



Government of **Western Australia**
Department of **Local Government and Communities**

Report of the Inquiry into the Lord Mayor of the City of Perth Ms Lisa Scaffidi

Authorised Inquiry under Part 8 Division 1 of
the *Local Government Act 1995 (WA)*

May 2016

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1. Introduction

1. Section 8.3 of the *Local Government Act 1995* (WA) (“the Act”) gives the Director General of the Department of Local Government and Communities (“the Department”) the authority to inquire into all local governments and their operations and affairs.
2. The Director General may, by written authorisation, authorise a person to inquire into and report on any aspect of a local government or its operations or affairs.
3. On 26 November 2015 the Director General authorised an inquiry in accordance with section 8.3(2) of the Act:

“to inquire into and report on whether the Lord Mayor of the City of Perth, Ms Lisa Scaffidi, complied with Division 6 of Part 5 of the Act and regulations 11 and 12 of the Local Government (Rules of Conduct) Regulations 2007 (WA) in relation to:

- a) *each gift received by Ms Scaffidi; and*
- b) *each financial or other contribution that was made to any travel undertaken by Ms Scaffidi, including accommodation incidental to a journey,*

between 1 January 2008 and 12 October 2015 (inclusive of both those dates).”

4. This report on the outcome of the inquiry has been compiled in accordance with section 8.13 of the Act by the three officers of the Department who were authorised to conduct the inquiry (“the authorised persons”).
5. In order to perform their functions, the authorised persons issued three directions to the City of Perth (“the City”) under section 8.5 of the Act to provide documents, information or property. The City complied with each of those directions.
6. On 16 February 2016, the authorised persons extended an invitation through her solicitors to the Lord Mayor of the City of Perth, Ms Lisa Scaffidi (“Mayor Scaffidi”), to attend a voluntary interview at the Department’s offices. On 24 February 2016, Mayor Scaffidi’s solicitors informed the authorised persons that Mayor Scaffidi had declined that invitation.

7. Mayor Scaffidi was also given the opportunity to comment on this report in draft form before it was finalised, and provided written submissions. Those submissions were considered by the authorised persons and form part of this report.
8. Within the period falling within the terms of reference ("the inquiry period"), the authorised persons identified:
 - (a) Sixty-five (65) instances of overseas travel by Mayor Scaffidi; and
 - (b) Forty-seven (47) instances of domestic intrastate and interstate travel by Mayor Scaffidi,comprising of one hundred and twelve (112) instances of travel in total.
9. Of those instances, all but thirty three (33):
 - (a) were funded solely by Mayor Scaffidi; or
 - (b) involved a contribution made to travel from Commonwealth, State or local government funds which did not need to be disclosed under section 5.83 of the Act; or
 - (c) were disclosed by Mayor Scaffidi in accordance with the Act.
10. This report addresses the remaining 33 instances of travel and some other gifts in the context of Mayor Scaffidi's obligations:
 - (a) to disclose gifts and contributions to travel;
 - (b) to refrain from accepting prohibited gifts;
 - (c) to disclose interests affecting impartiality; and
 - (d) to lodge her Annual Returns on time.
11. Notice was given by the authorised persons under section 8.4(2) of the Act in respect of the last two of those matters.
12. The instances of travel and other gifts are addressed in chronological order, with the exception of the Australian Press Council matters.
13. In this report, all references to statutory provisions are references to the Act unless otherwise stated.

2. Relevant Statutory Obligations

14. Mayor Scaffidi was first elected to the City's Council at an extraordinary election held on 8 July 2000. Mayor Scaffidi was later elected as Lord Mayor of the City at the ordinary election held on 20 October 2007 and remained Lord Mayor throughout the inquiry period.
15. Mayor Scaffidi's statutory obligations relevantly remained the same throughout the inquiry period. The changes made to those obligations by the *City of Perth Act 2016* (WA) sections 35 and 36 do not apply to the inquiry period.

2.1. Lodging Annual Returns and declaring gifts and contributions to travel

16. During the inquiry period Mayor Scaffidi was required to lodge an Annual Return with the City's CEO by 31 August each year, in accordance with section 5.76(1). Each of those Annual Returns was to disclose information relevant to the year ending on 30 June, immediately before the Annual Return was required to be lodged ("the return period").
17. For example, in the Annual Return that Mayor Scaffidi was required to lodge by 31 August 2014:
 - (a) the disclosures in that Annual Return were to relate to the year commencing on 1 July 2013 and ending on 30 June 2014; and
 - (b) that year was the return period for that Annual Return.
18. Under section 5.78, each Annual Return is required to disclose information relating to various matters set out more fully in sections 5.79 to 5.86. For the purposes of this inquiry, only sections 5.82 and 5.83 are relevant.
19. Under section 5.82, Mayor Scaffidi was required to disclose in her Annual Return certain information about any gift she had received during the return period which:
 - (a) exceeded \$200 in value (calculated to include the value of any other gift received from the same donor during the return period); and
 - (b) was not given to her by a relative.

