



**Cr Kylie Stoneman**  
**Ipswich City Council**  
**Councillor for Division 4**



25 July 2018

Committee Secretary  
Economics and Governance Committee  
Parliament House  
George Street  
Brisbane Qld 4000

Dear Secretary

**Submission on Draft Local Government (Dissolution of Ipswich City Council) Bill 2018**

Thank you for the opportunity to make a submission regarding draft legislation to dissolve Ipswich City Council. Please find attached copies of my responses to the two show cause notices (Appendix A) issued by Local Government Minister Stirling Hinchliffe to Council which I ask to be considered as part of this submission.

Ministerial bias

From the moment Minister Hinchliffe announced his first show cause notice on 3 May 2018, his sole intent has been to dismiss Ipswich City Council.

In his public commentary, the Minister has demonstrated a persistent bias against Councillors who have been accused of no wrongdoing and publically critical of their attempts to respond to his actions, his commentary includes,

- *'Council's delaying tactics in seeking to circumvent the legal process already underway will only create more uncertainty and confusion...'*
- *'It's gravely disappointing to see Ipswich City Council hiding behind new legal proceedings...'*
- *'...never-ending legal circus'*

These statements and others are clearly inconsistent with the natural justice principle that decision makers should be free from bias – no fair minded member of the public could read the Minister's statements and assume the Government was impartial. I have attached examples of the Minister's commentary in Appendix B.

Furthermore, without evidence, the Government has claimed Council has lost the support of the Ipswich community.

Without evidence, the Government has claimed current Councillors are unable to implement good public policy.

The Minister has claimed decisive action must be taken to resolve governance and transparency issues in Ipswich but ignores that this action is already underway under the current Council.

In August 2017, the Ipswich Council CEO commissioned an independent, external review of governance at the organisation which considered the interaction between Councillors, staff and the public and core areas such as procurement, risk management, audit and transparency. While the review determined Council had a relatively robust government structure it also identified several areas for improvement. The current Council endorsed the reviews findings and has implemented all 19 of its recommendations.

It must be noted that the independent, external review's lead consultant, Mr Gary Kellar, is a respected local government expert who the State Government has previously commissioned to independently review the local government complaint management system. Mr Kellar became Acting Ipswich Council CEO in October 2017 where he oversaw the implementation of the review's recommendations.

I have attached the progress report of the Governance Review Implementation presented at the City Management, Finance and Community Engagement Committee on 22 May 2018. (Appendix C).

Yesterday, 24 July 2018, the Minister claimed a litany of governance failures stemming back to 2010.

In fact, the evidence the Government tabled in parliament to support these claims are reports commissioned by the current Council, elected in 2016, to review the corporate entities, their financial position and current status of commercial operations with a view to the objective of winding up those companies where the operations and assets could reasonably be reintegrated to the corporate operations of Ipswich City Council. The Acting CEO, Gary Kellar reported on this review and presented it to Council on 17 April 2018 – a report on this review is publically available on the Council website (Appendix D). I was fully supportive of the report's recommendations and voted accordingly.

That aside, how is it fair and equitable that I am judged on activities that occurred six years before I was elected in 2016?

What assurances can be given that a new council elected in 2020 will not also face sanction for the activities of previous councils?

### The Bill itself

The Government has proposed a bill which claims will improve governance which itself contradicts many principles of good governance.

However, in his rush to introduce this legislation, the Government has subverted the normal parliamentary process whereby bills are first presented to parliament before they are referred for committee consideration.

The Government has asked the Committee and Parliament make a decision on the Bill before the Crime and Corruption Commission has completed its investigation.

The bill itself is profoundly unfair to innocent Councillors who will be dismissed once it comes into effect. I will be punished for the as yet untested allegations made against others. It must be noted these alleged behaviours – more than half of which occurred before I was elected - were only uncovered once the full weight of the CCC's investigatory powers were brought to bear. There was no way that I could have observed or uncovered this behaviour.

The unfair aspects of the bill are acknowledged in its accompanying explanatory notes.

Those notes state,

*'Although it cannot be denied that legislation which proposes the dissolution of ICC, will, if enacted have an immediate and significant effect on the councillors, the councillors of ICC are not entitled to under law, to be afforded procedural fairness by the Parliament before legislation is passed'.*

Further the notes acknowledge,

*'The dissolution of the ICC will impact on all councillors irrespective of whether allegations or charges have been made against all of them'.*

This Bill punishes Councillors for guilt by association. This Bill punishes me.

Section 7.2.4 of the Department of the Premier and Cabinet Legislation Handbook considers the apparent reversal of the onus of proof associated with guilt by association, stating

*'Making a person guilty of an offence committed by someone else with whom the person is linked and providing defences allowing the person to disprove connection with the offence, is an apparent reversal of onus of proof and must be justified'.*

*Common situations where the concerns have arisen are when executive officers of a corporation are taken to be guilty of offences committed by the corporation, or a corporation is taken to be guilty of offences committed by its executive officers.'*

In this legislation the government has stepped well beyond this – reversing the onus of proof for offences potential committed by others which have not yet been tested in court while providing no defences to innocent Councillors who have not be charged with a crime.

In The Ministers speech on 3 May, he acknowledged - "I appreciate that this course of action will impact councillors who were only recently elected".

An alternative proposal

As an alternative to dismissing democratically elected Councillors and bringing further instability to the Ipswich community, I ask that this committee,

- a) Separate allegations between this Council and previous Council terms to make fair and equitable judgments on alleged activities,
- b) Further investigate this Council (2016 – current) utilising bodies such as the Local Government Remuneration and Discipline Tribunal which is responsible for hearing and determining the most serious allegations of misconduct against councillors, and
- c) Await the final outcome of the CCC's investigation,
- d) Await the CCC's final report into Ipswich City Council and consider whether the report's practical recommendations have already been addressed by this Council (2016 – current).

