

5 October 2010

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Mr Brian Walsh  
President  
Kew Cottages Coalition  
22A Fellows Street  
Kew VIC 3101

Dear Mr Walsh

I refer to the meeting held between yourself, Mr D Field and myself on 9 July 2010 at which your concerns regarding the Kew Residential Services redevelopment were discussed. I note that at that meeting it was ascertained that those concerns were:

- The failure of the Executive Director, Heritage Victoria, to advertise DHS Application for Heritage Permit P10367 as required by section 68 Heritage Act;
- Failure to advertise contracts and contract variations; and
- The five issues raised in your email of 6 May 2010, which are:
  - Factual and/or typographical errors worth up to a \$300,000 loss in Public Building assets;
  - Terms and Conditions not in accord with Fair Trading laws;
  - Plans not in accord with 'Approved Plans';
  - Terms and Conditions that promote 'sham public consultation', and undermine Heritage and Planning Laws;
  - Terms and Conditions that open up a Financial 'Black Hole' in the Financial Model (Schedule 9) of the Principal Agreement, that you estimate could be worth up to \$15 million if action is not taken to resolve the problem.

Ombudsman Victoria is currently conducting an enquiry pursuant to section 13A of the *Ombudsman Act 1973* to determine whether an investigation should be conducted. We will contact you once that enquiry is concluded.

I also note that you sought to meet with the Ombudsman to discuss those matters and the earlier section 16 Investigation Report. The Ombudsman is not available for such a meeting. However, the Deputy Ombudsman, Mr John Taylor, is happy to meet with you should you so desire.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Killey', with a long horizontal flourish extending to the right.

Ian Killey PSM  
**General Counsel**