20. For the purposes of section 5.82, the term "gift" is broadly defined but does not include any financial or other contribution to travel. Contributions to travel are the subject of section 5.83.
21. Under section 5.83, Mayor Scaffidi was required to disclose in her Annual Return certain information about any financial or other contribution to travel, including accommodation incidental to a journey, received by her during the return period and which:
 - (a) exceeded \$200 in value (calculated to include the value of any other contribution received from the same donor during the return period); and
 - (b) was not made to her:
 - (i) from Commonwealth, State or local government funds;
 - (ii) by a relative;
 - (iii) in the ordinary course of an occupation of Mayor Scaffidi which was not related to her duties as a council member; or
 - (iv) by a political party of which Mayor Scaffidi was a member where the travel was undertaken for the purpose of political activity of the party, or to enable Mayor Scaffidi to represent the party.
22. Failure to lodge an Annual Return by 31 August in the relevant year, or to disclose a gift or contribution to travel as required by the Act, was an offence and constitutes a serious breach under sections 5.102A and 5.105(3).

2.2. Prohibited gifts

23. Under regulation 12(1) and (2) of the *Local Government (Rules of Conduct) Regulations 2007* (WA) ("the Regulations"), Mayor Scaffidi was prohibited from accepting a gift from a person worth \$300 or more (calculated to include the value of any other gift received from that person within a six month period) who:
 - (a) was undertaking or seeking to undertake; or
 - (b) who it was reasonable to believe was intending to undertake, an activity:
 - (c) that could not be undertaken without an authorisation from the City; or
 - (d) by way of a commercial dealing with the City.

The acceptance of such a prohibited gift constituted a minor breach under sections 5.104(1) and 5.105(1).

2.3. Disclosure of interests

24. Under regulation 11 of the Regulations, Mayor Scaffidi was required to disclose the nature of any interest she had in a matter to be discussed at a council or committee meeting she attended:
- (a) that could, or could reasonably be perceived to, adversely affect her impartiality, including an interest arising from kinship, friendship or membership of an association; and
 - (b) was not an interest referred to in section 5.60 (that is, a direct or indirect financial interest or a proximity interest held by Mayor Scaffidi or a person with whom she was closely associated, as those terms are defined by sections 5.60A, 5.60B, 5.61 and 5.62),
- unless:
- (c) she did not know that she had an interest in the matter; or
 - (d) she did not know that the matter would be discussed at the meeting and Mayor Scaffidi declared the interest as soon as possible after the discussion began.
25. The disclosure had to take place in writing to the City's CEO before the meeting or at the meeting immediately before the matter was discussed. Failure to make a disclosure required by regulation 11 constituted a minor breach under sections 5.104(1) and 5.105(1).

2.4. Minor Breaches

26. Any complaint of a minor breach must be made within two years of the minor breach occurring: see sections 5.104(1), 5.105(1)(a), 5.107(4), 5.108(3) and 5.109(2). After that time has expired, it is no longer possible under the Act to make a complaint about the minor breach.

2.5. List of incidents of travel

2.5.1. 2008

1. Inauguration of the President of Taiwan - Taiwan

- (a) Mayor Scaffidi attended the Inauguration of the President of Taiwan in Taipei, Taiwan between 18 and 24 May 2008.
- (b) The Taiwanese Government paid for Mayor Scaffidi's business class return airfare to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2007/2008 Annual Return.
- (d) It is unclear whether her accommodation was paid for.

Finding 1: Mayor Scaffidi failed to disclose the Taiwanese Government's contribution to her travel to attend the Inauguration of the President of Taiwan in Taipei, Taiwan between 18 and 24 May 2008 in her 2007/2008 Annual Return.

2. City Development World 2008 – Australia

- (a) Mayor Scaffidi attended the City Development World 2008 conference in Sydney, New South Wales between 23 and 25 June 2008.
- (b) Terrapinn Australia paid for Mayor Scaffidi's economy class return airfare and accommodation to attend the event. The value of that contribution exceeded \$200.
- (c) That contribution was not disclosed in Mayor Scaffidi's 2007/2008 Annual Return.

Finding 2: Mayor Scaffidi failed to disclose Terrapinn Australia's contribution to her travel to attend and gift of accommodation at the City Development World 2008 conference in Sydney, NSW between 23 and 25 June 2008 in her 2007/2008 Annual Return.

3. 2008 Broome Cup – Australia

- (a) Mayor Scaffidi attended the Broome Cup in Broome, Western Australia between 7 and 10 August 2008.
- (b) Hawaiian Property Investments Pty Ltd ("Hawaiian") paid for three (3) nights' accommodation for Mayor Scaffidi and her husband at the 'Cable Beach Club Resort and Spa' along with entry to the Broome Cup event. The value of that gift exceeded \$200.