These alternatives would enable residents to retain their local government representation while the Government would have an opportunity to be satisfied that they are voting on evidence based policy.

If the Government's objective is to truly improve governance rather than punish innocent Councillors, this is the action that must be taken.

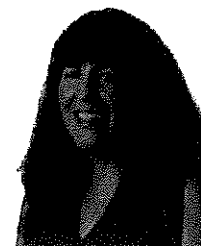
Yours sincerely



**Cr Kylie Stoneman**  
**Councillor for Division 4**



**Cr Kylie Stoneman**  
**Ipswich City Council**  
**Councillor for Division 4**



25 June 2018

The Honourable Stirling Hinchliffe MP  
Minister for Local Government,  
Minister for Racing, and  
Minister for Multicultural Affairs  
1 William Street  
BRISBANE QLD 4000

Dear Minister

**Notice given under section 120 of the *Local Government Act 2009* (LGA) dated 20 June 2018**

Thank you for the opportunity to respond to your second notice dated 20 June 2018. I have attached a copy of my response to your first notice and ask that it be considered as part of this submission.

Your second notice included various documents relating to charges laid by the Crime and Corruption Commission (CCC) against individuals associated with Ipswich City Council (Annexure A), claimed examples of associated negative publicity and comment (Annexure B) and examples of correspondence purportedly demonstrating a loss of community confidence in Council (Annexure C).

I will respond to each of these issues and annexures below.

**Charges laid by the CCC (Annexure A)**

A significant number of these charges relate to alleged conduct prior to my election in 2016. I believe it is unfair and unjust that I am held retrospectively responsible for that alleged conduct.

I am certain in the two years since my election I have consistently met my legal, ethical and moral responsibilities under the Local Government Act and have never breached the local government principles.

I have not been interviewed by the CCC about any charge listed in your show cause notice nor called as a witness. At no time did I observe any of the alleged conduct that is subject of the charges.

**Examples of negative publicity and comment (Annexure B)**

While I acknowledge the media articles and commentary provided in Annexure B, I do not believe this is indicative of the support I have in my community.

Indeed, several of the provided examples are riddled with commentary from individuals and organisations with deep political, legal or financial interests in the dismissal of Council.

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Tel: 07 3816 2444    Mobile: 0497 020 604    Email: [kylie.stoneman@ipswich.qld.gov.au](mailto:kylie.stoneman@ipswich.qld.gov.au)    Web: [ipswich.qld.gov.au](http://ipswich.qld.gov.au)



For example, Annexure B includes commentary and Facebook posts by the Ipswich Ratepayers & Residents Association (IRRA).

The IRRA was created by six unsuccessful candidates following the 2016 local government elections. Since then, founding members have publically expressed concerns about the group's validity. I have attached a Queensland Times article (17/01/17) and a recent social media post by a former IRRA committee member ('Ipswich Planning Matterz', 8/6/18) detailing these concerns.

However, these and similar voices are sought for comment on Council matters by the media and amplified ad infinitum on social media.

When you are considering if the Ipswich community has lost confidence in Council, you must ask yourself if the voices you have referenced truly represent the broader community or if they are simply pursuing their own agendas.

I also note one article included in Annexure B (Queensland Times, 17/5/18) concludes with former Ipswich mayor John Nugent stating he does not believe it would be in the public interest to dismiss Council.

Mr Nugent says, 'I truly believe that the existing councillors, most of them if not all of them have done nothing wrong and got no reason to be turfed out'.

I believe the majority of people in my community would share Mr Nugent's opinion about my potential dismissal.

#### Correspondence (Annexure C)

In response to the twelve emails calling for the dismissal of Council, I have included a selection of the supportive letters, emails and Facebook messages I have received from residents, local community organisations and businesses. This correspondence directly contradicts the suggestion that my community has lost any confidence in me.

In relation to the attachment from M.A. Kent & Associates, I note that these matters involve events several years prior to my election.

In conclusion, I fail to see anything in your second notice to support the argument that it would be in the public interest to dismiss me.

With no evidence that I have lost community confidence or that I have acted improperly, unethically or illegally, I believe my removal as councillor for Division 4 would amount to nothing more than unfair dismissal.

Thank you for taking the time to consider my response.

Yours sincerely



Cr Kylie Stoneman  
Division 4 – Ipswich City Council



**Cr Kylie Stoneman**  
**Ipswich City Council**  
**Councillor for Division 4**



16 May 2018

The Honourable Stirling Hinchliffe MP  
Minister for Local Government,  
Minister for Racing, and  
Minister for Multicultural Affairs  
1 William Street  
BRISBANE QLD 4000

Dear Minister

Notice given under section 120 of the *Local Government Act 2009* (Qld) dated 3 May 2018

Thank you for the opportunity to respond to your notice dated 3 May 2018.

I write to tell you of the detrimental impact that my dismissal as Ipswich City Councillor for Division 4 would have on my community, my family and myself.

I have lived in Ipswich for 26 years.

I raised my five sons here and have been an active and committed community member including serving five years as president of the Dinmore State School P&C, leading the establishment of the First World War Dungarees Memorial at Dinmore and as a member of the community reference group for the major business park development known as *Citiswich*.

For eight years I worked in the local Federal member's office where I assisted residents, businesses, community organisations, churches and sporting clubs. In 2011, I spearheaded the office's response to the floods which devastated so many in our community.

