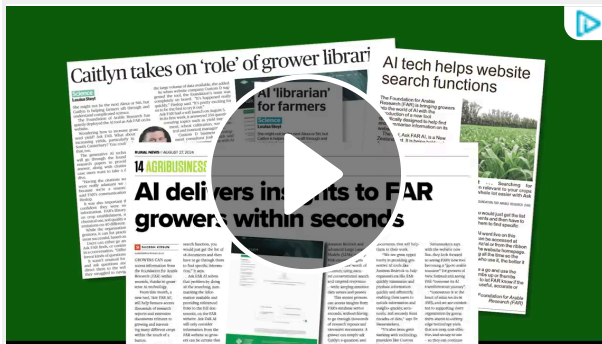


## **Underbelly - Episode 1**

<b>Exhibit</b>	<b>Description</b>	<b>Pdf Page</b>
1	'Underbelly' - The Cambridge dictionary definition	2
2	Councillor Makin - "It all begins with good governance", 2024	3
3	IBAC - Councillor perceptions of corruption 2023	4
4	What is good governance - Australian National Audit Office	5
5	Cr Makin - Port Phillip Council's poor governance, 2024	6
6	Waste Debacle - Probity Audit Report, RSM 12 March 2024	7
7	Port Phillip vs Bayside Council - \$ comparisons, FY2024	8
8	Case for enquiry into Port Phillip Council - Council Watch, 7 May 2024	9
9	Port Phillip Council security costs	10
10	Port Phillip Council fraud and corruption policy, July 2024	11
11	Email with Frank, 14 June 2024	13
12	Email to Mayor of Darebin, 9 July 2024	14
13	Email with Frank, 15 July 2024	15
14	Email to Jacinta Allan, 31 July 2024	16
15	Emails to Darebin Monitors / Jacinta Allan, 17 August 2024	17
16	Comparing political careers - Brian Tee, Jacinta Allan, Dan Andrews	18
17	Darebin CEO Peter Smith resigns, 19 August 2024	19
18	Email to Port Phillip Council - Mayor Crawford, 19 Aug 2024	21
19	Whistleblower account, 24 June 2024	22



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Meaning of **underbelly** in English



# underbelly

**noun** [ S ] • literary

UK /'ʌn.dəˌbel.i/ US /'ʌn.dəˌbel.i/



[Add to word list](#)

**the weakest or most unpleasant part of something:**

- a film **exposing** the sordid underbelly of modern urban society
- Small businesses are the **soft** underbelly (= weakest parts) of the economy, and they need as much government support as possible.

## – SMART Vocabulary: related words and phrases

### Weakness and vulnerability

[Achilles heel](#)

[asthenia](#)

[at a low ebb](#) *idiom*

[atonic](#)

[atavism](#)

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Alex Makin FGIA FAMI CPM

Councillor for Montague Ward, City of Port Phillip an...

1mo • Edited • 🌐

Instilling good governance is the most important role of any Councillor - it is through good governance that Council remains grounded to the community it serves.

#goodgovernance #council #governance

Read more at:



It all begins with Good Governance

[alexmakin.com.au](http://alexmakin.com.au)

👍👏 16

## Research reports

### Perceptions of corruption 2023: Councillors

29/08/2023

In May 2023, all 632 Victorian local government Councillors were emailed to invite them to participate in a perceptions of corruption survey (noting that councils where Administrators were in place were excluded from the research).

Emails were sent by IBAC as well as the consultants who supported IBAC to undertake the survey. Reminder emails were sent over a three-week period to those who had not completed the survey.

In total, 131 Councillors participated in the survey, representing a response rate of 21 per cent. The maximum margin of error on the total sample of n= 131 is +/-7.6% at the 95% confidence level. For example, for a result of 50%, we can be 95% confident that extrapolating the survey findings to the true population result would lie within the range of 42.4% and 57.6%. However, as results get closer to the extremities (ie closer to findings reported as 0% or 100%), the margin of error decreases (eg for a result where agreement is 90%), the margin of error at the 95% confidence interval is +/-4.6%).