- (c) That gift was not disclosed in Mayor Scaffidi's 2008/2009 Annual Return.
- (d) By email dated 1 May 2008, Mayor Scaffidi accepted Hawaiian's offer to pay for her accommodation and entry to the Broome Cup event.
- (e) Hawaiian was part of a consortium seeking a financial contribution of \$180,000 from the City at the Ordinary Council Meeting of 24 June 2008, to assist in the scoping and planning of a Business Improvement District Strategy for the Perth central business district. Mayor Scaffidi was aware of this request and presided at the Ordinary Council Meeting.
- (f) Mayor Scaffidi did not inform Hawaiian that she could not accept their gift after becoming aware that Hawaiian was part of the consortium seeking a financial contribution from the City.

Finding 3: (Minor Breach) In accepting Hawaiian's gift of accommodation and entry to attend the 2008 Broome Cup event Mayor Scaffidi may have accepted a prohibited gift for the purposes of regulation 12 of the Regulations.

Finding 4: (Minor Breach) Mayor Scaffidi failed to declare an interest affecting impartiality as required by regulation 11 of the Regulations, when an item seeking financial contribution from the City for the Business Improvement District Strategy was considered by Council at its meeting of 24 June 2008.

Finding 5: Mayor Scaffidi failed to disclose Hawaiian's gift of accommodation and entry to attend the 2008 Broome Cup event in Broome, Western Australia between 7 and 10 August 2008 in her 2008/2009 Annual Return.

4. 2008 Beijing Olympics – China

- (a) Mayor Scaffidi attended the 2008 Beijing Olympics in Beijing, China between 22 and 25 August 2008.
- (b) BHP Billiton paid for Mayor Scaffidi and her husband's business class return airfare to the event and three (3) nights' accommodation at the 'Sofitel Wanda Beijing'. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) The contribution to travel and gift were not disclosed in Mayor Scaffidi's 2008/2009 Annual Return.
- (d) Mayor Scaffidi first became aware of BHP Billiton's invitation on 21 February 2008. In subsequent email correspondences before 22 April 2008, Mayor Scaffidi discussed details of the travel

arrangements in a way that was consistent with her having accepted the invitation. Mayor Scaffidi formally accepted the invitation on 24 April 2008.

- (e) BHP Billiton, through Elite Sports Property Holdings Pty Ltd, applied to the City in December 2007 to hire the Forrest Place venue for a free public event with live coverage of the Beijing Olympics between 6 and 25 August 2008 (“Live Site event”).
- (f) Council considered the Live Site event application and request for the venue hire fee of \$22,100 to be waived by the City at the Ordinary Council Meeting of 22 April 2008.
- (g) At the time Mayor Scaffidi accepted this gift and contribution to travel she was aware or could have been aware after reasonable enquiry, that BHP Billiton was part of the Live Site event application.
- (h) Mayor Scaffidi did not inform BHP Billiton that she could not accept the gift after becoming aware of BHP Billiton’s involvement in the Live Site event application.

Finding 6: (Minor Breach) In accepting BHP Billiton’s gift of accommodation to attend the 2008 Beijing Olympics Mayor Scaffidi may have accepted a prohibited gift for the purposes of regulation 12 of the Regulations.

Finding 7: Mayor Scaffidi failed to disclose BHP Billiton’s gift of accommodation to attend the 2008 Beijing Olympics in Beijing, China between 22 and 25 August 2008 in her 2008/2009 Annual Return.

Finding 8: Mayor Scaffidi failed to disclose BHP Billiton’s contribution to her travel to attend the 2008 Beijing Olympics in Beijing, China between 22 and 25 August 2008 in her 2008/2009 Annual Return.

2.5.2. 2009

5. 2009 Leeuwin Concert – Australia

- (a) Mayor Scaffidi attended the Leeuwin Concert in Margaret River, Western Australia between 6 and 8 March 2009.
- (b) BHP Billiton paid for two (2) nights’ accommodation for Mayor Scaffidi and her husband at the ‘Grand Mercure Apartments’ in Busselton along with entry to the concert and hospitality at the BHP Billiton corporate marquee. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi’s 2008/2009 Annual Return.

Finding 9: (Minor Breach) In accepting BHP Billiton's gift of accommodation, entry and hospitality to attend the 2009 Leeuwin Concert Mayor Scaffidi may have accepted a prohibited gift for the purposes of regulation 12 of the Regulations.

Finding 10: Mayor Scaffidi failed to disclose BHP Billiton's gift of accommodation, entry and hospitality to attend the 2009 Leeuwin Concert in Margaret River, Western Australia between 6 and 8 March 2009 in her 2008/2009 Annual Return.

6. Educational sector promotional visit – China

- (a) Mayor Scaffidi attended an educational sector promotional visit to Hefei and Nanjing, China between 10 and 13 April 2009.
- (b) Perth Education City paid an agreed amount for Mayor Scaffidi's business class return airfare for the visit. The value of that contribution exceeded \$200.
- (c) Anhui Education Department and Nanjing Foreign Affairs Office paid for accommodation for Mayor Scaffidi during her visit. The value of those gifts exceeded \$200.
- (d) Neither were disclosed in Mayor Scaffidi's 2008/2009 Annual Return.

