, it should have been one more of the non-pecuniary, non-significant interests that I declared regularly.

40 Well, you, you're, or you were then a very experienced and long-serving member of council?---Yes.

Have you got any explanation at all as to why you didn't declare a conflict of interest?---I don't recall.

So you've got no explanation?---No, because I don't recall it well enough to be able to explain why.

Very well.

10 MS HEGER: Is that an appropriate time for a morning adjournment?

THE COMMISSIONER: Sure. Can you just remind me on a few dates?

MS HEGER: Yes.

THE COMMISSIONER: MFI 43, I think you showed the witness a communication between him and Mr Uy?

20 MS HEGER: Was that the one about the JRPP?

THE COMMISSIONER: Yeah.

MS HEGER: That was 12 September 2013.

THE COMMISSIONER: Good. Thank you.

SHORT ADJOURNMENT

[11.37am]

30

THE COMMISSIONER: Take a seat.

MS HEGER: Mr Sansom, can I just take you back to clause 4.15 of the code of conduct, the Hurstville Code of Conduct, dated 2013?---Which number? It's not up yet, but - - -

It's coming up. It's clause 4.15.---4.15, thank you.

40 All right. So I took you to clause 4.15 on Friday and you confirmed that you understood what's set out there as at March 2013, correct?---Yes.

And you'll see there it says, "A conflict of interest will be significant where a matter does not raise a pecuniary interest but it involves," paragraph (b), "other relationships that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact, and the duration of the friendship or relationship." Do you see that?---Yes.

All right. Now, as at the date of this vote, 19 November, 2014, you've already accepted that you and Philip Uy were friends, correct?---Yes.

10

And you caught up in China on a number of occasions, correct?---Yes.

You'd felt comfortable being in the company of escorts in his presence, correct?---Yes.

You'd invited Philip Uy to your wife's funeral, correct?---Oh, I don't recall but - - -

Well, I can show you the message.---I believe you. I sent it to anybody who I knew, knew.

20

Well, I'll just read it out. There was a message on 23 February, 2014 where you sent out some details of the memorial service at St George's Anglican Church. You're saying you sent that to everybody you knew, is that right? ---Yes, yes.

Okay. Well, by this point you, aside from catching up with Philip Uy in China, obviously caught up with him in Sydney as well from time to time, correct?---Yes.

30

You had his number in your mobile phone, correct?---Yes.

And so by this point you must accept that the relationship constituted a significant conflict of interest, correct?---Yes. But as I've said, Philip was a friend but he wasn't a close friend in those terms for me.

All right. And given it was a significant conflict of interest, not only did you have to declare it, you had to abstain from voting on 1-5 Treacy Street, didn't you?---At the time, I wouldn't have, I didn't think that.

40

At the time you didn't think that, but you accept that now you should have abstained from voting. Correct?---I guess so. I'll have to think about it more as far as abstained from voting. I should have declared at least a non-significant, non-pecuniary interest, yes.

THE COMMISSIONER: But if you declare it, it's likely you wouldn't have been able to vote, isn't it?---Sorry?

10 If you had declared it - - ?---If I declared it as a non-pecuniary, non-significant interest, I can still vote.

MS HEGER: Yes. But what I'm suggesting to you is that it was a significant conflict of interest and that precluded you from voting. What do you say to that?---I can understand what you're suggesting. I don't know what I thought at the time.

But you accept that now, don't you, that it was a significant interest?---It would appear that way, yes.

20 A significant conflict of interest, I should say.---What I'm still also saying is that Philip wasn't as close, I, we weren't as close as some people appear or seem to think it was. Yes, I had contact with him but it doesn't mean it was a close friendship. He was a friend.

Yes, but I'm suggesting it was sufficiently close that it was a significant conflict of interest and I think you've - - ?---I - - -

- - - accepted that already, haven't you?---In hindsight, yes.

30 Okay. Can I show you volume 2.7, page 11, which is MFI 47? Now, you can see that this is a receipt from Miramar Travel. It has your name on it? ---Mmm.

And then over on the right-hand side, it's got some dates from July 2014. Do you see that?---No, not at the moment, I can't actually.

Just under the, we'll zoom in there, under the red 002, you see some dates from July 2014?---07 July, '14, yes, I can see that now.

40 Now, you, in fact, travelled to Hong Kong in July 2014, didn't you?---I don't recall. If I, if it's documented, then I did but I don't recall it.

All right. Well, I want you to assume that's the case, that your travel records show you flew to Hong Kong on 18 July, 2014.---Yeah.

Does this receipt relate to that trip?---I'm not sure.

Well, do you know what it relates to?---Well, I'd assume it probably relates to that. I don't know what else it would have related to. But I don't recall any of it.

10

Okay. Well, this photograph was found on Philip Uy's phone. Can you explain why he had a photograph of this on his phone?---No, but I can't explain why he had lots of things on his phone.

Well, one explanation for it being on his phone is that he had an agreement to reimburse you for the costs associated with this receipt. What do you say about that?---Well, it's, it's possible. I don't recall.

20 Okay. So it's possible he did pay for these expenses? You just can't recall one way or the other. Is that right?---That's correct.

Do you have a recollection of paying yourself for this trip in July 2014?---I don't have a recollection of this trip.

Okay. Now, on 1 April, 2015, as a member of the JRPP, you voted in favour of the DA for 1-5 Treacy Street. Correct?---Again, I don't recall, but if it's in the records, well, then, I did.