Where relevant, the findings from this survey have been compared against findings from the 2023 survey with Members of Parliament and the 2022 survey of local government employees, to contrast where views are similar or where these differ.

#### Summary of key insights

Theme	Key findings	Opportunities
Perceptions about corruption as a problem	<ul style="list-style-type: none"><li>Almost three-quarters think corruption is a problem in Victoria; 59% think it's a problem among elected officials</li><li>Three-quarters agree some elected officials behave inappropriately or unethically but this doesn't necessarily extend to corrupt behaviour</li></ul>	<ul style="list-style-type: none"><li>There are 'shades of grey' that make it less clear when inappropriate behavior becomes corrupt. As a result, corrupt can go unreported. Training and education may be warranted.</li></ul>

## WHAT IS GOOD GOVERNANCE?

Australian National Audit Office 2003  
describes governance as:

' . . . the processes by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership direction and control exercised in the organisation'.

In everyday language:

Governance is about leadership and ensuring an organisation is effectively and appropriately run.

The true test of good governance is the degree to which it delivers results

## Exhibit 5

→ Click to expand: Restore good governance

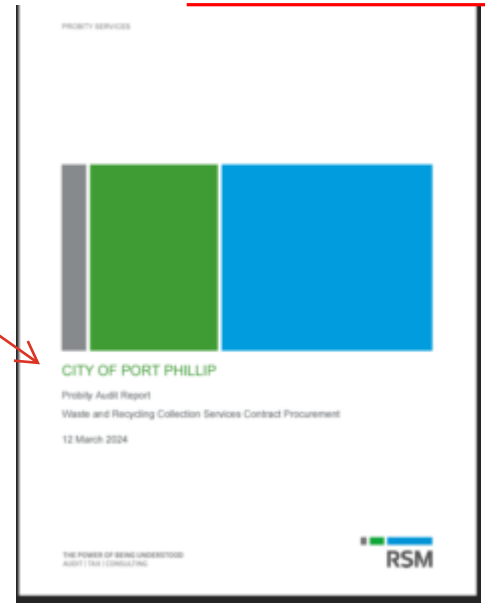
→ Many of Port Phillip Council's current failings, such as missed rubbish collections, cost blowouts and delays, are due to poor governance. It is because of poor governance, that we required almost 2,500 community members to petition council before it would reverse plans that would restrict dog off-leash areas.

Council has lost touch with the community.

Good governance starts immediately from the new Council term through the Council Plan, which is where Councillors set their vision for the next four years.

My vision for Port Phillip includes new mechanisms for the community to directly engage Council through deputations. Formal deputations previously existed in the City of Port Phillip until 2022 and provided an opportunity to put forward community-led recommendations that required Council to formally respond to new ideas and initiatives.

I introduced deputations when I was Mayor of Maroondah, and it led to several new initiatives improving community safety and amenity



Poor governance led to failures in waste management and rubbish collection



## CITY OF PORT PHILLIP

→ Probity Audit Report

Waste and Recycling Collection Services Contract Procurement

12 March 2024

# Exhibit 7

## Side by Side Analysis - FY2024

Source: Annual Report FY24

		Bayside	CoPP	Bayside vs CoPP	Comment
<b>Statistics</b>					
Electoral Roll 2024 (people)	→	75633	73825	2%	Bayside more people
Local roads - Kms		369	288	28%	Bayside more roads
Footpaths - Kms		738	416	77%	Bayside more footpaths
<b>Expenditure \$m</b>					
Employee Costs		57.5	109.4	90%	CoPP more than Bayside
Materials and services		64.6	91.9	42%	CoPP more than Bayside
Depreciation		26.0	23.1	-11%	CoPP less than Bayside
Other costs		5.0	31.7	534%	CoPP more than Bayside
	○ →	\$m 153.1	256.1	67%	CoPP more than Bayside
<b>Ratios</b>					
Total costs per person	→	\$ 2024	3469	71%	<u>CoPP more than Bayside - Per person</u>
Total costs per Km road		\$K 415	889	114%	CoPP more than Bayside - Per Km
Total costs per Km footpaths		\$K 207	616	197%	CoPP more than Bayside - Per Km
Total costs per Km - Road / Footpath		\$K 138	364	163%	CoPP more than Bayside - Per Km
Employee Costs Vs Materials / Services	Ratio	0.89	1.19	34%	CoPP more than Bayside





## Exhibit 8

City Of Port Phillip ALLEGATIONS have surfaced following yesterday's media on the corrupted waste contract tender process.