Finding 11: Mayor Scaffidi failed to disclose the Perth Education City's contribution to her travel to attend the educational promotional visit to Hefei and Nanjing, China between 10 and 13 April 2009 in her 2008/2009 Annual Return.

Finding 12: Mayor Scaffidi failed to disclose the Anhui Education Department and Nanjing Foreign Affairs Office's gift of accommodation to her travel to attend the educational promotional visit to Hefei and Nanjing, China between 10 and 13 April 2009 in her 2008/2009 Annual Return.

2.5.3. 2010

7. World Energy Cities Partnership – United States of America

- (a) Mayor Scaffidi attended the World Energy Cities Partnership meeting in Houston, Texas between 29 April and 6 May 2010.
- (b) The World Energy Cities Partnership paid a contribution to Mayor Scaffidi's business class return airfare to attend the meeting. The value of that contribution exceeded \$200.
- (c) That contribution was not disclosed in Mayor Scaffidi's 2009/2010 Annual Return.

Finding 13: Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Houston, Texas between 29 April and 6 May 2010 in her 2009/2010 Annual Return.

8. World Energy Cities Partnership – Scotland

- (a) Mayor Scaffidi attended the World Energy Cities Partnership meeting in Aberdeen, Scotland between 30 and 31 August 2010.
- (b) The World Energy Cities Partnership paid a contribution to Mayor Scaffidi's business class return airfare to attend the meeting. The value of that contribution exceeded \$200.
- (c) That contribution was not disclosed in Mayor Scaffidi's 2010/2011 Annual Return.

Finding 14: Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Aberdeen, Scotland between 30 and 31 August 2010 in her 2010/2011 Annual Return.

9. Harmonious City and Liveable Life – China

- (a) Mayor Scaffidi attended the Harmonious City and Liveable Life event in Hangzhou, China between 2 and 9 October 2010.
- (b) The Bureau of Shanghai World Expo Coordination paid for Mayor Scaffidi's business class return airfare and accommodation to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2010/2011 Annual Return.

Finding 15: Mayor Scaffidi failed to disclose the Bureau of Shanghai World Expo Coordination's contribution to her travel to attend, and gift of accommodation at, the Harmonious City and Liveable Life event in Hangzhou, China between 2 and 9 October 2010 in her 2010/2011 Annual Return.

10. 2010 World Historical and Cultural Expo – China

- (a) Mayor Scaffidi attended the 2010 World Historical and Cultural Expo in Nanjing, China between 20 and 23 October 2010.
- (b) The Nanjing Foreign Affairs Office paid for Mayor Scaffidi's business class return airfare and accommodation to attend the

event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.

- (c) Neither were disclosed in Mayor Scaffidi's 2010/2011 Annual Return.

Finding 16: Mayor Scaffidi failed to disclose the Nanjing Foreign Affairs Office's contribution to her travel to attend, and gift of accommodation at, the 2010 World Historical and Cultural Expo in Nanjing, China between 20 and 23 October 2010 in her 2010/2011 Annual Return.

11. International Conference and Convocation Ceremony – South Korea

- (a) Mayor Scaffidi attended the International Conference and Convocation Ceremony in Seoul, South Korea between 7 and 9 December 2010.
- (b) The World Design Capital Seoul paid for Mayor Scaffidi's business class return airfare and accommodation to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2010/2011 Annual Return.

Finding 17: Mayor Scaffidi failed to disclose the World Design Capital Seoul's contribution to her travel to attend, and gift of accommodation at, the International Conference and Convocation Ceremony in Seoul, South Korea between 7 and 9 December 2010 in her 2010/2011 Annual Return.

2.5.4. 2011

12. World Energy Cities Partnership – United States of America

- (a) Mayor Scaffidi attended the World Energy Cities Partnership meeting in Houston, Texas between 28 April and 4 May 2011.
- (b) The World Energy Cities Partnership paid a contribution to Mayor Scaffidi's business class return airfare to attend the meeting. The value of that contribution exceeded \$200.
- (c) That contribution was not disclosed in Mayor Scaffidi's 2010/2011 Annual Return.

Finding 18: Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Houston, Texas between 28 April and 4 May 2011 in her 2010/2011 Annual Return.

13. 31st Joint Conference on Medical Informatics – Japan

- (a) Mayor Scaffidi attended the 31st Joint Conference on Medical Informatics in Kagoshima, Japan between 21 and 23 November 2011.
- (b) The Kagoshima University paid for Mayor Scaffidi's business class return airfare and accommodation to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2011/2012 Annual Return.

Finding 19: Mayor Scaffidi failed to disclose the Kagoshima University's contribution to her travel to attend, and gift of accommodation at, the 31st Joint Conference on Medical Informatics in Kagoshima, Japan between 21 and 23 November 2011 in her 2011/2012 Annual Return.

2.5.5. 2012

14. 2012 Property Leaders Conference – Australia

- (a) Mayor Scaffidi attended the 2012 Property Leaders Conference in Bunker Bay, Western Australia between 23 and 25 May 2012.
- (b) The Property Council of Australia paid for Mayor Scaffidi's accommodation to attend the event. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2011/2012 Annual Return.