30 Right. I'll just tender that page, 2.7, page 11. That'll be Exhibit 266.

THE COMMISSIONER: Thank you.

#EXH-266 – PHOTO AT VOLUME 2.7 PAGE 11

40 MS HEGER: Yes. I want you to assume that's the date on which you voted in favour of the Treacy Street DA, 1 April, 2015. Now, it must follow from your evidence earlier that you accept you should have declared at least a non-significant conflict of interest when voting on that DA insofar as your relationship with Mr Uy is concerned?---In hindsight, yes.

All right. And I suggest to you that it was, in fact, a significant conflict of interest and so you shouldn't have participated in the voting at all. Do you accept that?---I accept your, your view of it, yes.

Well, no.---Well, I, I don't recall it well enough to specifically say yes or no other than I should have at least called some sort of a conflict of interest in terms of that in retrospect.

10 Okay. And I suggest that when voting on that DA, again you still felt a sense of obligation to vote in favour of it, given the payments that had been made for your flights and accommodation in March 2014. What do you say about that?---I would not necessarily have felt it was an obligation if I didn't agree with the, what was, what it was.

All right. Do you accept a member of the public might have thought that those payments for your flights and accommodation, if they were made, were intended to influence your vote on this occasion?---Yes, I would accept that.

20

All right. So - - -

THE COMMISSIONER: Was it the case that you failed to declare conflicts of interest so that you could vote?---If it, if I declared a non-significant, non-pecuniary interest, I can still vote in the matter.

But you didn't.---I know. I'm not sure why I didn't. I can't recall.

30 Well, is the reason that you didn't for either significant or insignificant is that you didn't want to be precluded from voting?---If it was significant, that would be the reason. If it was non-significant, in retrospect I should have declared that, but I don't know why I didn't. I don't recall it well enough at all. Sorry.

I'm suggesting one reason.---You're suggesting a reason but I can't recall to, to say definitely yes or no. I assume you want me to tell the truth.

40 MS HEGER: A week after you voted as a member of the JRPP, you travelled to Hong Kong on 8 April, 2015. Do you accept that?---I'll accept that. Again, I don't, I don't recall a lot of this. I actually went to China many times as I've said before.

Okay. And I'll show you volume 2.4, page 5. You'll see the date of this photograph is 9 April, 2015. So this is an occasion where you met up with Philip Uy in China, correct?---Well, if it's in China, I can't recall whether I met up with Philip Uy or not at that point.

Well, I should say this was found on Philip Uy's phone. So he's the one who's taken the photograph so you'd accept - - -?---Oh, in that case, well, I would, then I would accept it. But when you just said a single photo - - -

10

No, I understand. That was my fault.---No, I would accept that then, yes.

Okay. And I'll tender that photograph. That'll be Exhibit 267.

THE COMMISSIONER: Thank you.

#EXH-267 – PHOTO AT VOLUME 2.4 PAGE 5

20

MS HEGER: I'll show you volume 2.4, page 1. Can you make that a little bit bigger, please? You'll see these are some flight details for you for this trip to Hong Kong on 8 April, 2015, returning 15 April, 2015. Do you see that?---Yes, yes.

And it records the total amount for the flights being \$1,522.04. Do you see that?---Yes.

30

Now this photograph was found on Philip Uy's phone and we'll just scroll down to show the date, 19 March, 2015. You showed this document to Philip Uy, correct?---Well, if it's on his phone I must have, yes.

Okay. And why did you show it to him?---I don't recall.

Well, did you show it to him because you had an agreement for him to reimburse you for these travel expenses?---I don't recall whether I did or didn't, sorry.

40

And did he reimburse you for these expenses?---Again, I don't recall.

All right. So it's possible he did, you just can't recall one way or the other, correct?---That's correct.

And if he did pay for it, is it possible on your understanding he was paying for you as a reward for voting in favour of 1-5 Treacy Street?---It's, it's possible, yes.

Or rather, or alternatively as an inducement for you to vote in favour of 1-5 Treacy Street?---I wasn't – was this before or after?

10

Well, the photograph was taken March 2015, so that's before the vote of the JRPP. So it's possible he was, if he did pay for these flights, that was an inducement for you to vote in favour of 1-5 Treacy Street as a member of the JRPP?---It's possible but I don't, I don't recall it, I don't recall that flight at all.

Okay. Alternatively, a reward for you voting in favour of the VPA offer as part of the council in November 2014?---Well, it's possible but I don't recall.

20

Okay.---And I don't recall whether I paid him back - - -

I understand.--- - - - in China on this.

THE COMMISSIONER: I just notice that the, I think you said that – I withdraw that. When was the vote?

MS HEGER: On the JRPP?

30 THE COMMISSIONER: Yeah.

MS HEGER: That was 1 April, 2015.

THE COMMISSIONER: Thank you, thank you, yep.

MS HEGER: I'll tender this photograph. Exhibit 268.

THE COMMISSIONER: Thank you.

40

#EXH-268 – PHOTO AT VOLUME 2.4 PAGE 1

MS HEGER: All right. Can I turn back to the Landmark Square planning proposal now and show you a statement of Nigel Dickson.---Ah hmm.

Paragraph 17. Now, I want you to assume when reading this Nigel Dickson is the planner who was briefed by the applicant for the Landmark Square planning proposal. So this is a statement from Mr Dickson and just read paragraph 17 to yourself and I'll ask you some questions.---Yep.