In June 2015, I decided to take the next step and put my hand up to represent my community in council. I began my grassroots campaign six months before anyone else, working from a spare room in my home with the help of family and friends.

In March 2016, I was honoured to be elected Division 4 councillor receiving 53 percent of the primary vote in a field of four candidates.

The last two years have been the most rewarding of my professional life.

While it has been a steep learning curve, I am confident that I have represented Division 4 residents faithfully, diligently and to the very best of my ability.

I am a strong advocate for the division within council and there is rarely a council committee meeting at which I don't speak out for Division 4. During recent budget meetings, I was pleased to see many of the community projects for which I have advocated listed in the draft budget papers.

As councillor, I have demonstrated a commitment to meaningful community engagement and democratic representation.

In 2017, I created a Division 4 Community Reference Group with members drawn from a cross-section of our community. To facilitate genuine community engagement, I invited my most vocal critics – including one who ran against me in 2016 - to participate. The group continues to meet regularly to discuss local issues and share its ideas on improving our community.

In April, I wrote to a thousand Bundamba residents seeking their thoughts on opening a problematic local intersection. Their response was overwhelmingly in favour of my proposal which I believe would improve road safety and reduce congestion. This intersection has been a long-term concern for residents which previous councillors failed to address. Without my continued advocacy on this issue, action on the community's need for this road upgrade will not occur.

In Blackstone, I have pushed for the installation of much-needed traffic lights at the intersection of William and Mary Streets. While these lights are included in council's strategic transport plan, they are not scheduled until the city's population reaches 350,000 which could take a decade or more. Through my constant advocacy, I have had installation accelerated with funding for the detailed design stage included in the current draft budget papers. These lights will significantly improve road safety for residents and road users.

These are just two examples of the community engagement and democratic representation Division 4 residents will lose if I am dismissed.

I have been deeply disturbed by the seriousness of the alleged misconduct involved in charges brought against current and former Ipswich City Council councillors and officers.

Those who know me, know the value I place in my honesty and integrity. Since the issue of your notice, my office has received many calls of support from people who believe in my character and know that I would never act improperly.

However, despite the fact that I have done nothing wrong, have witnessed no wrongdoing and that the majority of the charges relate to alleged behaviour prior to my election, it is distressing to know that my reputation has been damaged.

I take my integrity and transparency obligations seriously. As one example, when updating my Councillor Register of Interest, I make certain to note every cup of coffee and each slice of cake I receive while representing Division 4 residents. I believe the community has a right to know this most basic information about my activities as a councillor. I have never, and would never, accept a donation from a property developer and have stated so publically.

I strongly supported the transparency and accountability reforms recently implemented by council together with the reintroduction of the Councillor Code of Conduct. These should be the most basic of integrity obligations placed on councillors. However, they may not be enough and I would stridently advocate for increased obligations should the details of charges against current and former councillors and council officers reveal issues not dealt with by council's recent reforms.

In truth, dismissal as a councillor would be catastrophic for myself and my family.



I recently separated from my husband and am now a single parent and sole source of my family's income. The financial impact of my dismissal would force me to sell my house and likely relocate to Stanthorpe to live with my mother and father which would disrupt my youngest son's schooling and separate me from my older sons, my family and friends who all live in Ipswich.

Dismissal would undoubtedly devastate both my reputation and my future employment opportunities – further punishing me, my family and community for the alleged improper behaviour of others.

I acknowledge the serious charges facing a number of people associated with Ipswich City Council. However, I am certain that in the two years since my election I have always met my legal, ethical and moral responsibilities under the Local Government Act and have never breached the local government principles. I have always treated council officers with professional courtesy and respect. I have never taken the trust that residents placed in me for granted. I am a hardworking and honest representative of my community and I believe that my community retains its faith in me.

Thank you for taking the time to consider my response.

Yours sincerely


A handwritten signature in black ink, appearing to read 'K. Stoneman'.

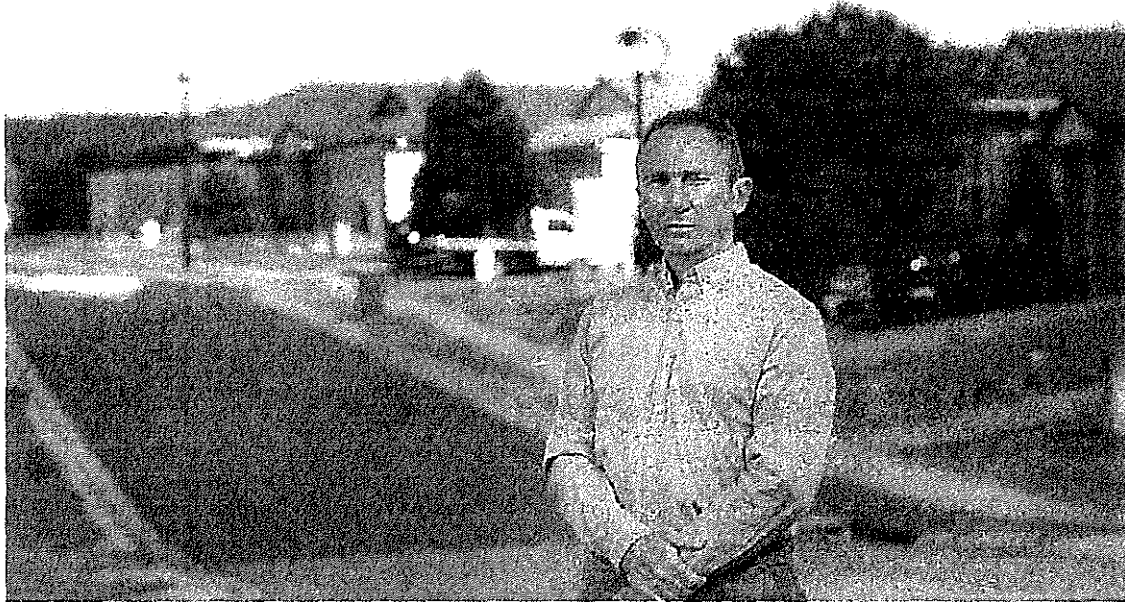
Cr Kylie Stoneman  
Division 4 – Ipswich City Council