Finding 20: Mayor Scaffidi failed to disclose the Property Council of Australia's gift of accommodation to attend the 2012 Property Leaders Conference in Bunker Bay, Western Australia between 23 and 25 May 2012 in her 2011/2012 Annual Return.

15. World Cities Summit 2012 – Singapore

- (a) Mayor Scaffidi attended the World Cities Summit 2012 in Singapore between 1 and 4 July 2012.
- (b) The Singapore Government paid for Mayor Scaffidi's accommodation to attend the event. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2012/2013 Annual Return.

Finding 21: Mayor Scaffidi failed to disclose the Singapore Government's gift of accommodation to attend the World Cities Summit 2012 event in Singapore between 1 and 4 July 2012 in her 2012/2013 Annual Return.

16. 2nd Annual Future Cities Conference and Exhibition – United Arab Emirates

- (a) Mayor Scaffidi attended the 2nd Annual Future Cities Conference and Exhibition in Dubai, United Arab Emirates between 2 and 4 October 2012.
- (b) Informa paid for Mayor Scaffidi's business class return airfare and accommodation to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2012/2013 Annual Return.

Finding 22: Mayor Scaffidi failed to disclose Informa's contribution to her travel to attend, and gift of accommodation at, the 2nd Annual Future Cities Conference and Exhibition in Dubai, United Arab Emirates between 2 and 4 October 2012 in her 2012/2013 Annual Return.

2.5.6. 2013

17. Smart to Future Cities – United Kingdom

- (a) Mayor Scaffidi attended the Smart to Future Cities event in London, England between 8 and 12 June 2013.
- (b) Informa paid for one nights' accommodation for Mayor Scaffidi to attend the event. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2012/2013 Annual Return.

Finding 23: Mayor Scaffidi failed to disclose Informa's gift of accommodation to attend the Smart to Future Cities event in London, England between 8 and 12 June 2013 in her 2012/2013 Annual Return.

18. 4th World Cities Summit Mayors Forum – Spain

- (a) Mayor Scaffidi attended the 4th World Cities Summit Mayors Forum in Bilbao, Spain between 13 and 15 June 2013.
- (b) The Singapore Government paid for Mayor Scaffidi's accommodation to attend the event. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2012/2013 Annual Return.

Finding 24: Mayor Scaffidi failed to disclose the Singapore Government's gift of accommodation to attend the 4th World Cities Summit Mayors Forum in Bilbao, Spain between 13 and 15 June 2013 in her 2012/2013 Annual Return.

19. CityLab: Urban Solutions to Global Challenges – United States of America

- (a) Mayor Scaffidi attended the Bloomberg Philanthropies CityLab: Urban Solutions to Global Challenges event in New York City, New York, between 6 and 8 October 2013.
- (b) The Aspen Institute paid for Mayor Scaffidi's business class return airfare and accommodation to attend the event. The value of the contribution to her travel and the gift of accommodation each exceeded \$200.
- (c) Neither were disclosed in Mayor Scaffidi's 2013/2014 Annual Return.

Finding 25: Mayor Scaffidi failed to disclose The Aspen Institute's contribution to her travel to attend, and gift of accommodation at, the CityLab: Urban Solutions to Global Challenges Event in New York City, New York between 6 and 8 October 2013 in her 2013/2014 Annual Return.

2.5.7. 2014

20. World Energy Cities Partnership – United States of America

- (a) Mayor Scaffidi attended the World Energy Cities Partnership meeting in Houston, Texas between 3 and 8 May 2014.
- (b) World Energy Cities Partnership paid a contribution to Mayor Scaffidi's accommodation to attend the meeting. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2013/2014 Annual Return.

Finding 26: Mayor Scaffidi failed to disclose the World Energy Cities Partnership's gift towards her accommodation to attend the World Energy Cities Partnership meeting in Houston, Texas between 3 and 8 May 2014 in her 2013/2014 Annual Return.

21. World Cities Summit Mayors Forum 2014 – Singapore

- (a) Mayor Scaffidi attended the World Cities Summit Mayors Forum 2014 in Singapore between 1 and 4 June 2014.
- (b) The Singapore Government paid for Mayor Scaffidi's accommodation to attend the forum. The value of that gift exceeded \$200.
- (c) That gift was not disclosed in Mayor Scaffidi's 2013/2014 Annual Return.

Finding 27: Mayor Scaffidi failed to disclose the Singapore Government's gift of accommodation to attend the World Cities Summit Mayors Forum 2014 in Singapore between 1 and 4 June 2014 in her 2013/2014 Annual Return.