10

Just bear with me a moment while I check something. All right. So I want you to assume at this time that the mayor was Councillor Hindi. And you'll see Mr Dickson is saying here that he sought a meeting with the mayor, that is Councillor Hindi. Now, you attended this meeting on 5 May, 2015, correct?---I don't recall. If it's listed that I did, I did, but I don't recall it.

All right. And Mr Dickson says – and he confirmed in his oral evidence – that he didn't propose that you or Mr Badalati attend this meeting. Who invited you to attend the meeting?---I don't, I can't remember.

20

All right. Well, it's likely, isn't it, that it was Councillor Hindi?---It is likely.

All right. And by this point, May 2015, you had already had some discussions with Councillor Hindi and Councillor Badalati about the Landmark Square planning proposal, hadn't you?---More than likely, but I don't recall.

30

Well, it's likely, isn't it, that's the reason why Councillor Hindi invited you, if he did invite you, is because you'd already had some discussions about it, correct?---Yes.

And had you discussed the Landmark Square planning proposal with Philip Uy by this point?---I don't recall.

40

Well, given you had just taken a trip to Hong Kong the previous month, April 2015, where you met up with Philip Uy, and I can tell you by that time Philip Uy was working with Mr Dickson on the Landmark Square planning proposal, did you have any discussions with Philip Uy on that trip about Landmark Square?---I don't recall, I'm sorry.

But it's likely, isn't it, in circumstances where Philip Uy was already working on it with Mr Dickson? Did he mention that to you on this trip?
---It's likely but I honestly don't recall. I don't recall very much in terms of overseas of discussions about matters in Hurstville Council.

All right. And Mr Dickson goes on to say in this statement that you expressed support for the Landmark Square planning proposal at this meeting on 5 May, 2015. And that's what happened, isn't it?
---Whereabouts is that?

10

Well, I will give you a specific reference. Yes. Paragraph 22, "At the meeting on 5 May, 2015, I recall the councillors were in favour of change occurring to the industrial land and recognised the area was under-utilised and in close proximity to other taller buildings in the area." That was your view on the Landmark Square planning proposal around this time, wasn't it?---Yes.

And you conveyed that in this meeting. Correct?---Probably.

20 Do you actually have a recollection of what was said at this meeting?---No.

All right. Now, Mr Dickson goes on to say in his statement that he had your mobile phone number in his phone. Now, assuming that to be correct, you gave it to Mr Dickson, didn't you?---Well, I would imagine so, probably in one of the previous meetings or something. I don't know.

All right. And why did you give him your mobile phone number if that's what occurred?---I don't recall.

30 Well, was it usual for you to give your direct mobile phone number to planners engaged by applicants for DAs or planning proposals?---It was my normal thing to give anybody and everyone my phone number 'cause I was a councillor and if they needed something, they could contact me that way. I'd probably give them a business card which had my phone number on the business card.

Did you have your direct mobile phone number on your business card?
---Yes. Not everyone did, but I did. I felt that I should be accessible to people as a councillor.

40

All right. And so it's likely you gave Mr Dickson your mobile phone number so that he could contact you about the Landmark Square planning proposal. Correct?---It's likely I gave him my card, which had my phone number on it because that's what I tended to do with anybody that I met first-up.

And you gave your card to him so that he could contact you about the Landmark Square planning proposal if he needed to. Correct?---If he wished to, yes.

10

Now, at paragraph 31, Mr Dickson is shown a document which indicates that on 25 May, 2015, he called you. Do you have a recollection of speaking to Mr Dickson that day?---No, I do not. I have no recollection at all.

All right. Around this time, there was no reason for him to call you other than in connection with the Landmark Square planning proposal. Correct? ---I guess so, yes.

20 All right. We can take that statement down. You're aware now that the Landmark Square planning proposal was lodged in June 2015?---Yes, I just don't remember all the dates, sorry.

I understand that.---There's too many dates and over too many years.

No, I'm not trying to test your memory in that respect. Let's just assume when you're answering my next questions, the proposal was lodged with council in June 2015?---Yeah.

30 Understand?---Yes.

All right. There was then another meeting that you attended at council on 12 November, 2015 and – sorry, I'll show you Mr Dickson's statement again at paragraph 47. Read paragraph 47 to yourself and I'll ask you a question.---Yes, I've read it.

All right. And then Mr Dickson goes on to say that he attended a meeting on 12 November, which you and Mr Badalati and Mr Hindi attended. Do you have a recollection of attending that meeting on 12 November, 2015?
40 ---No. That's not on here though, is it?

I'm sorry?---That's not on here.

No, that's at paragraph 51, which I can show you. And then at paragraph 52 he refers to some meeting notes and says, "The attendees are accurate." I'll show you those meeting notes in a moment but they record that you and Mr Badalati and Mr Hindi attended. So just assume that for a moment.---Yes.

You don't recall that 12 November, 2015 meeting, I take it?---No, I don't recall. I went to lots of meetings.

10

I understand. And so on this occasion Mr Dickson says he was seeking a meeting with the mayor, which assume at that time it was Mr Badalati.--- Sorry, whereabouts is that?

So that was back up at paragraph 47.---Oh.

Well, he doesn't expressly say that but the email talks about a meeting with the mayor, so just assume that for a moment.---Okay. I, I've not seen that at the moment.

20

And he also I think confirmed in his oral evidence that he didn't request that you or Mr Hindi attend the meeting. So can you recall who invited you to attend this meeting?---No. I'm still, is it on 52, 12 November, 2015?

Yes, that's the one I'm talking about.---All right.