6/26/2018

'Negativity' in ratepayers group divides members | Queensland Times

## 'Negativity' in ratepayers group divides members

 [qt.com.au/news/negativity-in-ratepayers-group-divides-members/3132439](http://qt.com.au/news/negativity-in-ratepayers-group-divides-members/3132439)



WRONG DIRECTION?: Members have left an association, headed by Jim Dodrill, saying the group has lost its way. David Nielsen

### News



by Helen Spelitis

17th Jan 2017 5:00 AM | Updated: 12:03 PM

### 15

A GROUP representing 'concerned residents' has lost two of its committee members amid claims "political wannabes" have hijacked the agenda.

### ADVERTISING

Ipswich Ratepayers and Residents Association Inc, led by former council candidate Jim Dodrill, started in August with a charter to 'act in the interest of the Ipswich community'.

There were initially six committee members listed on the website, but now that number is down to three.

### Related Items

[Business woman, mum and body builder shares her story](#)

Last week, town planner Brett Morrissey, formerly listed as the vice-president, and small business owner Paul Rix, a former executive of the group, severed their ties with the association.

6/26/2018

'Negativity' in ratepayers group divides members | Queensland Times

Both men said they were concerned with the group's direction and had been disappointed to see it circulating what they labelled 'unconstructive negativity' about the council and councillors on Facebook.

Mr Dodrill denied his group had a negative or political agenda when it came to the council and stood by the founding principles as listed on the website.

Those include 'transparent decision making in the public interest' and reviewing 'ethical and legal behaviour' of public servants.

Ipswich Ratepayers and Residents Association Inc was registered with the State Government's Office of Fair Trading on August 19.

Since it has held only a handful of meetings, but has been active on social media highlighting a range of concerns from land clearing practices to alleged air pollution at Swanbank.

In the past week the group's membership, which costs \$20 a year, has grown to about 20 members, Mr Dodrill said.

"We've been very successful in some of the objectives we've set out to lead on," Mr Dodrill said.

"And I don't have time for anyone who's trying to paint our association in a negative light.

"If any members, including ex-members, have any issues in relation to how we operate I'd encourage them to put that to us in writing."

Associations must act in accordance with both the Act and their own constitution.

This includes:

- establishing a management committee, the roles of members of the management committee, and who can be on the management committee
- the types of meetings that can be (or need to be) held, and meeting and voting procedures
- financial record keeping and reporting
- procedures for amending an association's name or constitution
- requirements for public liability insurance
- dispute handling procedures.

Part of a statement from the Office of Fair Trading on an Incorporated Association's obligations.

Mr Morrissey and Mr Rix said they did raise their concerns with Mr Dodrill, if not in writing, but felt they were ignored.

Mr Morrissey, a founding member, claims he was "unconstitutionally removed from the group" after raising his concerns, saying it had become "a closed group where only select individuals were welcome".

Mr Dodrill claims Mr Morrissey was removed as vice-president after it was discovered he wasn't a paid member - although since resigning Mr Morrissey has been issued a refund for \$20.

Mr Dodrill maintained all members were welcome at meetings, the first of which for the year is yet to be scheduled.

For Mr Rix a photo of a Courier Mail article, featuring Mayor Paul Pisasale and emails obtained under RTI including sexual jokes about women, posted to the group's Facebook Page was enough to convince him the Association had lost its way.

"I felt it was attracting the wrong sort of people," Mr Rix said.

6/26/2018

'Negativity' in ratepayers group divides members | Queensland Times

"I asked for the photo to be removed. It wasn't related to what I saw as the group's purpose; it had nothing to do with ratepayers and there was nothing positive about it.

"The idea is to work with the council to achieve positive outcomes for the community so those sorts of posts - you just don't do it."

The photo has not been removed.

Under State Government Legislation, the Associations Incorporated Act 1981, registered associations must keep financial records and establish voting procedures, in accordance with their own constitution and the law.

The Ipswich Ratepayers and Residents Association Inc's constitution is not listed on its website, however, Mr Dodrill said committee members have only ever been selected by vote.



Screenshot of the Association's website.

A spokesperson for the [Office of Fair Trading](#), the record holder of the register of incorporated associations, said if members of an association believed the management committee members were not performing their duties, action could be taken to remove them.

"(Members) may take action via the dispute resolution process outlined in the association's constitution," the spokesperson said.

"Alternatively, they may seek to replace the management committee, which would normally involve calling an extraordinary general meeting, and voting to remove and replace the management committee, which would normally involve calling an extraordinary general meeting, and voting to remove and replace the office bearer(s).

"If an incorporated association is not meeting its obligations to OFT under the Act (such as financial reporting), the OFT is empowered to cancel an association's incorporated status."



Ipswich - Planning Matterz

June 8 at 6:52 AM

...

I read a post of [REDACTED]'s which he wrote about the 'Ipswich First' propaganda releases. I decided to change it a bit and make it about the Ipswich Ratepayers and Residents Association (IRRA).