2.5.8. Australian Press Council

- (a) Mayor Scaffidi attended the following fourteen (14) Australian Press Council meetings during the inquiry period:
 - 22. Wellington, New Zealand: 12 – 15 March 2008
 - 23. Sydney, New South Wales: 30 April – 1 May 2008
 - 24. Sydney, New South Wales: 11 – 12 June 2008
 - 25. Sydney, New South Wales: 30 July – 1 August 2008
 - 26. Sydney, New South Wales: 22-23 October 2008
 - 27. Sydney, New South Wales: 3-4 December 2008
 - 28. Sydney, New South Wales: 4-5 February 2009
 - 29. Sydney, New South Wales: 25-26 March 2009
 - 30. Gold Coast, Queensland: 7-9 May 2009
 - 31. Sydney, New South Wales: 17-18 June 2009
 - 32. Sydney, New South Wales: 1-2 December 2010
 - 33. Sydney, New South Wales: 12-13 April 2011
 - 34. Sydney, New South Wales: 14-15 July 2011
 - 35. Sydney, New South Wales: 18-21 April 2012
- (b) The Australian Press Council paid for Mayor Scaffidi's business or economy class return airfares to attend three (3) of the meetings (**Items 22, 23 and 33**). It is unclear whether the Press Council also paid for Mayor Scaffidi's accommodation. The value of these contributions each exceeded \$200.
- (c) The Australian Press Council paid for Mayor Scaffidi's accommodation to attend the remaining eleven (11) meetings (**Items 24, 25, 26, 27, 28, 29, 30, 31, 32, 34 and 35**). It is unclear whether the Press Council also

paid for Mayor Scaffidi's airfares. The value of those gifts each exceeded \$200.

- (d) Those contributions to travel and gifts were not disclosed in Mayor Scaffidi's respective Annual Returns.

Finding 28: Mayor Scaffidi failed to disclose the Australian Press Council's contribution to her travel to attend the identified three (3) Australian Press Council meetings in her respective Annual Returns.

Finding 29: Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the identified eleven (11) Australian Press Council meetings in her respective Annual Returns.

2.6. Other matters

2.6.1. Late submission of Annual Return

- (a) Mayor Scaffidi was required to submit an Annual Return to the City's CEO by 31 August each year.
- (b) Mayor Scaffidi received reminders to lodge her 2008/2009 Annual Return via email on 10 August, 27 August and 1 September 2009.
- (c) Mayor Scaffidi sent an email on 1 September 2009 acknowledging that she had not yet lodged her Annual Return.
- (d) Mayor Scaffidi's 2008/2009 Annual Return was signed 26 August 2009. The City's 'acknowledgement of receipt' letter to Mayor Scaffidi was dated 4 November 2009. The date the Annual Return was received by the City was not recorded on that correspondence.

Finding 30: Mayor Scaffidi failed to lodge her 2008/2009 Annual Return with the City's CEO by the required date of 31 August 2009.

2.7. Consideration of responses

- 28. The submissions from Mayor Scaffidi received by the authorised persons were examined and where it was considered necessary the appropriate amendments were made to the report. Some comments in the submissions were dismissed, after consideration. The submissions did not (other than in respect of a single finding) challenge the factual basis on which the findings in the draft report were made. Instead, they were primarily directed towards the contention that it was not in the public interest for any disciplinary action to be taken against Mayor Scaffidi.

2.8. Public Interest Factors

29. The authorised persons believe that based on the available evidence gathered during the investigation and assessment process, the evidence discloses a *prima facie* case.
30. The consideration of whether or not it is in the public interest to proceed with disciplinary action is based on a number of factors including the deliberation on whether these matters could be dealt with in another way. It is the authorised persons' view that given the circumstances there is no alternative way in which these matters should be dealt with.
31. In this instance it was determined the public interest factors that weighed most heavily in favour of disciplinary action were:
 - the lengthy duration of Mayor Scaffidi's tenure as an elected member of the City Council;
 - Mayor Scaffidi's statutory obligations did not change during this period;
 - the seriousness of the findings made against Mayor Scaffidi;
 - the high number of findings made against Mayor Scaffidi;
 - the need to encourage or maintain public confidence in local governments and the local government process;
 - the need to encourage or maintain public confidence in the provision of good governance of the persons in any local government district;
 - the need for general deterrence;
 - the circumstances in which the alleged breaches were committed; and
 - the need to ensure consistency in the application of the law.
32. The authorised persons have taken into consideration Mayor Scaffidi's submission, reasons and supporting evidence that disciplinary action should not be taken. Those reasons relevantly include:
 - Mayor Scaffidi's non-disclosure was inadvertent and due to "manifestly inadequate systems";
 - all travel (with the exception of the Australian Press Council) was undertaken in her official capacity as Lord Mayor of the City and solely for the advancement of the City;
 - the dedication of Mayor Scaffidi to her role as Lord Mayor of the City and contribution to the changing economic, social and cultural landscape of Perth;
 - on most travel occasions in her official capacity, Mayor Scaffidi provided "consideration" in the giving of speeches, attendance at official functions, meetings and extensive networking;