Can you recall who invited you?---No, I do not recall who invited me.

30 Okay. Is it likely that Councillor Badalati as the mayor at the time invited you?---Yes, it's quite possible.

And likely he did so because the three of you, that is you, Mr Badalati and Mr Hindi had been discussing the Landmark Square planning proposal, correct?---That's quite possible. It's also good when you have discussions like that to have someone else there as well.

THE COMMISSIONER: Just remind me, at this point in time were you an Independent or Labor?---I was Independent.

40 You were an Independent?---At this point in time, yes, I'm pretty sure.

When did you become an Independent roughly?

MS HEGER: I think your evidence was about 2012.---Yeah, something like that.

All right. And you understood around this time that Councillor Badalati and Councillor Hindi supported the Landmark Square planning proposal, didn't you?---I assume so. I'm not, I'm not sure.

10 All right. I'll just show you the minutes from this meeting at volume 1.4, page 8. So you can see these are the meeting notes for 12 November, 2015. As I mentioned earlier, it records the attendees as Councillor Badalati, yourself and Councillor Hindi. You see that?---Yes, yes.

Then if we go over to page 10. Sorry, previous page. No, I won't ask you a question about that. Instead I will go to page 10, I'm sorry. So this is a separate document. This is an email from Nigel Dickson to various people. You're not copied to this email. It's dated 14 November, 2015, and in it Mr Dickson is summarising what occurred at the 12 November meeting. Do
20 you understand that?---Yes. I haven't seen this, but yes.

Yes. And in the fourth paragraph there, he says, "Councillor Sansom said a hotel had been sought for many years by councillors in the area. Noted the excellent views from the elevated location to the city waterways and mountains."---Yes, I've made no secret of my feeling towards that.

Yep. So that accords with your recollection of this meeting, does it?---I don't have any recollection of the meeting, but that would definitely be something I'd say.

30 Okay. And a couple of paragraphs down it says, "All councillors supported the proposed rooftop pool and recreation areas, spoke to the excellent potential views." You don't dispute you said something to that effect, correct?---No, well, that's in the one higher up anyway.

I'm asking you about that paragraph, though. Did you say something to that effect, a "proposed rooftop pool and recreation areas", et cetera?---Yes, it's the same as I said a little bit higher up on the (not transcribable) document there.

40

Okay. And now on the next page, about halfway down the page it says, "The councillors are seeking to have the PP and the VPA reported to a council meeting in December 2015. Two meetings are scheduled but Carina cautioned that this report will still need to be prepared by staff. The Acting GM spoke of the reporting time for the meetings and the tight schedules in December for meeting times." So you don't dispute, I take it, that you were seeking to have the planning proposal and VPA reported to a council meeting in December 2015?---I don't recall it, but I don't dispute it.

10 All right.---Given that I was supporting the hotel, there's no reason why I would.

You were eager to have the planning proposal and VPA reported to council as soon as possible, weren't you?---It would appear that way, yes. I don't, again, I don't recall.

Okay. Now, in February 2016, you and Mr Badalati travelled to Hong Kong together on 18 February. That's what the records indicate. I take it you don't dispute that?---I don't dispute that. I don't recall it but I don't
20 dispute it.

All right. And I can tell you Philip Uy travelled to Hong Kong a couple of weeks earlier on 4 February, 2016. Did you meet up with him in China on this occasion?---I don't recall. Chances are I did but I don't recall.

Okay.---I don't recall the trip at all at the moment.

All right. Well, did you discuss the Landmark Square planning proposal with Philip Uy on this trip?---Well, if I don't recall the trip and I don't recall
30 whether I spoke to Philip, I wouldn't, I wouldn't recall what I said when I don't recall the whole thing anyway.

Okay. But if you did see Philip Uy in China on this occasion, it's likely you discussed the Landmark Square planning proposal, isn't it?---It is, but not necessarily. I often went with Philip and we, we wouldn't discuss council things at all.

All right. And I want you to assume by the time of that trip a modification application had been lodged in respect of 1-5 Treacy Street to put on an
40 extra five storeys. It's likely you discussed that with Philip Uy on this trip as well, isn't it?---Again, I don't, I don't recall. I don't even, yeah, as far as

that, sorry, I don't recall that extension of 1-5 Treacy Street being put in at that particular point in time.

But if it had been put in and it was December 2015 that was put in, it's likely you discussed that with Philip Uy on this trip in February 2016, if you did meet up with him?---It's possible but I can't say yes or no without telling a – I can't say yes or no because I don't recall.

10 I understand. All right. Now, council of course voted on the Landmark Square planning proposal on 20 April, 2016. So I want you to assume that in answering my next questions. Can I show you volume 1.4, page 253? So this is an email from someone at Hurstville City Council to all councillors dated 14 April, 2016. It says "The business paper for next week is now available online and on the councillors' intranet portal." Now, the business paper includes assessment reports that council staff had prepared on matters that were coming before council at the next meeting, correct?---Normally, yes.

20 And so given the Landmark Square planning proposal was going to be voted on on 20 April, 2016 the business papers included the staff's assessment report for the Landmark Square planning proposal, correct?---I would assume so. I don't recall the exact dates that they came in.

All right. And when you got this notification, did you then go and look at the business paper that day or soon thereafter?---Again, I don't recall but my, normally I'd look at the business paper online as soon as I could but it depends on what else I had on, which I don't know.