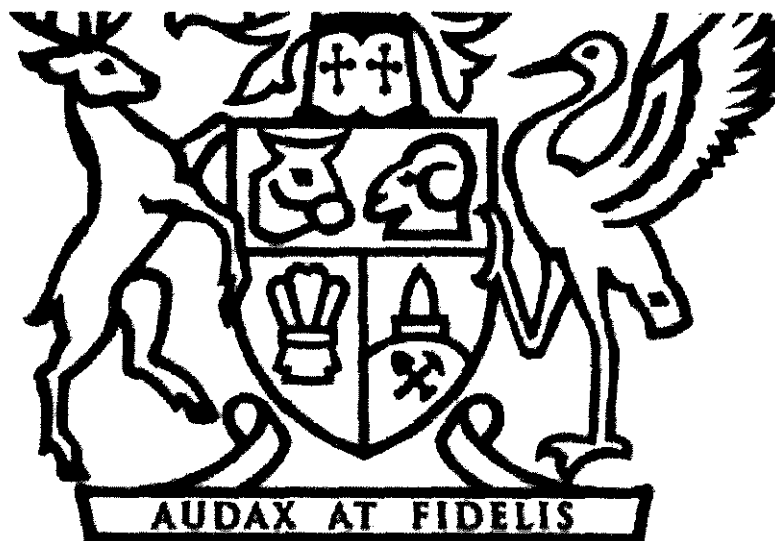
I am heartily sick of 'The Ipswich Ratepayers and Resident's Association'. It is just a political tool for [REDACTED] and [REDACTED] to put forward their views on a Facebook page that will brook no opposition. People can only join the IRRA once they apply, have been profiled, and it is agreed by the committee of 2 that the new member is likely to agree wholeheartedly with the 2 committee members involved.

It is absurd that that community members have to pay to bolster the efforts of the 2 political hopeful committee members. We already have [REDACTED] fighting crime, and numerous Facebook pages that cut and paste other people's posts without giving credit - why do we need the IRRA?

The IRRA's committee only has 2 members, they screen potential members, they don't share information about meetings and activities with the community, they don't circulate newsletters!

The IRRA are not representative of the broader community, membership money is spent to bolster the political images of the 2 committee members involved, and the IRRA should be scrapped. Perhaps if the IRRA were a fair dinkum community group, focusing on community issues from all over Ipswich, and put a little work in to open and transparent management, we would be happy for them to appear in the media every 5 seconds as the 'community representatives' and the group wouldn't be seen as a political vehicle for the committee of 2.

<https://www.qld.gov.au/associations/incorporated-associations>





## Annexure B

IT HAS been 14 years since John Nugent donned the mayoral robes, but the former leader remains passionate about his city's future in the wake of the Crime and Corruption Commission's investigation.

For the past year, Mr Nugent has watched as the stable council he once led has been crippled by constant charges fired at Ipswich councillors and staff by the CCC.

Mr Nugent spent 31 years in local government as a councillor in the Moreton Shire Council and mayor of Ipswich between 1995 and 2004.

Since Mr Nugent, the city has not had a mayor without criminal charges.

He retired ahead of the 2004 mayoral election, which was won by his deputy mayor - the energetic Paul Pisasale.

"Right up to when I retired there was not a hint of any underhandedness or anything going on," Mr Nugent said.

Mr Pisasale has denied wrongdoing and intends to fight the charges.

The national headlines created by the council have disappointed the quiet 82-year-old, who insists the State Government should not dismiss the council.

"It makes me feel sad but it will make me a lot sadder if the State Government makes a big mistake by throwing all the innocent members of council out," he said.

Last year, Mr Pisasale's spectacular resignation from hospital and charges by the CCC took Mr Nugent by surprise.

"I never saw any signs he was doing anything that was considered criminally wrong," he said.

"I saw him doing things that were silly for his own health, burning the midnight oil when he should be settling down." Mr Nugent said the appointment of an administrator would be devastating for the Ipswich community.

"What you're going to do is put in an administrator and he's going to be somebody they've got from somewhere who's got no affinity with the area or the problems," he said.

"People at the local level will have nowhere to turn.

"Ringling up the council offices and speaking to an administrator will be a waste of time." The former politician said every organisation had bad eggs that should be removed.

"But you don't throw the baby out with the bathwater," he said. "I truly believe that the existing councillors, most of them if not all of them have done nothing wrong and got no reason to be turfed out."

6/21/2018

Explanation warranted



PLEASE EXPLAIN: Stirling Hinchliffe, Queensland's Minister for Local Government, Racing and Multicultural Affairs. Photo: News Corp Australia

## Explanation warranted

I AM concerned as to how the Minister for Local Government for Queensland can dismiss all elected members of the Ipswich City Council without clarifying what crimes they have committed.

Yes, two members have had charges laid against them but, at this point, have not been proven guilty.

So when are we, the citizens of Ipswich, going to be told why the other 10 elected members of council have to be dismissed when

we have no knowledge of any wrongs they may have committed?

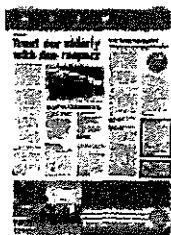
Mr Minister, when are you going to tell us, the citizens of Ipswich who elected these councillors, so that we can fully understand your reasons for being so critical of those who are innocent of any charges, until proven guilty?

My question to you is, where has justice for all gone or doesn't a "fair go for all" apply in this situation?

**MERV S NEUMANN**  
Leichhardt



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Queensland Times (Ipswich), Ipswich QLD  
16 May 2018

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ID 954496853

BRIEF IPSWICH(B)

PAGE 1 of 1

### **All of our councillors are hard-working**

I BELIEVE that Mayor Andrew Antonilli is first of all a good husband and father. He was an excellent mayor with an exceptional amount of experience.