It is alleged that a former CEO of the Council was in a personal relationship with a staffer. The alleged partner of the staffer confronted staff in the Council, resulting in security being needed full time at ratepayers expense to protect staff. Certain Councillors allegedly KNEW and continued to allegedly deny the matter and support the then CEO. A Councillor then allegedly confirmed this was true.

If this is the case an enquiry into Council needs to be conducted ASAP.

We have chosen NOT to reveal the names of the staffer.

IS THERE A TOXIC CULTURE IN TOWN HALL ADMINISTRATION THAT NEEDS A CLEAN UP?

\* we will be verifying the information asap



Like



Comment



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14

# Exhibit 9

## 4.2 Materials and services

	\$'000	
	2019	2018
Consultants	12,759	7,827
Maintenance and construction contracts	11,571	10,991
Waste management contracts	11,170	9,603
Parks and gardens contract	9,196	8,982
Building and general maintenance	7,719	8,156
Parking administration contracts	5,590	5,697
Office administration	5,570	5,704
Family and community support contracts	4,396	3,853
Utilities	3,757	3,174
Cleaning contract	2,816	2,872
Information technology	2,767	2,496
Other contract payments	2,551	3,804
Security	2,022	1,275
Insurance	1,710	1,305
<b>Total materials and services</b>	<b>83,594</b>	<b>75,739</b>

## 4.3 Depreciation

	\$'000	
	2019	2018
Property	6,732	6,614
Plant and equipment	4,771	4,070
Infrastructure	14,237	12,733
<b>Total depreciation</b>	<b>25,740</b>	<b>23,417</b>

Refer to Note 6.1 for a more detailed breakdown of depreciation charges and accounting policy

## 4.4 Bad and doubtful debts

	\$'000	
	2019	2018
Parking fine debtors	5,771	4,563
Other debtors	277	23
<b>Total bad and doubtful debts</b>	<b>6,048</b>	<b>4,586</b>

### Movement in provisions for doubtful debts

Balance at the beginning of the year	14,515	12,013
New provisions recognised during the year	8,345	7,194
Amounts already provided for and written off as uncollectible	(1,346)	(2,084)
Amounts provided for but recovered during the year	(2,297)	(2,608)
<b>Balance at end of year</b>	<b>19,217</b>	<b>14,515</b>

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment. The prior year provision for doubtful debts is recognised based on a credit event determined by collectability at that point in time.

City of Port Phillip Fraud and Corruption Awareness and Prevention Policy



Term	Definition
	<ul style="list-style-type: none"> <li>False invoicing, involving a person with no connection to the target organization creating a fictitious invoice claiming payment for goods or services not delivered.</li> <li>Unauthorised access to the bank account of the target organization and transfer to a fictitious bank account, often initiated by way of a “phishing” or “spear-phishing” malware distribution</li> </ul>
Fraud →	<p>Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit. While conduct must be dishonest for it to meet the definition of “fraud” the conduct need not necessarily represent a breach of the criminal law.</p> <p>Examples of acts of fraud include (but are not limited to):</p> <ul style="list-style-type: none"> <li>theft of plant and equipment</li> <li>theft of inventory</li> <li>false invoicing (creating a fictitious invoice claiming payment for goods or services not delivered or exaggerating the value of goods delivered or services provided)</li> <li>theft of funds or cash (usually involving some form of concealment)</li> <li>accounts receivable fraud (misappropriation or misdirection of remittances received by an entity from a debtor)</li> <li>credit card fraud involving the unauthorised use of a credit card, credit card number issued to another person or the use of stolen or fraudulently generated credit card numbers by merchants.</li> <li>theft of intellectual property or other confidential information</li> <li>release or use of misleading or inaccurate information for the purposes of deceiving, misleading or to hide wrongdoing.</li> <li>misuse of position in order to gain some form of financial advantage.</li> </ul>
Corruption →	<p>The Australian Standard for fraud and corruption control AS 8001:2021 defines corruption as:</p>

