

FAMILY KILLINGS
**MURDER
MYSTERY** NEWS



LORD'S LOSS
**AUSSIE HOPES
SHOT DOWN** SPORT



WOLLONGONG ILLAWARRA MERCURY

SINCE 1855

Tuesday, July 21, 2009

\$1.10 (incl GST)



CORRUPTION SCANDAL

ICAC MOVES AT LAST

THE state's corruption watchdog has handed its briefs of evidence on 11 individuals named in Wollongong's sex and bribes scandal to the Director of Public Prosecutions.

The DPP will now consider what, if any, criminal charges could be laid against those named by the Independent Commission Against Corruption, including former senior council planner Beth Morgan (pictured).

Briefs have also been prepared on ... **FORMER** council employee Joe Scimone; **DEVELOPERS** Frank Vellar and Glen Tabak; and **SACKED** Labor councillors Val Zanotto, Kiril Jonovski, Zeki Esen and Frank Gigliotti.

The others named in briefs - developer Lou Tasich and comen Ray Younan and Gerald Carroll - were not found to have engaged in corrupt conduct, but ICAC did identify them as having committed possible criminal offences.

During 12 days of sensational hearings early last year, ICAC was told Ms Morgan had slept with Mr Vellar and Mr Tabak and given their developments favourable treatment.

The handing of evidence to the DPP marks the first significant step in the aftermath of ICAC Commissioner Jerrold Cripps finding a possible 139 criminal charges could be pursued against 11 people.

■ **REPORTS** Pages 4-5



FRANK VELLAR

TODAY
Windy



21°

TOMORROW
Mostly fine



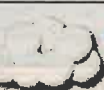
21°

THURSDAY
Chance of shower



17°

FRIDAY
Chance of shower



15°

SECOND 001

ICAC evidence with

By LAUREL-LEE RODERICK

THE state's corruption watchdog has finished compiling detailed evidence against 11 individuals named during Wollongong City Council corruption hearings.

And it has asked the Director of Public Prosecutions to consider laying criminal charges.

The Independent Commission Against Corruption (ICAC) confirmed yesterday that it had forwarded briefs of evidence to the DPP on each of the people it recommended for prosecution last October.

An update has also been posted on ICAC's website.

"Briefs of evidence in relation to all 11 persons have been submitted to the DPP, and the Commission is awaiting advice from it on whether to proceed with prosecutions," the update reads.

The group includes eight of the 10 individuals who were found to have engaged in corrupt conduct - former council staff members Beth Morgan and Joe Scimone, developers Glen Tabak and Frank Vellar, and Labor councillors Val Zanotto, Kiril Jonovski, Zeki Esen and Frank Gigliotti.

It also includes three men who were not found to have engaged in corrupt conduct, but were identified by ICAC as committing possible criminal offences - developer Lou Tasich and alleged comen Ray Younan and Gerald Carroll.

The other two senior Wollongong City Council staff who were found by ICAC to have engaged in corrupt conduct, former general manager Rod Oxley and former development assessment and compliance manager John Gilbert, were never recommended for any criminal charges.

The completion of the briefs is the first significant step forward since ICAC Commissioner Jerrold Cripps QC handed down the



Players: How the Mercury reported the handing down of the third part of ICAC Commissioner Jerrold Cripps' report last year.

third part of his report into Wollongong City Council on October 8 last year.

Commissioner Cripps had recommended a possible 139 criminal charges could be pursued against the group of 11.

An ICAC spokeswoman was unable to discuss the evidence against the 11 individuals or elaborate on whether the evidence covered the entire range of possible criminal charges flagged in Commissioner Cripps' findings.

Some briefs of evidence had already been supplied to the DPP, but the completion of all the evidence means the next step now rests with the NSW Director of Public Prosecutions, Nicholas Cowdery, QC.

A spokeswoman for the Office of the DPP said that privacy laws meant she could not discuss any details of the cases and could not confirm that the briefs of evidence had been received.

The 2008 ICAC findings and recommendations

◆ In the third and final instalment of its three-part report handed down on October 8 last year, ICAC made 24 corrupt conduct findings against 10 people and indicated it would ask the Director of Public Prosecutions to consider prosecuting 11 individuals for 139 criminal offences.

◆ Findings of corrupt conduct were made against Beth Morgan, Frank Vellar, Bulent "Glen" Tabak, Rod Oxley, Joe Scimone, John Gilbert, Valerio Zanotto, Kiril Jonovski, Zeki Esen and Frank Gigliotti.

