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Logan City councillor failed to declare campaign donations for more than two years

EXCLUSIVE BY ALEXANDRA BLUCHER AND MARK WILLACY FOR ABC INVESTIGATIONS
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PHOTO Logan City councillor Russell Lutton.
TWITTER: CR RUSSELL LUTTON

A prominent Logan City councillor did not declare more than \$10,000 in campaign donations for more than two years, including gifts from a planning firm, property developer and a Taiwanese investment corporation, the ABC can reveal.

Key points:

- Councillor Russell Lutton amended his donations declaration this month for money received before 2016 election
- Chin Hong Investments Corporation paid \$5,000 for painting at Cr Lutton fundraiser
- Cr Lutton did not declare donation when voting on planning changes that would affect the corporation

Russell Lutton, the longest-serving councillor at Logan, only amended his donations declaration this month, despite receiving the money for his re-election campaign ahead of the March 2016 local government elections.

Local government candidates must declare donations within 15 weeks after an election.

The ABC understands that Cr Lutton is being investigated by the Crime and Corruption Commission (CCC) as part of Operation Belcarra, its probe into the conduct of local government candidates during the 2016 council elections.

The largest amount he received for his re-election campaign came from Chin Hong Investments Corporation, a Taiwanese-Australian company that owns a shopping mall in the Logan City suburb of Springwood, and that could benefit from planning changes passed by council last year.

The ABC has obtained a receipt showing that Chin Hong Investments Corporation paid \$5,000 for a painting at a campaign fundraiser for Cr Lutton in February 2016, just a month before the election.

Just over a week ago Cr Lutton amended his return to the Electoral Commission of Queensland to include the \$5,000, as well as \$5,800 in other donations from 2016.

Among the other donors were engineering and planning firm Gassman Development Perspectives and developer Hatia Property Corporation.

"I can confirm that after recently having cause to review my 2016 Election Donation return I observed several omissions. This caused me to complete a "Request to Amend a Return" which I subsequently submitted to the ECQ," Cr Lutton told the ABC.

EXTERNAL LINK
Logan City councillor Russell Lutton campaign receipt



When asked whether he had been contacted by the CCC, Cr Lutton said he was not prepared to talk until he gets more information.

Do you know more about this story? Email investigations@abc.net.au

The CCC's Operation Belcarra has focused on the Gold Coast, Logan Ipswich and Moreton Bay councils.

Logan remains the only active investigation.

Under Operation Belcarra's terms of reference, the CCC was to investigate whether any candidates "unlawfully influenced a council decision in relation to a development application in favour of a donor".

In March, Logan Mayor Luke Smith was charged with official corruption, perjury and failing to correct his register of interests.

Cr Smith has said he will vigorously defend the charges laid by the CCC.

 $\ensuremath{\mathsf{PHoTO}}$ Logan Mayor Luke Smith has said he will defend the charges laid against him by the CCC.



Cr Lutton voted without declaring donation

In March last year, as Logan's planning and development committee chairman, Cr Lutton presented a motion that included waiving developer infrastructure charges of up to \$1 million and relaxing car parking requirements in two of Springwood's seven precincts.

The motion passed at the planning committee and at a full council meeting a week later.

Chin Hong Investment Corporation's shopping mall in Springwood is in one of the precincts affected by the planning changes.

When voting in support of the changes, Cr Lutton did not declare that he had earlier received a \$5,000 donation from Chin Hong Investments Corporation.

When contacted by the ABC, Queensland's local government department sited section 173 of the act, and said "failure to deal with a real conflict of interest or perceived conflict of interest in a transparent and accountable way may constitute misconduct".

It did not say that Cr Lutton's non-disclosure of the \$5,000 donation contravened the provision.

Logan City councillor Darren Power, who voted against the changes, says he believes it would have been ethically appropriate for Cr Lutton to have disclosed the donation.

The State Government has not yet approved the local planning laws.

Last year, Cr Lutton declared a perceived conflict of interest during a vote on the controversial \$750 million "The Lakes" development proposed by Chinese-Australian Liansheng Yue's company Australian SN International Investment Group.

РНОТО The Lakes development application was proposed for the Logan River at Carbrook.



SUPPLIED: THE LAKES

According to council minutes, Cr Lutton told the meeting his "daughter is the Accounts Administration Manager for the applicant/applicant's consultant".

While he declared a perceived conflict of interest, he remained in the room and voted for the development as he is entitled to do under the Local Government Act.

However, Cr Lutton did not reveal at the council meeting that he had received a \$1,600 campaign contribution from the applicant's consultant Gassman Development Perspectives.

The contribution was for the purchase of a table of 10 at his campaign launch.

According to Queensland's department of Local Government and Planning, "you must tell the local government of your interest if you have a real or perceived conflict of interest in a matter before the local government (for example, to a personal or family relationship or because of an election gift)".

Cr Lutton did not respond to the ABC's questions relating to his campaign contributions from Gassman Development Perspectives or

Chin Hong Investments Corporation.

When The Lakes development passed council, an official Logan City Council media release quoted Cr Lutton as chair of the planning committee.

"This is exactly the kind of investment that will drive Logan's tourism economy into the future," Cr Lutton said.

"It will create jobs and provide Logan with a world-class waterfront drawcard not unlike Sanctuary Cove on the Gold Coast.

"I have no doubt it will provide the stimulus for more tourism investment in the region".

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