Serious misconduct by the CEO of the Shire of Ravensthorpe

22 September 2021
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Operation Brass</td>
<td>2</td>
</tr>
<tr>
<td>A scheme to pay for sexual services is agreed</td>
<td>3</td>
</tr>
<tr>
<td>The scheme in action</td>
<td>3</td>
</tr>
<tr>
<td>The scheme is a sham</td>
<td>5</td>
</tr>
<tr>
<td>Mr Pollock's explanation for his conduct</td>
<td>7</td>
</tr>
<tr>
<td>Conclusion and recommendations</td>
<td>9</td>
</tr>
</tbody>
</table>
Introduction

[1] The Commission has tabled a number of reports in recent years about men in positions of authority or influence misusing public funds for sexual gratification. This report is about another.

[2] The Shire of Ravensthorpe is a local government situated half way between Albany and Esperance. The population is less than 2000. It encompasses the towns of Ravensthorpe and Hopetoun, together with the Fitzgerald River National Park. It is governed by a council. It has a Chief Executive Officer (CEO) and staff to carry out its functions.

[3] Under the division of responsibilities in the *Local Government Act 1995* a council must put its trust in a CEO to act honestly and at all times steadily in the best interests of the local government.

[4] Mr Gavin Charles Pollock was appointed CEO of the Shire of Ravensthorpe on 22 February 2019. He had a long career in local government. He was previously CEO of the Shire of Pingelly. Before that he had worked in managerial positions in Port Hedland, Chittering and Coolgardie. On 13 September 2021 the Council unanimously terminated his employment.

[5] Procurement of goods and services is a corruption risk, mitigated by controls. A CEO may have more latitude to manipulate procurement processes, but if controls are robust, eventually misconduct will be exposed.

[6] For more than a year from March 2020, Mr Pollock embarked on a scheme to pay a sex worker for services using Ravensthorpe funds. He created false invoices on his office computer, printed them off, had purchase orders prepared and then authorised seven payments totalling $54,850. Mr Pollock had prepared two further invoices for September and October 2021 totalling $13,530. Commission action prevented Mr Pollock from presenting these invoices for payment.

[7] Ravensthorpe is not a wealthy Shire. It put its trust in Mr Pollock to guide them well and do what is right, not spend its money on sexual pleasure.
A CEO has primary responsibility for corruption prevention. What happens when a CEO is the person suspected of misconduct? The Commission may act on an allegation or its own motion to investigate. No-one is immune from scrutiny.

On 13 July 2021, the Commission commenced an investigation, code named Operation Brass into allegations made against the Ravensthorpe CEO Mr Pollock.

As part of that investigation, on 18 August 2021 the Commission executed search warrants on the Ravensthorpe offices and seized electronic devices and records. Mr Pollock was present at the searches and later spoke on radio saying 'we are trying to do the best we can for our communities. I don't think any of us are in it for any other reason'.

The Commission analysed material it had received under compulsory notices to produce documents and under the search warrants. A decision was made to concentrate on one allegation first, that Mr Pollock had corruptly used Ravensthorpe funds to pay a sex worker.

Private examinations were held on 1 and 2 September 2021. One person examined was the sex worker. She is not a public officer. She was open and forthcoming in evidence and the Commission has concluded there is no public benefit in identifying her. She will be named in this report as Ms E. Ms E holds an ABN for a business name which in this report will be named as Kappa Productions, a pseudonym.

Kappa Productions was the vehicle used as the apparent supplier of services to Ravensthorpe. Ms E had used the business name Kappa Productions for promotional and other work. It had no employees.

Ms E gave evidence on oath. Her evidence was clear and cogent. In the Commission's opinion she was honest and forthright, on occasion admitting or volunteering information that did not reflect well on her.

The Commission is not a court. Its opinions do not have legal consequences. Nevertheless an opinion of misconduct is likely to have serious reputational and other damage to a person. So the Commission approaches its fact finding task cautiously.

Where possible the Commission strives not to form an opinion when the evidence is solely oath against oath.

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1 Radio interview, 6PR, 19 August 2021.
In this investigation however, Ms E’s evidence has been amply corroborated by contemporary documentary evidence, digital forensic evidence and lawfully intercepted and other electronic communications.