City of Port Phillip Fraud and Corruption Awareness and Prevention Policy



Term	Definition
→	<p>Dishonest activity in which a person associated with an organization (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organization and <u>abuses their position of trust in order to achieve personal advantage or advantage for another person or organization</u>. This can also involve corrupt conduct by the organization, or a person purporting to act on behalf of and in the interests of the organization, in order to secure some form of improper advantage for the organization either directly or indirectly</p> <p>Examples of Corruption include (but are not limited to):</p> <ul style="list-style-type: none"> <li>• taking or offering bribes</li> <li>• dishonestly using influence</li> <li>• Serious conflict of interest involving a senior executive of an entity or other entity acting in his or her own self-interest rather than the interests of the entity to which he or she has been appointed</li> <li>• misusing information or material acquired at work (to confer an improper advantage or disadvantage on a person)</li> <li>• conspiring or attempting to engage in the above corrupt activity.</li> </ul> <p>Corruption can occur through:</p> <ul style="list-style-type: none"> <li>• improper or unlawful actions or inactions</li> <li>• actions of private individuals who try to improperly influence council functions or decisions.</li> </ul> <p>Examples of acts of corruption include (but are not limited to) the following:</p> <ul style="list-style-type: none"> <li>• disclosing tender bids to competing tenderers before a tender closes;</li> <li>• accepting payments to make planning decisions in a particular way;</li> <li>• providing family and close friends with preference;</li> <li>• While conduct must be dishonest for it to meet the definition of corruption, the conduct does not necessarily represent a breach of the law.</li> </ul>
Information security	Preservation of confidentiality, integrity and availability of information

# Exhibit 11

Subject **The Council**

From <adrian [REDACTED]>

To <frank [REDACTED]>

Date 14/06/2024 21:55

---

Hi Frank,

A few words below per our call this evening.

[REDACTED]

[REDACTED]

With regards to CoPP, myself and other equally committed residents are focused on bringing about change. Enough is enough. Too many people have been damaged.

[REDACTED]

[REDACTED]

[REDACTED]

Regards

Adrian

Subject **Fwd: Council Watch article**  
From <adrian[REDACTED]>  
→ To <susanne.newton@darebin.vic.gov.au>  
Date 09/07/2024 13:36

- 
- Council Watch - A Former CEO affair and cover up - 7 May 2024.jpg(~330 KB)
- 

Dear Ms Newton,

I refer to the below email.

I have obtained further information.

I would like to meet with yourself in person to discuss the below. I am happy for the State appointed Darebin Monitor to also be in attendance.

Regards

Adrian King

----- Original Message -----

**Subject:** Council Watch article  
**Date:** 29/06/2024 10:58  
**From:** adrian[REDACTED]  
**To:** mailbox@darebin.vic.gov.au  
**Cc:** susanne.newton@darebin.vic.gov.au

Mr Smith,

I attach a recent post on Council Watch.

I have talked directly with the husband involved. We will call him 'Frank'.

Does this article in anyway relate to yourself?

By way of background, I, working alongside a growing number of residents living across the City of Port Phillip, are now addressing prior and current public malfeasance. Our Council is riddled with corruption.

Regards

Adrian King



Council Watch - A Former CEO affair and cover up - 7 May 2024.jpg  
~330 KB

# Exhibit 13

Subject **Council wrong doing**

From <adrian [REDACTED]>

To <frank [REDACTED]>

Date 15/07/2024 10:23

---

Hi Frank,

Hope you are well.