◆ ICAC indicated it would ask the DPP to consider prosecuting Beth Morgan, Glen Tabak, Frank Vellar, Joe Scimone, Valerio Zanotto, Kiril Jonovski, Zeki Esen, Frank Gigliotti, Ray Younan, Gerald Carroll and Lou Tasich for various offences, outlined here:



FRANK VELLAR

Property developer of Quattro & North Beach Bathers' Pavilion

CORRUPT CONDUCT:

◆ Corruptly giving or offering benefits

POSSIBLE CRIMINAL OFFENCES:

◆ Various offences, including corruptly giving benefits to Ms Morgan in return for her giving favourable treatment to a number

of his DAs and improperly providing him with council information

◆ Various offences of wilfully making a false statement to or misleading the commission



GLEN TABAK

Property developer, Victoria Square

CORRUPT CONDUCT:

◆ Corruptly giving or offering

benefits

POSSIBLE CRIMINAL OFFENCES:

◆ Various offences, including corruptly giving benefits to Beth Morgan in relation to her assessment and determination of his Victoria Square DA, and Joe Scimone in relation to the assessment of an application relating to contributions payable to the council for the Victoria Square development

◆ Offences of wilfully making a false statement to or misleading a commission officer



LOU TASICH

Developer who was the subject of a 2007 ICAC investigation

and finding of corrupt conduct, involving a \$30,000 bribe he was found to have offered to a council officer. In 2008, ICAC found Mr Tasich paid \$20,000 to Mr Younan and Mr Carroll, believing it could affect the commission's investigation in his favour.

POSSIBLE CRIMINAL OFFENCES:

◆ - An offence of corruptly giving a benefit to improperly affect the commission's investigation.



RAY YOUNAN

Conman who posed as ICAC officer with detailed knowledge of ICAC investigations

POSSIBLE CRIMINAL OFFENCES:

◆ Various offences relating to obtaining substantial payments by falsely representing

that he knew or actually was a commission officer and that he, or commission officers he claimed to be corrupt, could affect the commission's investigation in favour of those persons



GERALD CARROLL

Conman who posed as ICAC officer with detailed knowledge of ICAC investigations, an ASIO officer and a journalist.

POSSIBLE CRIMINAL OFFENCES:

◆ Various offences relating to obtaining

substantial payments by falsely representing that he knew or actually was a commission officer and that he, or commission officers he claimed to be corrupt, could affect the commission's investigation in favour of those persons

What happens now?

THE state's top prosecutor, Nicholas Cowdery, will decide whether there is sufficient evidence to pursue criminal charges against 11 individuals implicated in corruption hearings involving Wollongong City Council.

ICAC has confirmed that briefs of evidence on each of the individuals have now been finalised and sent to the Office of the Director of Public Prosecutions for advice on whether to lay charges.

The Office of the DPP is unable to comment on the cases or the evidence being considered.

But a spokeswoman for the department said yesterday that when a request for advice was received from an agency such as the ICAC, it would be allocated to a solicitor to prepare a report to send back to the director or deputy director. The director would then give the final advice.

"The ODPP considers whether there is admissible evidence available, it advises on charges that may be available and the sufficiency of admissible evidence

to prove them," the spokeswoman said.

The DPP solicitors would evaluate whether the evidence contained in the briefs of evidence was admissible and could be used in court to secure a conviction.

"The advising process may take some time. The director makes the final determination," the spokeswoman said.

"The police force or police employed by the investigative agencies lay any charges and the ODPP will then take over the matter to run the prosecution."

It is not known how long it will take the DPP to decide whether charges should be laid.

The department handles 17,000 matters across NSW each year and the ICAC matters will be prioritised according to urgency and the public interest.

ICAC has the coercive powers of a royal commission and can compel witnesses to give evidence. Its jurisdiction covers state and local government authorities.

Sorry tale that shows no

By LAUREL-LEE RODERICK

ALMOST a year and a half after Wollongong City Council's elected representatives were sacked and replaced with three State Government-appointed bureaucrats, the city's corruption story is far from finished.

The council was sacked in March 2008 after the first instalment of the ICAC findings were handed down.

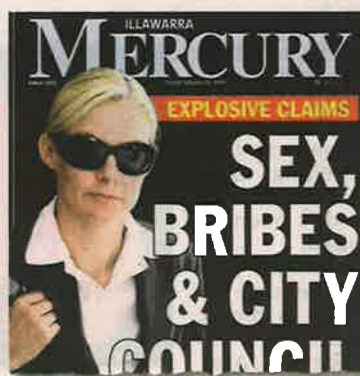
Then, in October ICAC found 10 people had engaged in corrupt conduct, extending to the very top of the council pyramid, former general manager Rod Oxley. Four

councillors were implicated, as were three council staff.

In his third and final report arising from the investigation and hearings, ICAC Commissioner Jerrold Cripps QC, recommended 11 people be considered for criminal charges - eight of those also being found to have engaged in corrupt conduct.

Commissioner Cripps flagged up to 139 criminal charges against the 11 individuals.