Importantly Mr Pollock’s evidence on key matters is substantially the same as Ms E’s evidence. Mr Pollock was also a witness whom the Commission regards as essentially honest in that he accepted all the material facts. He gave an explanation for his conduct which will be discussed later in this report.

A scheme to pay for sexual services is agreed

Mr Pollock has been a client of Ms E for sexual services for about five years. From Ms E’s point of view it was purely a client relationship. There has never been any romantic relationship.

In 2020, Mr Pollock suggested an arrangement to pay for future sexual services. Ms E would become a supplier to Ravensthorpe for what was to be described as administrative and related services. Mr Pollock asked Ms E whether she had a business and if she would be comfortable receiving funds via bank transfers. Ms E nominated Kappa Productions. She mentioned that she was uncomfortable and ‘I guess he just justified it in his own way he could use the funds how he saw fit’. However Ms E overcame her discomfort and agreed to the arrangement. Ms E said that of the funds transferred for future bookings ‘some of the funds were for myself. Some of the funds were for other escorts’.3

The scheme in action

The description of the scheme which follows is based on documents including bank statements, together with the evidence of Mr Pollock and Ms E.

A supplier form is a standard form for information required by Ravensthorpe from those who wish to do business with the Shire. On 9 March 2020, Mr Pollock sent Ms E by email a copy of a supplier form for her to complete. She returned it by email a few hours later. It contained among other things details of her business bank account.

After he received the supplier form, Mr Pollock emailed the Ravensthorpe finance officer with a copy and a request ‘Can you please set up this new creditor’.4

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2 Ms E transcript, private examination, 1 September 2021, p14.
3 Ibid, p15.
4 Email from Mr Pollock to finance officer, 9 March 2020.
This was done immediately and Mr Pollock notified. Within an hour, Mr Pollock emailed Ms E:

*Please find attached a purchase order for 6 weeks of services relating to Administrative Support and Research Assistance.*

*Can you please email me a Tax Invoice for the stated services and I'll arrange a prompt payment for you.*

*Thank you for your assistance on this matter and I look forward to working together.*

The accompanying purchase order reads -

<table>
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<th>Description</th>
<th>Quantity</th>
<th>Unit Value</th>
<th>Line Value</th>
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<tbody>
<tr>
<td>Administrative support and Research assistants</td>
<td>168</td>
<td>$55</td>
<td>$9,240</td>
</tr>
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Mr Pollock said that he does not know how to raise a purchase order in the Ravensthorpe system and has never raised one. As no-one else knew anything about the scheme the obvious conclusion is that Mr Pollock instructed another officer to raise a purchase order and Mr Pollock agreed this was so.

Two days later on 11 March 2020, Mr Pollock gave a staff member an invoice from Ms E's business. The invoice had been fabricated by Mr Pollock adapting a word document on his office computer. He then printed out a copy and gave it to a finance officer, together with the purchase order. It was processed and $9,240 was transferred from Ravensthorpe into Ms E's business account.

Ms E had no role in creating the false invoice and did not see it until Mr Pollock later sent her a copy. From evidence to be discussed later it is open to infer that Mr Pollock sent Ms E copies of invoices so that if there ever was an investigation, Ms E could claim that she had provided legitimate services.

The invoice described 'Administrative Support and Research Services to the Chief Executive Officer' totalling $9,240.

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5 Email from Mr Pollock to Ms E, 9 March 2020.
6 Ibid.
7 Mr Pollock, transcript, private examination, 2 September 2021, p14.
8 Ibid, p16.
Mr Pollock authorised payment which was made to Ms E's business account the same day.

**The scheme is a sham**

It was all a sham. The essence of the scheme which Mr Pollock devised and implemented was to create an apparently legitimate trail of documents to mislead any inquirer such as an auditor that the payments made were in respect of legitimate purchase of services.

Apart from the completed supplier form, Ms E never created or signed another document. Mr Pollock created the false invoices, had them processed by Ravensthorpe employees and payment made under his authorisation. Mr Pollock always presented the invoices in paper copy. This was necessary because they had not originated from Ms E (or her email address).

The sole purpose of the scheme was to provide a fund on which Ms E could draw after providing sexual service for Mr Pollock. Mr Pollock agreed that if he had gone to the Shire President and said I want to spend Ravensthorpe money on a sex worker to assist me, the answer would be 'no'.