I refer to our phone call on Friday late afternoon, 14 June 2024 where we discussed your personal dynamic around what occurred with regard to a prior CEO.

→ In response you advised me [REDACTED] you saw the main culprit, the culpability and the person that still needed to go was Mr [REDACTED] For orchestrating the Council's subsequent response. You asked me for Mr [REDACTED] email address. This I provided to you.

→ Since we last spoke I have witnessed further and accelerating evidence that the Council's governance and integrity is falling apart at the seams.

Bullying of women in particular is rampant. [REDACTED]

Regards

Adrian

Subject **Darebin Council and City of Port Phillip Council** [REDACTED]  
From <adrian [REDACTED]>  
To Reception Horne (VICMIN) <reception.horne@minstaff.vic.gov.au>,  
→ <Melissa.Horne@parliament.vic.gov.au>, <minister.horne@minstaff.vic.gov.au>,  
→ <jacinta.allan@parliament.vic.gov.au>  
Date 31/07/2024 13:47

---

• [REDACTED]

---

Dear Sirs,

Further to my email below of today relating to serious allegations concerning the integrity and functioning of the City of Port Phillip Council contained in my submission dated 25 July 2024, [REDACTED]

[REDACTED] **Mr Tee** was Dan Andrews former shadow planning minister. **Mr Tee** is a CFMEU member. Mr Tee is referred to in my submission to you last week.

→ A key question regarding my latest submission: "Who did unlawfully instruct the Council's lawyers to oppose Consent" is a \$500m financial risk question posed squarely **for Mr Tee to answer**. This unlawful act has serious ramifications for all stakeholders.

**Mr Smith** - At an urgent meeting of Darebin Councillors on Monday night this week - 2 days ago - Mr Smith appears to have gone on sudden leave. [REDACTED]

→ Note - You are aware from my 2nd submission dated 25 July 2024 I understand similar inappropriate 'intimate relationship' conduct is ongoing within the senior ranks of the City of Port Phillip Council.

Ps - Darebin Council had a Monitor appointed a few months ago. The City of Port Phillip requires the same - ASAP.

Regards

Adrian King



Subject **Darebin - Monitors**  
From <adrian [REDACTED]>  
To → <Melissa.Horne@parliament.vic.gov.au>, <minister.horne@minstaff.vic.gov.au>,  
→ <jacinta.allan@parliament.vic.gov.au>  
Date 17/08/2024 11:16

---

Dear Ms Horne MP, Ms Allan MP

I refer to the email below this one to Darebin's state appointed Monitors. [REDACTED] I have not received a reply.

Based on the Monitors silence, it appears state appointed Monitors are themselves willing to turn a blind eye [REDACTED]

→ You have previously been provided intimate details of the issue.

Serious allegations involving sex, corruption, ..... and now silence from the Monitors.

I am very aware of who within the City of Port Phillip is alleged to be the mastermind behind the corruption. [REDACTED]

I am beginning to fear a state coordinated cover up [REDACTED]

I formally request your comments please.

Regards

Adrian King, Resident

----- Original Message -----

**Subject:**Attn Monitors - Ms Anstee / Mr Millard

**Date:**12/08/2024 13:05

**From:**adrian [REDACTED]

**To:**ceoffice@darebin.vic.gov.au

Dear Ms Anstee, Mr Millard

I refer to the email string below. Please read from the bottom up.

I have not received a reply from Ms Newton to my request to meet with yourselves in your capacity as Monitors concerning the attached.

I look forward to your reply.