He has a passion for Ipswich. If there are any discrepancies in his past, then I'm sure it could relate to the culture of councils throughout the state.

I would vote for Andrew again. Kylie Stoneman is a wonderful councillor and works hard for her electorate. Generally, I believe all our councillors are hard-working. Ipswich is going backwards because of this witch hunt.

**LYALL NEWSOME**  
**Silkstone**

Please include your name, address and a daytime telephone number on letters for verification. Preference will be given to letters of 200 words or less for reasons of space. You can also SMS your views on 0428 634 025. You must start your text "QT" and include your name and suburb.

**Kylie Stoneman**

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**From:** [REDACTED]  
**Sent:** Friday, 25 May 2018 9:24 AM  
**To:** Kylie Stoneman  
**Subject:** Re: Opening River Road

Hang in there Kylie, you have our support for what it's worth. [REDACTED]

Get [Outlook for iOS](#)

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**From:** Kylie Stoneman <Kylie.Stoneman@ipswich.qld.gov.au>  
**Sent:** Monday, May 14, 2018 2:43:55 PM  
**To:** [REDACTED]  
**Subject:** RE: Opening River Road

Hi [REDACTED]

Thank you for taking the time to let me know your thoughts, ideas and concerns about opening River Road, Bundamba at the Nelson Street intersection. I apologise for the delay in responding.

I have received a terrific response from Bundamba residents with the overwhelming majority favouring opening the road. However, this is just the start of the process. Opening River Road is not an easy task and would involve a cost which is why I wrote to local residents to make sure the idea has community support.

With the recent announcement and the issuing of a show cause notice to Councillors there is a concern that I may not be able to continue to advocate for this opening of the road. I am therefore proposing to present your emails/feedback to Council at the upcoming meeting being held on 29 May 2018 to ensure your voice is heard.

Regards  
Kylie

Cr Kylie Stoneman | Councillor for Division 4  
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**Kylie Stoneman**

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**From:** [REDACTED]  
**Sent:** Saturday, 19 May 2018 7:16 PM  
**To:** Kylie Stoneman  
**Subject:** FW: SHOWCAUSE NOTICE TO ICC - [REDACTED]

Kylie,  
I spelt Dave's name incorrectly. Hope I got yours right. Hang in there  
Cheers [REDACTED]

**From:** [REDACTED]  
**Sent:** Saturday, 19 May 2018 7:02 PM  
**To:** [REDACTED]  
**Subject:** FW: SHOWCAUSE NOTICE TO ICC - [REDACTED]

[REDACTED]  
**Sent:** Saturday, 19 May 2018 6:57 PM  
**To:** [REDACTED]  
**Subject:** FW: SHOWCAUSE NOTICE TO ICC - [REDACTED]

Dear Members & friends

I am using the Old Boys email address listings to send out a personal request and it is not involving the Old Boys Association in any way except to express the Old Boys gratitude for the support our local Councillor Paul Tully has given to our Association and to the Goodna Rugby League Football Club over his many years as a servant of his community.

I am also offering my support to Councillors David Palkhe & Kylie Stoneman, whom I have had dealings with by my involvement in the Ipswich Poetry Feast committee. Knowing their commitment to bettering Ipswich's image to the rest of Australia by having entries from all over Australia and some International entries in the annual written poetry competition. This committee also supports live poetry performances by promoting poetry in schools in and around Ipswich.

I am in awe of the hours these people put in and their availability to their constituents. I am positive the other Councillors have the same commitment to their residents.

In my dealings with them I have no reason to question their honesty. If we dig enough I am sure we may find some muck and I am equally sure this would also include those making the accusations.

If the Council is sacked as some are hoping for, it will be interesting to see how they will deal with bureaucrats who will be faceless and only available in the designated working hours, unlike our present Councillors who are willing to be contacted "out of hours"

I am giving them my support via the email petition below

Thank you for your interest  
[REDACTED]

**From:** David Pahlke [<mailto:DPahlke@ipswich.qld.gov.au>]  
**Sent:** Wednesday, 16 May 2018 3:56 PM  
**To:** [REDACTED]; David Pahlke <[DPahlke@ipswich.qld.gov.au](mailto:DPahlke@ipswich.qld.gov.au)>  
**Subject:** SHOWCAUSE NOTICE TO ICC - [REDACTED]



Kylie Stoneman

---

From: [REDACTED]  
Sent: Thursday, 10 May 2018 7:37 PM  
To: Kylie Stoneman  
Cc: [REDACTED]  
Subject: FW: Ipswich City Council

Dear Kylie,

It was so good to catch up in your office today. There are many exciting initiatives of Council that the National Trust would like to participate in. I also went and had a look at Blackstone School this afternoon and have got the ball rolling on that for you.

[REDACTED] I were very concerned by the injustice, which could occur, regarding our elected Councillors on Ipswich City Council. Elected representatives, under a fair and democratic process, should be able to fulfil their mandate and should not be put aside on a whim, or through pressure, from ill-informed individuals, with vested interests.

My letter to Minister Hinchliffe is attached. It is not confidential, so should you wish to share it with any fellow Councillors, who may feel people are not supportive of them, you are welcome to do so.

I look forward to a long and productive relationship, on behalf of the people of Ipswich.