Between Mr Pollock and Ms E there was never any pretence that this money was for anything other than sex. Ms E would also use the fund to cover the costs when more than one sex worker was engaged or Ms E was otherwise occupied.

For example, in a SMS of 19 December 2020, after agreeing that 'it' was amazing and thanking Ms E for 'our little play' he enquired 'how much do we have left in the pot?'

The scheme commenced on 9 March 2020 and Ravensthorpe moneys were transferred to Ms E's business account seven times:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
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<tbody>
<tr>
<td>11 March 2020</td>
<td>$9,240</td>
</tr>
<tr>
<td>17 March 2020</td>
<td>$6,160</td>
</tr>
<tr>
<td>25 June 2020</td>
<td>$4,840</td>
</tr>
<tr>
<td>21 Sep 2020</td>
<td>$8,000</td>
</tr>
<tr>
<td>26 Nov 2020</td>
<td>$6,700</td>
</tr>
<tr>
<td>15 Jan 2021</td>
<td>$11,990</td>
</tr>
<tr>
<td>15 Apr 2021</td>
<td>$7,920</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$54,850</strong></td>
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10 Mr Pollock, transcript, private examination, 2 September 2021, p15.
When the Commission executed a search warrant on 18 August 2021, two further invoices Mr Pollock had prepared but not yet presented were located:

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<thead>
<tr>
<th>Date</th>
<th>Amount</th>
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<tbody>
<tr>
<td>2 Sep 2021</td>
<td>$8,580</td>
</tr>
<tr>
<td>21 Oct 2021</td>
<td>$4,950</td>
</tr>
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$13,530

To keep up the pretence, the claim for $8,580 was 'Assistance in document development for standard templates and researching various local government information'.

Plans for the use of the money to be obtained through these invoices were explained in a lawfully intercepted telephone call between Mr Pollock and Ms E on 23 July 2021. In the call Mr Pollock explains that he will be in Perth for a full week from 19 September 2021. After discussing possible times of day for a rendezvous Mr Pollock asks Ms E to do a 'little bit of digging of finding a couple of girls'. He mentions that he will also have a look as well and will 'flick you a couple ... then you've got a bit of a better idea of tracking the dollars et cetera of what's going on from there'.

Mr Pollock indicated where he would be staying (the Promenade at the Crown) and suggested they can meet, have a few drinks and work out a rate per day or per hours.

Mr Pollock suggested that Ms E might 'bring along some cash or something in case we've got someone or something happens'.

Apparently in reference to the pool of money she was holding in her account Mr Pollock suggested Ms E could withdraw cash and put it aside before she decided 'What I'll do is I'll just leave yours in there and I'll just keep cash and put it in the safe so that way it's ready'.

Mr Pollock was thinking expansively.

'So about a couple, a couple K there just so we can muck around with whatever across that period ... Just makes it a bit easier and that payment will go through into your account most probably early September so we will just let it sit from there ... and the invoice and et cetera, I'll send you a copy of all that so you've got all that for your own records.'

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1. Invoice, Kappa Productions to Shire of Ravensthorpe, 2 September 2021.
The Commission noted earlier that Mr Pollock's evidence was truthful in its essential elements. However the scheme to use Ravensthorpe funds to pay for sexual services was dishonest in every sense. Mr Pollock did not cease of his own volition but because the Commission investigation made it impossible to continue.

After the Commission's intervention, Mr Pollock made a futile attempt to continue the deception. Ms E gave evidence that a person giving the name of Steve sent her a text from a number unfamiliar to her and made an arrangement for sexual services.

On 24 August 2021, she answered a knock on her door expecting Steve. Instead Mr Pollock was present. She told him to leave which he did but after saying 'just remember to say what I've told you to say'. He had previously told Ms E that if anyone asked what she did for him, she should say that the funds were 'for administration purposes'.

Mr Pollock was unable to recall whether or not he had this conversation because of his emotional state at the time.

The Commission accepts Ms E's account. The incident occurred after Mr Pollock had been served with a notice to attend for an examination. That notice contained a secrecy notation under the Corruption, Crime and Misconduct Act 2003 s 99.

Mr Pollock's explanation for his conduct

The Local Government Act 1995 s 5.41 sets out the functions of a CEO which include (d) managing the day to day operations of the local government and (h) ensuring that records and documents of the local government are properly kept for the purposes of the Act and any other written law.