30 Okay. So you of course received – I withdraw that. I'll show you volume 1.10.

THE WITNESS: The business papers are often quite long too, so I wouldn't necessarily look at a whole business paper in one reading.

MS HEGER: But you certainly aim to read through all of it in advance of attending the relevant council meeting, correct?---Oh, yes, absolutely.

40 So this is the council staff's report for the Landmark Square planning proposal and you can see at the top it refers to council, Wednesday, 20 April, 2016. Do you see that?---Sorry - - -

Just in the header at the top.---Council, Wednesday, 20 April, 2016. That's the date of this, not necessarily the meeting date.

No, well, it suggests that this is a report for the Landmark Square planning proposal to be provided to council for the purposes of its meeting on 20 April, 2016, doesn't it?---I, I can't recall exactly how they did it. Normally I would have thought it was bigger than that (not transcribable) the council meeting.

- 10 Okay. Well, I want you to assume that that's what this is, it's the staff's assessment report that was circulated before the council meeting.---Yeah, I can see that but - - -

On 20 April. And so you received and read this report prior to the council meeting on the 20th, correct?---I would have. I don't recall it.

Okay. It was certainly your practice as you've said to read the staff assessment reports prior to the council meeting, correct?---Yes, correct.

- 20 All right. You'll see on the first page it says, "The interested parties include The One Capital Group Pty Ltd (Wensheng Liu)." Do you see that?---Ah hmm.

That was a yes?---Yes.

All right. So you obviously understood prior to the council vote that Wensheng Liu was, or his company, was the applicant for the planning proposal, correct?---It would appear that way, yes.

- 30 And you also knew by this time that Philip Uy was involved in the Landmark Square planning proposal, correct?---I guess so but I can't, I don't recall definitely.

Well, before this council meeting, Philip Uy's evidence is that he had discussed Landmark Square with you and explained the benefits of the development.---All right. Well, then it, I did.

You don't dispute that, I take it?---No. Then I did.

- 40 I'm sorry?---Yeah, no, I don't dispute that.

Okay. And I suggest to you that given your knowledge of Philip Uy's previous development activities and given you likely understood – I withdraw that. I suggest to you that given your knowledge of Philip Uy's previous activities in property development, when you spoke to him about the Landmark Square planning proposal, you understood he wasn't just interested as an ordinary member of the public. Correct?---It sounds likely, yes.

10 You understood that he had some sort of commercial interest in the Landmark Square planning proposal prior to this council meeting. Correct? ---I probably did but I don't recall.

All right. You'll see that in this assessment report, it says "the applicant's planning proposal requests" a number of things "change of zoning, increase in maximum building height to 65 metres on site A and 25 metres on site B". You see that?---Yes.

20 And also "an increase in FSR to 3.5:1 for site A and 1.5:1 for site B". You see that?---Yes.

And also a "bonus FSR incentive 1.5:1 for development including hotel and motel accommodation and a range of community infrastructure uses". Do you see that?---Yes.

But then the author of the report goes on to recommend a change in zoning but that "the FSR be 2.5:1 across the entire site". Do you see that?---Yes.

30 And that the "maximum building height be part 40 metres and part 18 metres". Do you see that in the second last dot point there "increasing the maximum building height to part 40 metres" do you see that?---Yes (not transcribable) saying "part".

So you obviously understood that was the staff's recommendation prior to the council meeting. Correct?---Yes, I would have.

Now, you had a meeting on 18 April with Mr Badalati and Mr Hindi in Brighton-Le-Sands, didn't you?---I don't recall but if, if you have, if it's the case, that's the case.

40 THE COMMISSIONER: Just before we move on, can I have that document back and have a look at page 2?

MS HEGER: Yes.

THE COMMISSIONER: And page 3? Can we just go back to page 1, thanks? You'll see that there's an entry there at the top of the page, a previous report's referenced, Draft Employment Lands Study and Draft Industrial Lands Planning Control Recommendations. See that?---Yes.

Now, on any view, this was a major development. Do you agree?---Yes.

10

And it would be unusual with a major development for council to be acting on draft reports prepared by council officers?---Where does it say this is a draft report?

“Previous reports referenced: Draft Employment Lands Study and Draft Industrial Lands Planning Control Recommendations”.---If the, if it came up to council and council was looking at it, if there was a Draft Employment Lands or a Draft Industrial Lands Planning, the, when, then we would take that into consideration even if it hadn't been adopted wholly.

20

But that's unusual, isn't it?---No.

Normally, you'd wait till the final reports had been prepared?---No, not necessarily.

All right. Thank you.

MS HEGER: Can I show you volume 19.2, which is MFI 40? Row 114. Sorry, it's MFI 6 that I'm referring to. All right. You'll see on 18 April, about halfway down the page, there's a pink shaded row, 17.44pm.---7.44?

30

17.44.---Yes.

And you'll see the party start location and the party end location is Brighton-Le-Sands.---Yes.

And on that occasion it was Mr Badalati calling Mr Hindi. You see that? It says “A Party User, Vince Badalati. B Party User, Con Hindi.” You see that?---Oh, I just, yes, now I can see.

40

All right. And then the three, four subsequent entries are also, also contain details referring to Brighton-Le-Sands. Do you see that?---Yes.

Including a call from you to Con Hindi at 6.34. Do you see that? The yellow shading.---No. 18.34?

Yes. You see that?---Yes.

10 All right. You were organising to meet Mr Badalati and Mr Hindi in Brighton-Le-Sands on this occasion, correct?---I don't recall, but I may well have.

