

Wednesday 26 July 2017

**Investigation into the conduct of the former City of Botany Bay
Chief Financial Officer and others****ICAC FINDINGS**

The ICAC found that Gary Goodman engaged in serious corrupt conduct by:

- between 1997 and October 2015, dishonestly exercising his official functions as Council CFO by approving, or causing the payment by the Council of, invoices totalling over \$5 million, which he knew to be either entirely false or for inflated amounts, and did so in each case to obtain money from the Council for his own benefit and the benefit of others
- soliciting and receiving \$2,000 from Zoran Gajic of Cube Design and Construction and Highland Profiles as an inducement or reward to exercise his public official functions to favour, or not to show disfavour to, Mr Gajic's businesses in relation to their work for the Council
- between December 2003 and January 2012, wilfully and intentionally using the Council's corporate credit cards issued in the name of the then general manager to incur personal expenditure of \$620,091.77, knowing that he was not entitled to do so, and then authorising the payment by the Council of the credit card accounts relating to that expenditure.

Findings of serious corrupt conduct are also made against Keith Mark, Aleksa Subeski, Mr Gajic, Joe Freitas, Sam Alexander, Lyndal Marshall, Robert Floudas, Siddick Hussein, Marny Baccam, Malcom Foo and Lorraine Cullinane.

ICAC RECOMMENDATIONS

The ICAC is of the opinion that the advice of the Director of Public Prosecutions should be obtained with respect to the prosecution of Mr Goodman, Mr Mark, Mr Subeski, Mr Gajic, Mr Alexander, Ms Baccam, Mr Foo, Mr Hussein, Suman Mishra and Ms Cullinane for various offences.

CORRUPTION PREVENTION

The Commission has made eight recommendations to the now Bayside Council to prevent the type of conduct exposed in this investigation from recurring. The ICAC also recommends that the NSW Government should consider adopting a model of local council oversight that is comparable to that applicable to state government agencies. Full list of corruption prevention recommendations.

BACKGROUND

The Commission's investigation began after it received an anonymous complaint in December 2014 that Mr Goodman had misused between \$500,000 and \$1 million of Council funds and resources. The allegations included that he had misused \$50,000 worth of Council Cabcharge cards, misused Council fuel cards for his personal use and retained from three- to four Council vehicles for his personal use.

The Commission held a public inquiry, as part of the investigation, over 16 days between 29 February and 17 March 2016, and then between 3 and 8 June 2016. Commissioner the Hon Megan Latham presided at the public inquiry, at which 29 witnesses gave evidence.

Further evidence came to light after, and as a result of the public inquiry, concerning Mr Goodman's conduct in relation to a company called CND Computers and the use of the Councils' credit cards.

The report is available on the ICAC website at www.icac.nsw.gov.au.

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