Under the Local Government (Financial Management) Regulations 1996 the CEO has duties including for the proper maintenance and security of the financial records (reg 5(1)). His explanation should be seen in this context.

Mr Pollock did not deny his actions.

He provided a lengthy explanation for his behaviour in answer to questions from counsel assisting the Commission and from his own counsel.

The Commission does not accept Mr Pollock's explanation. To explain why, it has been necessary to go into the more salacious details of the

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16 Ms E, transcript, private examination, 1 September 2021, p13.
17 Ibid, p42.
arrangement. In any event his explanation even if accepted might explain his conduct but not excuse it. This was no one-off lapse of judgement at a time of great personal stress but a calculated scheme which was active for more than a year until brought to an end by outside intervention.

[55] The primary motive was to allow Mr Pollock to experience a range of paid sexual experiences with Ms E and others.

[56] Mr Pollock explained that the reason he requested Kappa Productions to be set up as a new supplier in March 2020 was to supply support services to himself as the CEO, emotional support, and to act as a sounding board. He knew Ms E from his days in Pingelly when he had frequently engaged her for sexual services paying her in cash which he withdrew from his bank account.

[57] He engaged Ms E to try and assist him to get through issues and workload. He felt he was being undermined within the organisation. Ms E was someone to have a conversation with and not be judged. She was 'smart'. If he had bounced ideas off persons working in the Shire he would have been laughed at.

[58] Mr Pollock explained he had difficulties in reading and writing from school days and he has struggled with literacy throughout his entire career.

[59] Mr Pollock was unable to speak with his wife because she was also employed at Ravensthorpe. They had an understanding that they would not talk about work at home.

[60] Mr Pollock did not have anyone he could trust - someone independent he could bounce things off.

[61] Mr Pollock admitted the payments were for sexual services and emotional support.

[62] Mr Pollock described Ravensthorpe as the hardest place he had ever worked in his life. He was not able to trust anyone and it caused him more dramas.

[63] He sought support where he was not judged. He was able to use Ms E as a sounding board and that gave him confidence to do what he does well - to drive the organisation. It was beneficial for him at times to have a conversation on day-to-day problems. Mr Pollock said he put his heart and soul to do the best for Ravensthorpe and tried to do the best for staff.

[64] Despite the difficulties and embarrassment of which his literacy problems had caused him throughout his life and despite the fact that he said Ravensthorpe was the hardest place he had ever worked and that he
worked very long hours, Mr Pollock acknowledged 'I have to own it, wear it. I'm not ducking from that'.  

[65] The Commission does not accept that the principal purpose was emotional support or to use as a sounding board and advice. The provision of sexual services predated by several years Mr Pollock’s appointment as CEO of Ravensthorpe. The fund was used to not only pay Ms E but to pay other sex workers as well. Mr Pollock well knew he would never be authorised to expend Ravensthorpe funds this way.

**Conclusion and recommendations**

[66] The Commission gave consideration whether to identify Mr Pollock and concluded that the public interest overrode other personal interests such as privacy. There are several reasons. Mr Pollock is a public officer who egregiously betrayed the trust reposed in him to manage Ravensthorpe’s affairs and comply with the *Local Government Act 1995*.

[67] It is unfortunate that the facts are salacious, but the misconduct lies not in the purpose of the defalcation but in the fact of it.

[68] Publication has a deterrent effect. Public officials who are contemplating misconducting themselves should be aware that their misdeeds may be publicly exposed.

[69] Serious misconduct occurs when a public officer corruptly takes advantage of this employment to obtain a personal benefit. The Commission has formed an opinion of serious misconduct by Mr Gavin Charles Pollock.

[70] **It recommends** that consideration be given to the prosecution of Mr Gavin Charles Pollock for possible offences under the Criminal Code.

[71] An opinion by the Commission that misconduct has occurred is not to be taken as a finding or opinion that Mr Gavin Charles Pollock is guilty of, or has committed a criminal offence or a disciplinary offence.  

[72] The Commission’s investigation has not concluded.

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18 *Mr Pollock, transcript, private examination, 2 September 2021, p47.*

19 *Corruption, Crime and Misconduct Act 2003 s 217A.*