Regards

Adrian King

----- Original Message -----

**Subject:**Council Watch article

**Date:**31/07/2024 16:44

**From:**adrian [REDACTED]

**To:**susanne.newton@darebin.vic.gov.au

Ms Newton,

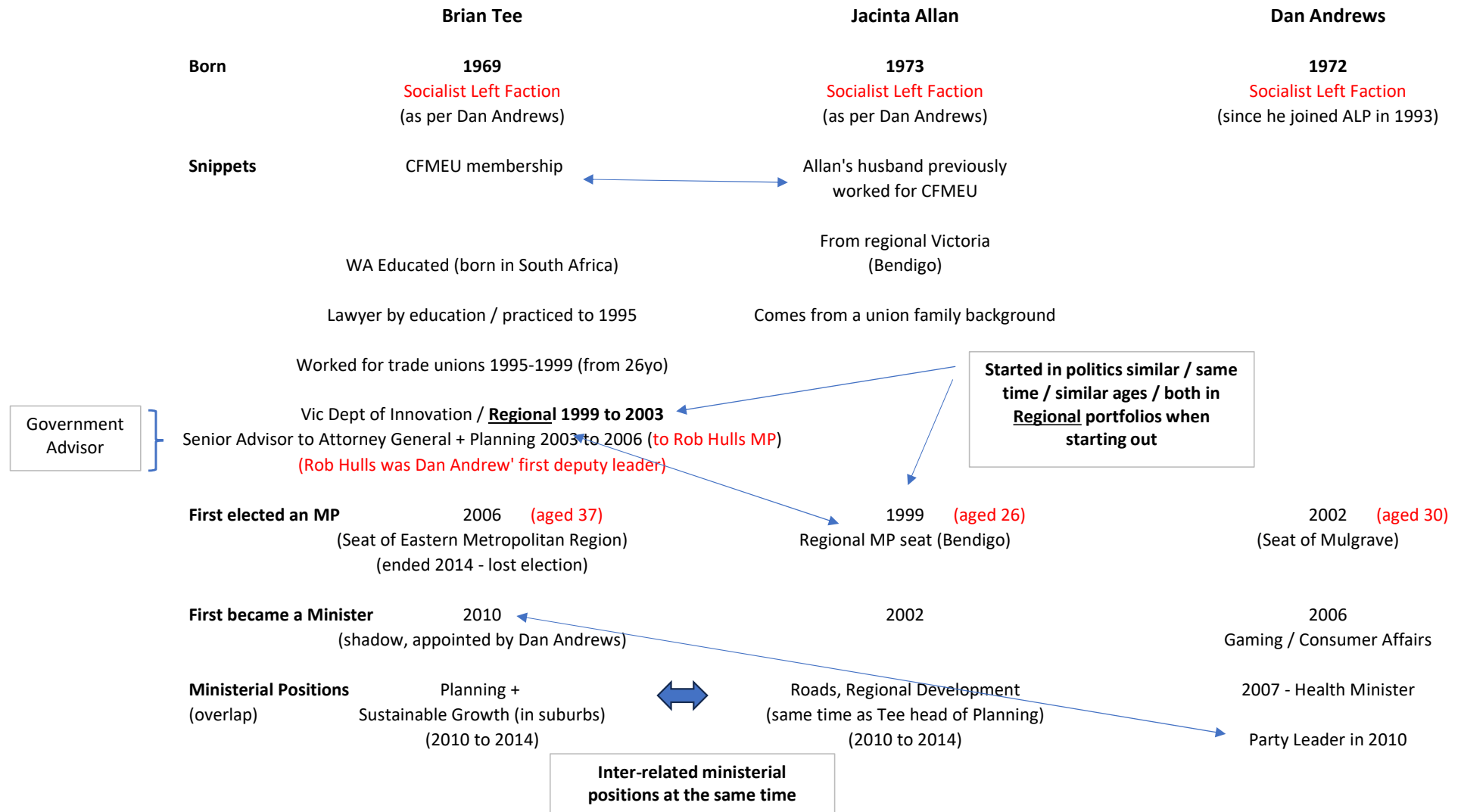
I refer to my prior correspondence below.

I note this Monday evening's urgent meeting of the Council concerning the CEO.

As indicated below I wish to meet with yourself and the Monitor to discuss. Please advise your availability for a meeting to be held sometime in the next two weeks.