Kind regards and the very best of wishes,

From: [REDACTED]  
Sent: Thursday, 10 May 2018 7:05 PM  
To: 'sandgate@parliament.qld.gov.au' <sandgate@parliament.qld.gov.au>  
Subject: Ipswich City Council

Dear Minister Hinchliffe,

My wife and I are proud members of the Ipswich community. We were both born here and have chosen to live here for most of our lives. We both contribute, in a wide range of ways, to the health and vibrancy of our community. Naturally, we are very concerned, at the recent revelations, in the media, regarding the apparent activities, by two of our long-standing elected representatives and the negative image this creates for our community. Such publicity is destabilising for any community and can also have significant negative outcomes for small business, until it is satisfactorily resolved.

While we are keen to have this issue addressed, satisfactorily and appropriately and to see that the two Councillors have their day in court, we are still quite uncertain as to the actual case against them. What are the specific charges they will face in the court?

Unlike the recent allegations, by your colleague Ms Miller, that the whole of the population of Ipswich is wandering around "like stunned Mulletts" and demanding the State Government sack the Council and appoint an Administrator, we are yet to hear anyone actually express this view locally. It is certainly far from the wish we would ever express. The lack of transparency, justice and fair play, in this issue in particular, is palpable. That is what aggrieves the citizens of Ipswich to whom I have spoken.

We believe absolutely in the principle of the presumption of innocence. We also believe that that should be the position of ALL our elected representatives. Whether Local, State or Federal we would want you to stand up for that principle - the presumption of innocence.

We are also absolutely appalled by the prospect that a whole Council, including very recently elected councillors, who could have no possible connection, with the two Councillors facing charges, could find themselves sacked. This would seem a poor way to repay the people who put themselves forward to serve us and who, from what I have observed, do that very well.

So, in conclusion, I hope that this State Government, and you in particular Stirling, stand for the principles of fair play and the presumption of innocence and are not swayed by the views of those with apparent vested interests and personal agendas. I have none.

Thank you for considering our views.

Yours Sincerely,

[REDACTED]

**Kylie Stoneman**

---

**From:** [REDACTED]  
**Sent:** Tuesday, 22 May 2018 8:10 AM  
**To:** Kylie Stoneman; Division 4 Office  
**Subject:** ANZAC Committee

Good morning Councillor,

I am writing to you this morning on behalf of myself, but more importantly, the Bundamba ANZAC Observance Committee.

The purpose of this note is to pass on our sincere and heartfelt thanks for all you and Council do, and have done, for our Committee, and for the continuance of ANZAC and Remembrance Day services at Bundamba Memorial Park, and the many little bits and bobs that this includes. We can not say thank you enough.

At our most recent Committee meeting last week, you and the present council situation was discussed. The committee, to a man (and women 😊), was unanimous in its resolve to ensure that I passed on to you our very best wishes, our complete bewilderment, and our immense sorrow, for that which you are presently enduring. We would most definitely hope and believe that justice takes its full course for those who have done the wrong things at Council, but we would also hope that that very same justice can see fit to not taint those good people who have done nothing wrong.

At our very core is a belief that the thousands of young men and women who died protecting the freedoms that we so sadly take for granted in this country, did not do so in vain. That our way of lives are secure because of their sacrifice. That the injustices they witnessed and experienced on the battlefield translate into a justice that is available for all us today.

Please be assured of our thoughts and prayers at this horrible time. If there is anything we can do, please let us know,

And again, on behalf of the Committee, our thanks for your service,

[REDACTED]  
[REDACTED]  
Bundamba ANZAC Observance Committee

Please take care of yourself  
and may you continue to stand  
with strength and dignity in  
the midst of all the challenges  
that surround you at this time.

Best Wishes always

Yours sincerely,



Dear Kylie,

Just a brief note to say that  
I am thinking of you and  
keeping you in my prayers.  
I am proud of my city and  
proud of the fine work that  
the Ipswich City Council has done  
over many years.

I thank you for all the work  
that you do for the betterment  
of our community and for the  
wonderful, genuine support that  
you give to so many individuals  
and organisations in our city.

May was a busy month for some, commencing with a visit to the Sandgate Men's Shed on the 2<sup>nd</sup> of May for a Zone Representative's meeting with sheds in the north of Brisbane area. Present were members from a number of sheds, as well as QMSA and AMSA representatives. This was a lively meeting with some honest discussion as to the merits of QMSA and the recent decision to withdraw the QMSA from under the AMSA umbrella.



The meeting was continued on the 3<sup>rd</sup> at the Ipswich Men's Shed and several sheds south of Brisbane were present for the meeting.

Although somewhat more subdued than the day before, this meeting earnestly discussed similar matters. During the meeting several key members of the Ipswich Men's Shed took the opportunity to quite rightly point out, that both the QMSA and the AMSA had benefit to members and that it was time for both parties to consider a reunion. We await an outcome in due course.



The 10<sup>th</sup> of May saw a visit from our local counsellor, patron and friend of the shed – Kylie Stoneman who gave us a talk on where she believed the troubles of the Ipswich City Council might lead and how they might affect her personally. This was a well-received chat and concluded with shed members wishing Kylie their very best and with a letter of support being written to (hopefully) assist Kylie to remain in office.

We continue to offer her our support and best wishes in the months ahead.

Sunday the 20<sup>th</sup> saw another barbecue take place at Bunnings and we successfully raised some funds towards the purchase of a new tin shed which is to be used for paint storage in the months ahead. The shed will arrive late May and will be a big project for some members during June to ensure it is erected, shelved and put successfully into use. Please let the committee know if you are willing to participate in this activity.

On May 23<sup>rd</sup> several members represented our shed during a visit to the Sunnybank



Men's Shed. This is nice shed with ducted dust extraction throughout the workshop and a huge garden area. It has over 60 members and is expanding soon to include a new tin shed for an office, a second tin shed being set up and paving to be completed in the dining area under an awning and a big tree at the back of the shed. We thank the Sunnybank shed committee for their hospitality, support and morning tea. We have invited them to visit our shed in due course, so hopefully we can offer them similar hospitality at a later date.