Okay.---We'd like to discuss things often.

Now, did you discuss the Landmark – well, you did discuss the Landmark Square planning proposal at that meeting, didn't you?---I don't recall, sorry. I probably did, but I honestly don't recall.

20 Okay. Well - - -?---I don't recall the meeting, even. But I'm not disputing it.

All right. Mr Badalati's evidence is that you proposed drafting a resolution that went against the council staff's recommendations, is that what happened?---I don't recall, but that's quite possible. I was, with all due respect to my colleagues, I was probably better at doing that than anyone else, and I was better at doing that than some of the officers even at council.

All right.---So probably, yeah, so it would have been me.

30 And his evidence was that the three of you agreed that you'd put forward approach that was inconsistent with the council staff's recommendations? ---That's quite probable, yes.

All right. And at that stage was Mr Hindi aware that Philip Uy was involved in the Landmark Square planning proposal?---I don't know.

40 Okay. Can I show you volume 1.4, page 257. This is an email from yourself to Mr Hindi and Mr Badalati on 19 April, 2016. You see that? ---Yes.

And it's from your private email address to their private email addresses.
---Yes.

Was it usual for you to deal with council business from your [REDACTED] account?---Yes, quite often.

10 And was it usual for Mr Hindi and Mr Badalati to do so, as far as you know?---I think they did, yes. Well, they obviously did here, but – so if I sent it to their, their either personal email accounts, but I certainly used mine quite often for council business.

Well, why didn't you send it to their Hurstville Council email addresses?
---No particular reason that I can think of at all, other than if it was a personal document to begin with, I mean, it might be related to Hurstville Council, but if it's a suggestion in the first place, well, then I'd probably send it to their private email addresses before it became a council email address.

20 Well, this is a resolution that you were intending to put forward to the council meeting the next day, correct?---Yes, but I was showing it to them, to them for any discussion or any - - -

Yes, but there's no reason why you couldn't have done that by sending it to their Hurstville Council addresses, is there?---Well, it doesn't really matter but I used, often used private email addresses.

30 Well, were you sending it to their Hurstville Council addresses because you wanted to minimise the risk of someone else at council finding out that you were drafting this?---No, no. I never, it never concerned me in the slightest that Hurstville Council staff would be looking at my emails that were Hurstville Council emails. I mean, to do that they would need to have certain knowledge and skills that wouldn't align with what their jobs were anyway.

40 THE COMMISSIONER: It's pretty clear though from this, isn't it, that as at Tuesday, 19 April at 14.08 that you, Mr Hindi and Mr Badalati had agreed that a motion of this sort should be put before council at its meeting?---I guess so. I haven't read the whole thing, but yes. But there was nothing unusual from my point of view in using my personal email address or other people's.

No, I'm not asking about your email account.---Okay. Well, yes, it was obviously, it was a suggestion that I had for a motion.

But it seems as though there would be agreement because all you're asking them to do is to make anything alterations or suggestions that they would make.---Yes.

It's been pointed out to you that you had some contact with them the day before on the 18th, correct?---Yes.

10

And it's been put to you that that occurred at Brighton-Le-Sands.---Yes.

It's likely, isn't it, that this was the subject of conversation at Brighton-Le-Sands?---It is likely but we, we would often talk about council business outside of council.

At Brighton-Le-Sands?---Yeah. Have a coffee down there at the same time.

20 Right.---That wasn't unusual. If you're a councillor on council you discuss things with other councillors and they don't have to be formal discussions, they can be informal discussions as well. It, it's better to involve people than to not.

How many councillors were there at that time roughly?---12.

12. And why was this only circulated amongst three?---Because I was getting their views first before I did anything else with it.

30 But you had their views, didn't you?---Their views on the actual wording of this as it says.

All right. Well when there was agreement of the wording was it circulated to other councillors?---I don't recall. It probably would have been used as a motion.

I agree with that but did other councillors have notice of it before it came before council?---They would from the council point of view because I would have to put this up and then the council officers could, would send it to all other councillors, yes.

40

Right. Okay, thank you.

MS HEGER: All right. I'm just going to ask you to note a couple of aspects of this resolution which I will come back to ask you about later. You see in the first paragraph it talks about addressing road and traffic infrastructure demands?---Yes.

And it suggests doing that by preparation of an amendment to the Hurstville section 94 Development Contributions Plan to address road and traffic infrastructure within the city centre. Do you see that?---Yes.

10

You will see that at point 2 it proposes a maximum building height of 65 metres on site A and 25 metres on site B. Do you see that?---Yes.

And you will see at point 4 it proposes a maximum of 3.5:1 for site A and 1.5:1 for site B.---Yes.

And you will see that in the following paragraph it talks about a contamination assessment report for the subject site. Do you see that?---In point 5? No.

20

No, after point 6 there's a paragraph that says that "Prior to any point Gateway public exhibition the applicant prepare a contamination assessment report".---Oh, yes.

You see that?---Okay, yes.

And in the second-last paragraph it also says "Council resolve to commence preparation of amendment to the Hurstville Development Control Plan." Do you see that?---Yes.

30

All right. Can I show you volume 1.4, page 267. This is another email from yourself to Mr Badalati and Mr Hindi, and you see changes and additions have been highlighted in yellow. You see that?---Yes.

If you go to the next page, you'll see the words "subject site A" have been highlighted in yellow towards the bottom.---Yes.

40

Which means that you were proposing the applicant prepare a contamination and assessment report for site A, but not for site B. You understand that?---Yes, that's what it looks like.