Since then, the city's ratepayers, residents and businesspeople have waited to hear if any of the key players involved in the spectacular demise of the council



Sensational: The Mercury's coverage of day one of the hearings.

public prosecutor

JOE SCIMONE
Former manager of council's engineering services and group manager sustainability

CORRUPT CONDUCT:

- ◆ Corruptly receiving benefits
- ◆ Misconduct in public office

POSSIBLE CRIMINAL OFFENCES:

- ◆ Corruptly receiving a benefit from Glen Tabak in relation to his assessment of an application relating to contributions payable to the council for the Victoria Square development

BETH MORGAN
Former senior development project officer at Wollongong City Council

CORRUPT CONDUCT:

- ◆ Dishonest or partial exercise of official functions
- ◆ Corruptly receiving benefits
- ◆ Misconduct in public office
- ◆ The misuse of information or material acquired in the course of official functions

POSSIBLE CRIMINAL OFFENCES:

- ◆ Corruptly receiving benefits from Glen Tabak in relation to her assessment and determination of his Victoria Square DA
- ◆ Corruptly receiving benefits from

Frank Vellar in relation to her giving favourable treatment to a number of his DAs and improperly providing him with council information

- ◆ Misconduct in public office in relation to her assessment and determination of the Victoria Square DA, favourable assistance provided to Michael Kollaras, her assessment and determination of Mr Vellar's Quattro DA and her conduct in relation to other developments for which Mr Vellar was responsible
- ◆ Various offences of wilfully making a false statement to or misleading the commission

FRANK GIGLIOTTI
Former Wollongong councillor

CORRUPT CONDUCT:

- ◆ Conduct that could

constitute or involve corruptly soliciting a benefit

POSSIBLE CRIMINAL OFFENCES:

- ◆ Offences of corruptly soliciting a benefit from Frank Vellar in return for favouring Mr Vellar's proposal for the redevelopment of the North Beach Bathers' Pavilion
- ◆ Offences of wilfully making a false statement to or misleading the commission
- ◆ An offence in relation to making false statements in a statutory declaration

VAL ZANOTTO
Former Wollongong councillor

CORRUPT CONDUCT:

- ◆ The misuse of information

or material acquired in the course of official functions

POSSIBLE CRIMINAL OFFENCES:

- ◆ The common law offence of misconduct in public office in relation to his release of confidential council information to Frank Vellar
- ◆ An offence of wilfully making a false statement to or misleading the commission

KIRIL JONOVSKI
Former Wollongong councillor

CORRUPT CONDUCT:

- ◆ Conduct that could

constitute or involve corruptly soliciting a benefit

POSSIBLE CRIMINAL OFFENCES:

- ◆ Offences of corruptly soliciting a benefit from Frank Vellar in return for favouring Mr Vellar's proposal for redevelopment of the North Beach Bathers' Pavilion
- ◆ Offences of wilfully making a false statement to or misleading the commission

ZEKI ESEN
Former Wollongong councillor

CORRUPT CONDUCT:

- ◆ The misuse of information

◆ Conduct that could constitute or involve corruptly soliciting a benefit

POSSIBLE CRIMINAL OFFENCES:

- ◆ Offences of corruptly soliciting a benefit from Frank Vellar in return for favouring Mr Vellar's proposal for redevelopment of the North Beach Bathers' Pavilion.
- ◆ Offences of wilfully making a false statement to or misleading the commission

signs of any speedy conclusion

would be prosecuted.

The revelations of systemic corruption within the council first began emerging during 2½ weeks of hearings in February and March last year in which 14 witnesses gave evidence and countless bundles of transcripts were generated.

The commission heard sordid details of planner Beth Morgan's relationship with developer Frank Vellar, emails littered with affectionate names and asking for favours on development applications and Ms Morgan being showered with gifts.

The inquiry also heard how Ms

Morgan had slept with another developer, Glen Tabak, and given one of his developments, Victoria Square, favourable treatment.

There was evidence the council managers who knew of Ms Morgan's affairs turned a blind eye.

ICAC also found three elected councillors - Jonovski, Esen and Gigliotti - had solicited money from Mr Vellar in return for favouring his North Beach Bathers' Pavilion plans. Mr Vellar did not agree to make the payment.

And perhaps some of the most bizarre evidence involved two councilmen keen to cash in on the

investigations and who were found by ICAC to have posed as investigators to solicit bribes.

The first part of ICAC's report was handed down on March 4 and led to the sacking of the councillors and the appointment of administrators Gabrielle Kibble, Robert McGregor and Col Gellatly.

Almost three months later the second instalment of the ICAC commissioner's report found that former planner Beth Morgan and developer Frank Vellar had engaged in serious corrupt conduct in their handling of Mr Vellar's \$100 million Quattro development on the former Keira Ford site.

The report, handed down on May 28, 2008, recommended the consent be suspended.

The final and most explosive report was that handed down on October 8 last year. Since the recommendation that 11 individuals be prosecuted, ICAC has been compiling detailed evidence against the individuals.

Now the evidence has been forwarded to the DPP, the next phase is triggered, examining whether criminal charges could be proved beyond reasonable doubt.

If charges are laid and individuals fight the charges, the court battles could stretch out for years.

MERCURY

Black Tuesday

The darkest day in Wollongong's civic history as Premier Morris Iemma moves to sack corruption plagued council