- the Corruption and Crime Commission (“CCC”) report covered substantially similar matters and made no findings of corruption;
 - the reputational, emotional and financial damage caused by the investigation surrounding the CCC report and the inquiry by the Department;
 - actual or potential breaches of the Act by other elected members and City staff during the same period and under the same environment of “systemic failures” surrounding disclosure requirements in the City;
 - Mayor Scaffidi has made repeated public apologies in respect of the issues; and
 - the majority of the travel undertaken was endorsed by the Council.
33. An additional factor considered by the authorised persons is the staleness of the alleged offences including the delay in the prosecution process which may be oppressive.
34. The greater majority of reasons provided in Mayor Scaffidi’s submission bear no relevance when considering public interest factors, particularly when the onus rests with the relevant person to disclose gifts and/or contributions to travel.
35. These reasons have been weighed against the factors weighing in favour of disciplinary action. It is considered on balance that the public interest is weighted in favour of taking disciplinary action, especially in light of the significant number of findings of failure to disclose gifts and contributions to travel over a significant length of time, the most recent being in 2014.
36. Further, Mayor Scaffidi is the presiding member and leader of the elected body responsible for the provision of good government of the City which includes governing the local government’s affairs and determining its policies. A disregard to the requirements of the Act or reliance on systems that the council has oversight of is inconsistent with the role of the presiding member.

3. Conclusion and recommendation

37. The findings which relate to possible minor breaches, in relation to accepting prohibited gifts and failing to disclose interests affecting impartiality, occurred in excess of two years prior and therefore, are outside the statute of limitations. Disciplinary action cannot be taken in respect of those matters.
38. In light of the remaining findings, the authorised persons recommend that consideration be given to commencing disciplinary action against Mayor Scaffidi in relation to the allegations contained in this report under the heading “Schedule of Alleged Breaches’. Those allegations mirror the findings of the authorised persons. However, since the State Administrative Tribunal must independently determine whether any serious breaches have occurred, the findings in this report would amount only to allegations in the event disciplinary proceedings were commenced.

Schedule of Alleged Breaches

Allegation 1:

Mayor Scaffidi failed to disclose the Taiwanese Government's contribution to her travel to attend the Inauguration of the President of Taiwan in Taipei, Taiwan between 18 and 24 May 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 2:

Mayor Scaffidi failed to disclose Terrapinn Australia's contribution to her travel to attend the City Development World 2008 conference in Sydney, New South Wales between 23 and 25 June 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 3:

Mayor Scaffidi failed to disclose Terrapinn Australia's gift of accommodation to attend the City Development World 2008 conference in Sydney, New South Wales between 23 and 25 June 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 4:

Mayor Scaffidi failed to disclose Hawaiian's gift of accommodation and entry to attend the 2008 Broome Cup event in Broome, Western Australia between 7 and 10 August 2008 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 5:

Mayor Scaffidi failed to disclose BHP Billiton's gift of accommodation to attend the 2008 Beijing Olympics in Beijing, China between 22 and 25 August 2008 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 6:

Mayor Scaffidi failed to disclose BHP Billiton's contribution to her travel to attend the 2008 Beijing Olympics in Beijing, China between 22 and 25 August 2008 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 7:

Mayor Scaffidi failed to disclose BHP Billiton's gift of accommodation, entry and hospitality to attend the 2009 Leeuwin Concert in Margaret River, Western Australia between 6 and 8 March 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 8:

Mayor Scaffidi failed to disclose the Perth Education City's contribution to her travel to attend the educational promotional visit to Hefei and Nanjing, China between 10 and 13 April 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 9:

Mayor Scaffidi failed to disclose the Anhui Education Department's gift of two (2) nights' accommodation to attend the educational promotional visit to Hefei and Nanjing, China between 10 and 13 April 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 10:

Mayor Scaffidi failed to lodge her 2008/2009 Annual Return with the City's CEO by the required date of 31 August 2009.

Section 5.76(1) of the *Local Government Act 1995*

Allegation 11:

Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Houston, Texas between 29 April and 6 May 2010 in her 2009/2010 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 12:

Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Aberdeen, Scotland between 30 and 31 August 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 13:

Mayor Scaffidi failed to disclose the Bureau of Shanghai World Expo Coordination's contribution to her travel to attend the Harmonious City and Liveable Life event in Hangzhou, China between 2 and 9 October 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 14:

Mayor Scaffidi failed to disclose the Bureau of Shanghai World Expo Coordination's gift of accommodation to attend the Harmonious City and Liveable Life event in Hangzhou, China between 2 and 9 October 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 15:

Mayor Scaffidi failed to disclose the Nanjing Foreign Affairs Office's contribution to her travel to attend the 2010 World Historical and Cultural Expo in Nanjing, China between 20 and 23 October 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 16:

Mayor Scaffidi failed to disclose the Nanjing Foreign Affairs Office's gift of accommodation to attend the 2010 World Historical and Cultural Expo in Nanjing, China between 20 and 23 October 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 17:

Mayor Scaffidi failed to disclose the World Design Capital Seoul's contribution to her travel to attend the International Conference and Convocation Ceremony in Seoul, South Korea between 7 and 9 December 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 18:

Mayor Scaffidi failed to disclose the World Design Capital Seoul's gift of accommodation to attend the International Conference and Convocation Ceremony in Seoul, South Korea between 7 and 9 December 2010 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 19:

Mayor Scaffidi failed to disclose the World Energy Cities Partnership's contribution to her travel to attend the World Energy Cities Partnership meeting in Houston, Texas between 28 April and 4 May 2011 in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 20:

Mayor Scaffidi failed to disclose the Kagoshima University's contribution to her travel to attend the 31st Joint Conference on Medical Informatics in Kagoshima, Japan between 21 and 23 November 2011 in her 2011/2012 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 21:

Mayor Scaffidi failed to disclose the Kagoshima University's gift of accommodation to attend the 31st Joint Conference on Medical Informatics in Kagoshima, Japan between 21 and 23 November 2011 in her 2011/2012 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 22:

Mayor Scaffidi failed to disclose the Property Council of Australia's gift of accommodation to attend the 2012 Property Leaders Conference in Bunker Bay, Western Australia between 23 and 25 May 2012 in her 2011/2012 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 23:

Mayor Scaffidi failed to disclose the Singapore Government's gift of accommodation to attend the World Cities Summit 2012 event in Singapore between 1 and 4 July 2012 in her 2012/2013 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 24:

Mayor Scaffidi failed to disclose Informa's contribution to her travel to attend the 2nd Annual Future Cities Conference and Exhibition in Dubai, United Arab Emirates between 2 and 4 October 2012 in her 2012/2013 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 25:

Mayor Scaffidi failed to disclose Informa's gift of accommodation to attend the 2nd Annual Future Cities Conference and Exhibition in Dubai, United Arab Emirates between 2 and 4 October 2012 in her 2012/2013 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 26:

Mayor Scaffidi failed to disclose Informa's gift of one nights' accommodation to attend the Smart to Future Cities event in London, England between 8 and 12 June 2013 in her 2012/2013 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 27:

Mayor Scaffidi failed to disclose the Bilbao Council's gift of accommodation to attend the 4th World Cities Summit Mayors Forum in Bilbao, Spain between 13 and 15 June 2013 in her 2012/2013 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 28:

Mayor Scaffidi failed to disclose The Aspen Institute's contribution to her travel to attend the CityLab: Urban Solutions to Global Challenges Event in New York City, New York between 6 and 8 October 2013 in her 2013/2014 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 29:

Mayor Scaffidi failed to disclose The Aspen Institute's gift of accommodation to attend the CityLab: Urban Solutions to Global Challenges Event in New York City, New York between 6 and 8 October 2013 in her 2013/2014 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 30:

Mayor Scaffidi failed to disclose the World Energy Cities Partnership's gift towards her accommodation to attend the World Energy Cities Partnership meeting in Houston, Texas between 3 and 8 May 2014 in her 2013/2014 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 31:

Mayor Scaffidi failed to disclose the Singapore Government's gift of accommodation to attend the World Cities Summit Mayors Forum 2014 in Singapore between 1 and 4 June 2014 in her 2013/2014 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Australian Press Council

Allegation 32:

Mayor Scaffidi failed to disclose the Australian Press Council's contribution to her travel to attend the Australian Press Council meeting – Wellington, New Zealand on 12 – 15 March 2008, in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 33:

Mayor Scaffidi failed to disclose the Australian Press Council's contribution to her travel to attend the Australian Press Council meeting – Sydney, New South Wales on 30 April – 1 May 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 34:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 11 – 12 June 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 35:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 30 July – 1 August 2008 in her 2007/2008 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 36:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 22 - 23 October 2008 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 37:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 3 - 4 December 2008, in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 38:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 4 - 5 February 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 39:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 25 - 26 March 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 40:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Gold Coast, Queensland on 7 - 9 May 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 41:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 17 - 18 June 2009 in her 2008/2009 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 42:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 1 - 2 December 2010, in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 43:

Mayor Scaffidi failed to disclose the Australian Press Council's contribution to her travel to attend the Australian Press Council meeting – Sydney, New South Wales on 12 - 13 April 2011, in her 2010/2011 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.83)

Allegation 44:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 14 - 15 July 2011 in her 2011/2012 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

Allegation 45:

Mayor Scaffidi failed to disclose the Australian Press Council's gift of accommodation to attend the Australian Press Council meeting – Sydney, New South Wales on 18 - 21 April 2012 in her 2011/2012 Annual Return.

Section 5.78(1) of the *Local Government Act 1995* – (Section 5.82)

For more information, please contact:

Department of Local Government and Communities
Gordon Stephenson House, 140 William Street, Perth WA 6000
GPO Box R1250, Perth WA 6844
Telephone: (08) 6551 8700 Fax: (08) 6552 1555
Freecall: 1800 620 511 (Country only)
Email: info@dlgc.wa.gov.au Website: www.dlgc.wa.gov.au

Translating and Interpreting Service (TIS) – Tel: 13 14 50