Why did you make that amendment?---I can't recall. It would have been through my understanding and thought about what was happening, but I do not recall specifically at this point in time.

Well, you'd accept that's an amendment in the applicant's favour in that rather than having to get an assessment report for the entire site, they could just get it for a subsection of the site?---I guess so, but it wouldn't necessarily have been put in for that reason.

10 Well, you also understood at this time that it was a requirement of the State Environmental Planning Policy referred to there that the possibility of contamination on the entire site be assessed, didn't you?---I'm not sure, I'm sorry.

Well, in those circumstances can you explain why you made this amendment?---Not offhand at the moment, no, I can't. It would have been for a reason.

20 THE COMMISSIONER: Well, by this point in time you've got two Labor councillors and an Independent, yourself. But one thing you all had in common when dealing with this is that you all had a relationship with Philip Uy. Correct?---It was a Labor, Liberal and Independent.

I beg your pardon?---It was Labor and Liberal.

Yeah, all right.---Con Hindi was Liberal. Vince Badalati was Labor.

30 I do apologise, but one thing you all had in common, despite politics, was that you all had a relationship with Philip Uy, correct?---We all knew him, yes.

Well, you more than just knew him. He was a friend of yours, correct?
---Yes, an acquaintance friend, yes.

And each of the things put forward here favour him or the developer.---I guess you could put it that way but that wasn't the intention.

40 And when you said that other councillors had an opportunity to see this before it was put up, in fact it didn't go to the general manager until 20 April, which was the day of the meeting, correct?---No, I don't recall that.

We can go back.---I'll take your word for it, but I don't recall.

MS HEGER: There's an email to the general manager later, which I'll come to.

THE COMMISSIONER: Yes. Thank you.

MS HEGER: All right. Can I show you volume 1.4, page 270. This is on
20 April, from yourself to Mr Hindi and Mr Badalati. "Con, please see
10 amended version after talking to Vince."---Yes.

So you obviously had a discussion with Mr Badalati about the resolution by this time?---Yes, obviously, yes.

And go to the next page.---That was the idea of sending it out.

Yes. You'll see now, although in the previous version there was a reference to road and traffic assessment at the top, that's now come out in this version. You see that?---I can't remember where it was in the other one, but yes.
20

Well, you'll recall it was towards the top, and I showed you that in the first version of the resolution that I took you to?---Yes.

So the result now being there was no requirement of the kind that had been set out to address road and traffic infrastructure. Why did you remove that?---I, I can't recall other than it would have been a suggestion of either Vince or Con. 'Cause - - -

Well, that wasn't - sorry.---I, I sent it out to them to get any feedback, so it
30 would have been as a result of that feedback, I assume.

Well, can you recollect who actually made that suggestion?---No, I cannot.

Well, that was another amendment that favoured the developer, wasn't it?
---I wouldn't have thought of it in that way, but anyway.

Well, you accept that that's an available reading of it now, don't you?
---Yes.

All right. And then if we go to page 274, this is another version of the resolution which you say you've just sent to Laurie, who was the acting general manager at the time. Correct?---Yes.

If we go to the next page, you'll recall that in an earlier version, there was a reference to preparing a Development Control Plan and that now doesn't appear in this resolution, does it?---No.

10 You recall it was towards the bottom and that now doesn't appear - - -?
---Yeah.

- - - in that last few paragraphs, does it?---Well, I haven't had a chance to look through the whole thing but I'll take your word for it.

I want you to assume that it doesn't. Why was that taken out, that reference to the Development Control Plan?---I don't recall.

20 Can you recall whose idea it was?---No, I cannot. Would have been one or the other, but I don't know. I can't remember at all.

That's another amendment in favour of the developer, isn't it?---It might be. I'm not sure. I'd have to look at it in more detail.

Well, you understood at this time that a Development Control Plan imposes additional requirements over and above the Local Environment Plan in terms of the design of the building, for example?---Mmm.

30 And so if you remove the requirement for a Development Control Plan, you're removing an extra hoop that the developer would have had to jump through to get the DA approved, aren't you?---In theory, yes, I guess so. It's probably, it's not necessarily why I was thinking of doing that.

THE COMMISSIONER: What do you mean in theory?---Well, just what I meant. In theory. Again, but I don't, I, I don't recall doing it on purpose.

40 MS HEGER: Were you having any discussions with Philip Uy about this resolution as you were drafting it?---Not to my understanding. And I don't think he'd know, anyway, but, no, I don't recall having any discussions with him while I was drafting this.

Was Mr Badalati or Mr Hindi having discussions with Philip Uy as far as you know?---I, as far as I know, I, no.

I mean, relating to the drafting of this resolution?---As I understand that, as far as I know, no. As far as I remember or thought at the time, it was just the three of us at this point in time who were still looking at it. Now, whether they did or didn't, I don't know. But I, I don't recall certainly them saying anything that they'd given it to Philip or talked to Philip.

10 All right. You ultimately did vote in favour of the Landmark Square planning proposal on 20 April. Correct?---I, I believe so. I can't
- - -

Well, I want you to assume that's the case.---Six years, there's a lot of meetings to try and remember.

Again, I'm not trying to test your memory. I want you to assume that you did vote in favour of it?---Yes, that's what I said. I would, I would, I would accept that.

20

And you must accept from your earlier evidence that you had at least a non-significant, non-pecuniary interest because of your relationship with Philip Uy. Correct?---Yes. And, in hindsight, as I've said, I should have declared non-pecuniary, non-significant, yes.