# Exhibit 16

## Comparing Political Careers



# CEO Peter Smith resigns

## Exhibit 17

Published on 19 August 2024

→ In mid-July, Peter Smith provided notice of his resignation from the position of CEO of Darebin City Council, and since that time Council has been working with Peter to finalise arrangements to ensure a smooth transition given the proximity to the fast-approaching Council elections and Election Period. Peter's last day in the role will be the 16th of September 2024.



Mr Smith, who joined Darebin in October 2022, is leaving to spend more time with family members and pursue other career interests, which includes continuing his work as Chair of PlacemakingX and taking on a new voluntary role as Co-President of "The Place Institute", a new not for profit organisation being established to deliver global place making programs.

Peter thanked the Councillors and the three Mayors (Cr Messina, Cr Williams and Mayor Newton) he has worked with for their ongoing support, leadership and hard work during his tenure as CEO stating:

→ "Whilst timing is never ideal, I believe that leaving the CEO role now, provides a great opportunity for the incoming Council to appoint a new CEO who can build on the hard work we have undertaken together over the last two years to create a better organisation for our community, customers and staff. In particular, the new CEO will have the opportunity to see through implementation of the new Council Plan and many of our organisational change priorities by being available to lead the organisation for the whole of the next Council term."

Mayor, Susanne Newton thanked Mr Smith for his service and acknowledged his contribution in his time at Darebin.

"Peter has brought a wealth of experience, high integrity and outstanding leadership to Darebin. We have been so fortunate to have had a CEO of Peter's calibre over the past two years and we are very sorry to see him go," she said.

"Peter has a deep commitment to the values Darebin care about, in particular housing and homelessness, addressing the climate emergency, and other social justice issues. He has been a champion for those in need, supporting us to introduce the Towards Zero

Homelessness program and continuing our Darebin Assertive Outreach program. I'm grateful for the hard calls he made to help us reach financial sustainability in light of interest rate rises and increasing costs in labour and materials.

"Peter has been a wonderful support to me on a daily basis, and I will never forget the wisdom and guidance he gave me as a first-time Mayor. Peter is a gracious and effective leader, a diplomat who I learnt so much from by watching how he worked with all kinds of people.

With Darebin just announced as the first city in Australia to achieve 'excelling' status by Welcoming Australia, Peter is leaving Darebin in a good place – as a city that welcomes everyone and thrives on our diversity and inclusivity.

"We wish Peter and his family all the very best and thank him very much for all that he has delivered for Darebin," she said.

→ An open process to appoint an Interim CEO is underway

# Exhibit 17

Subject **Re: A Former CEO**  
From <adrian [REDACTED]>  
To <louise@louise crawford.me>  
Date 19/08/2024 16:45

- 
- CEO Peter Smith resigns City of Darebin - 19 August 2024.pdf(~409 KB)
- 

Ms Crawford,

Further to my email below of yesterday please see attached dated today regarding Mr Smith's resignation.

As stated [REDACTED] will continue to be escalated until all those responsible are held accountable.

Regards

Adrian King

On 18/08/2024 12:23, adrian\_king@axspartners.com.au wrote:

Dear Ms Crawford,

Please see attached.

I have personally spoken with the husband, Frank [REDACTED] He has confirmed the core events / provided names.

Rate payer funded protection of an inappropriate relationship? Organised by a Senior Council Officer still at the Council?

[REDACTED]

I note that Mr Peter Smith, a former City of Port Phillip Council CEO, has this month coincidentally taken a sudden leave of absence from his role as CEO of Darebin Council.

The timing of core events coincides with your time as Mayor.

Do you have anything to say?

Regards

Adrian King

# Exhibit 19

From [REDACTED]@hotmail.com>

To adrian [REDACTED]

Date 24/06/2024 13:10

Around 15<sup>th</sup> August 2021 I had contact with Heather Cunsolo to arrange a time for her to contact me in regards to [REDACTED]

I also stressed to Heather about the sexual affair that occurred [REDACTED]. Heather said she was going to speak to the Mayor, Louise Crawford about it. Not long later Heather told me that after speaking to the mayor there was an investigation and nothing was found so it's case closed. ○