And I suggest to you by this point, it was actually a significant interest, given the nature of your relationship with Philip Uy around this time?

---Well, that's your understanding. I had a relationship with Philip Uy in, in terms of talking to him and going with him but I really, he wasn't a close
30 friend as such.

THE COMMISSIONER: But you had a relationship where you received certain benefits. Correct?---Well, I can't recall with the airfares 'cause I know I paid him back for quite a few of those in, in China if that's what you mean, Commissioner?

MS HEGER: And you also had at least a non-significant, non-pecuniary interest because of your previous dealings with Wensheng Liu. Correct?

---Yes, I've accepted that. I should have declared that.

40

And by this point, you still felt a sense of obligation to vote in favour of the Landmark Square planning proposal, given the benefits that Philip Uy had provided you in the past. Correct?---No.

I'm sorry?---No, I didn't feel an obligation that I had to because of that.

All right. But you accept a member of the public might perceive it that way?---Yes.

- 10 All right. On 20 April, 2016 you also voted in favour of a VPA offer for the modification application on 1-5 Treacy Street. Do you recall that?---No.

All right. Well, I want you to assume that's the case. I take it you would accept you should have also disclosed at least a non-significant, non-pecuniary interest when you were voting on that matter, based on your relationship with Philip Uy?---Yes. I accept that. I mean, it's not, it's not, I, I tended to do it more than most people. So I'm not sure why I didn't in that case.

- 20 And you should have also disclosed at least a non-significant, non-pecuniary interest given your previous dealings with Wensheng Liu, correct?---Yes. But as I said to you I had really very little dealings with Wensheng Liu that I recall.

All right. And I suggest that – I'm sorry. Did you want to say something else?---No, no, no. It's okay.

- I suggest when you voted on that VPA offer to 1-5 Treacy Street again you still felt a sense of obligation to vote in favour of it, given the benefits Philip
30 Uy had provided you in the past.---No.

But you accept a member of the public might perceive that the benefits Philip Uy have given to you were intended to influence you to vote in favour of the 1-5 Treacy Street VPA on this occasion?---Now I would, now I would accept that, yes, but it wasn't my intention, view at the time.

All right. I note the time, Commissioner. I expect I'll only be another five minutes or so.

- 40 THE COMMISSIONER: Okay. It's all very curious though, isn't it, because you said on a number of occasions you were in effect very

conservative and tended to make declarations on a conservative basis. That is if there was any risk you would go and declare it. Doesn't that make this more curious as to why, in respect of these particular matters, and on more than one occasion, you didn't disclose?---I supported the application, I supported the hotel concept and things like that. It might have been because of that.

Well, you might have supported them but as I understood your evidence, that you were generally very careful and overcautious in respect to putting
10 on record conflicts of interest. And what I'm putting to you is it's very curious, do you agree, that you didn't do so in respect of any of these matters?---Well, I can't recall why at this point in time.

Very well.

MS HEGER: Other than possibly the flights and accommodation we've discussed earlier, did Philip Uy ever give you any money or other benefit in respect of Treacy Street or Landmark Square?---No.

20 Never paid you an amount of money?---No.

I take it Wensheng Liu didn't either?---That's correct.

You've heard some evidence from Mr Badalati that Mr Hindi told him that Mr Hindi had received a cash payment in respect of 1-5 Treacy Street. You're aware that evidence has been given?---Yes.

Did Mr Hindi receive a payment for Treacy Street?---I don't know. The first I knew about all of that was listening to this on streaming online.
30

Did Mr Hindi ever say or do anything to cause you to believe or suspect that he had received a payment in respect of 1-5 Treacy Street?---No.

All right. And you're aware Mr Badalati has given some evidence that Mr Hindi was paid \$100,000 in respect of Landmark Square. You're aware of that evidence?---Yes. I, I have watched it every day.

As far as you know did Mr Hindi receive such a payment?---I didn't know that he, that Mr Badalati had received a payment until the first session of
40 this inquiry when he was being interviewed.

What about Mr Hindi?---Same. No, I did not know.

Did Mr Hindi ever say or do anything to suggest to you that he might have received such a payment in respect of Landmark Square?---No. I had no idea whatsoever.

I have no further questions of Mr Sansom.

10 THE COMMISSIONER: Thank you. And we'll adjourn then until, what, ten past 2.00, 2 o'clock?

MS HEGER: Yes.

MR SHARIFF: Commissioner, might I just enquire whether there are any applications to cross-examine my client because - - -

THE COMMISSIONER: I'm having trouble hearing you because there's a siren going off.

20 MR SHARIFF: I'm sorry, Commissioner. Might I enquire whether there are any applications to cross-examine my client because otherwise I think my submission would be he should be he should be free to go.

THE COMMISSIONER: The answer is I don't know off the top of my head but - - -

MS HEGER: I'm not aware of any.

30 THE COMMISSIONER: We've got one, I think.

MR HOOD: Yes. Can I just have the luncheon adjournment, Commissioner, and I will see what we can sort out in that regard?

THE COMMISSIONER: Certainly. And if nobody has an application at that stage then of course the witness is free to go. But, Mr Shariff, I'm not going to discharge him from his summons. He is free to go of course but if he needs to come back he'll have to come back.

40 MR SHARIFF: I understand, Commissioner.

THE COMMISSIONER: Thank you.

LUNCHEON ADJOURNMENT

[1.10pm]