**THE IPSWICH MEN'S SHED INC.***Supporting Men in the Community***3A MINING STREET  
BUNDAMBA QLD 4304**

To: The Hon Stirling Hinchcliffe  
PO Box 15009  
City East Qld 4002

May 15<sup>th</sup> 2018

Dear Mr Hinchcliffe

I write to you today on behalf of the members of the Ipswich Mens' Shed Inc to offer our support for our Patron and local member for Division Four of the Ipswich City Council, Ms Kylie Stoneman. Kylie has been the local member and our patron for around two years now and in this time she has come to understand the objectives and the importance of a Mens' Shed in her area, mainly for the supportive environment where men can engage in a wide range of meaningful activities and is instrumental in improving the wellbeing and quality of life of its members.

She understands and works closely with us in our future development programme.

The members are having difficulty understanding how, as there are no charges laid against her, charges against other council members can have an adverse effect on her.

It is envisaged that this correspondence will be accepted as it is intended, simply to endorse our support and for the credibility of our Patron Ms Kylie Stoneman.

Yours Sincerely

On behalf of the members of the Ipswich Mens' Shed Inc

**[REDACTED]**  
**[REDACTED]**



**Kylie Stoneman**

---

**From:** Ipswich - The Handmade Expo Market  
**Sent:** Sunday, 24 June 2018 9:21 PM  
**To:** Kylie Stoneman  
**Subject:** Support for Cr Kylie Stoneman from The Handmade Expo Market


To Whom it May Concern,

My wife and I manage The Handmade Made Expo in Ipswich, an extremely successful and award-winning market and significant family-oriented community event which will celebrate its tenth anniversary of operation in Ipswich in the coming months.

I have known Cr Kylie Stoneman since prior to her election to the Ipswich City Council. In the time she has served as councillor for Division 4 she has provided regular and generous support to our business while, as a resident from her division, I have found her to be a highly committed tireless worker for the community she represents.

Division 4 has benefited immeasurably from our representation by Kylie on the Council and I believe it is in the interests of our community that she retain her position and continue to serve our interests with the passion, commitment and dedication which is her hallmark.

Kind regards

  
[www.thehandmadeexpo.com.au](http://www.thehandmadeexpo.com.au)  
[www.facebook.com/handmadeexpo](https://www.facebook.com/handmadeexpo)  
[www.instagram.com/thehandmadeexpomarket](https://www.instagram.com/thehandmadeexpomarket)



# Booval Newsagency

Friendly Care Centre  
38 South Station Road  
BOOVAL QLD 4304

BJ Horizons Pty Ltd  
ABN 81 105 486 413

Phone (07) 3282 1701  
Fax (07) 3282 0560



25 June 2018

Councillor Kylie Stoneman  
Councillor for Division 4 – Ipswich City Council  
2 / 38 South Station Road  
Booval QLD 4304

Dear Kylie,

Re: Letter of Support

We would like to express our support for you in your position of Councillor for Division 4 – Ipswich City Council.

We believe the Show Cause notice put forward by the Queensland Minister for Local Government should not mean the whole council should be stood down. Councillors (like you) who are innocent of any wrong doing should continue to serve the local community who elected you in the last election.

We are owners of Booval Newsagency and have been in this business for over 14 years now. During this time, there have been 3 Councillors holding the position for Division 4 and we have received quite a bit of commentary from our customers over the years about local issues.

The feedback we have received from customers has been positive toward you. We are aware that you have shown a very keen interest in Division 4 and have always expressed your support of the local community, schools and businesses.

We recall in your first year when you asked us to be involved with a local high school student project about social media for businesses. Our involvement was to speak with the students and answer questions about our business to assist them to relate their project work to the 'real world'.

We are aware of your support for the local Men's Shed in Bundamba. The Men's Shed is a very good community organisation providing support for local members and services to the wider community.

Recently you have demonstrated you listen to the local community by improving the footpath between the Booval Railway Station and Brisbane Road, Booval. This footpath has been very uneven for a long while and caused constant problems for the elderly and disabled that used the footpath. People with disabilities using normal and electric wheelchairs expressed the unevenness caused them a lot of trouble. Since the improvements have been finished we have received very positive feedback.

We are also aware of you attending meetings at a local retirement village, Springs Retirement Village. This demonstrates you show an interest in the wider community inclusive of the young and the older members of our community.

We sincerely hope the Minister for Local Government decides to keep Councillors like you in their current positions. If it assists in any way, you have our permission to communicate this letter to the Minister for Local Government to help support you to continue in your position of Councillor for Division 4 – Ipswich City Council.

Yours faithfully,

The signature and name of the sender are redacted with black ink. The signature is a cursive scribble, and the name is a series of horizontal black bars.

[REDACTED]  
[REDACTED]  
Bundamba Qld  
4304  
[REDACTED]

To whom it may concern

25/06/18

As a resident, business owner, [REDACTED] and committee member for several art groups including the Regional Arts Development Fund in the Ipswich region I have had the opportunity on many occasions to work with and deal with Councillor Kylie Stoneman. In all matters and dealings, Kylie has always been professional, honest and showed the upmost integrity. It is through these dealings that I have only the greatest of respect and highest opinion for Kylie and give my full support to her.

It saddens me deeply that Kylie should be placed in such a situation that may cause the loss of her position. In dealing with Kylie in many art projects I have seen firsthand the hard work and dedication she possesses not only for the art and cultural community but the community as a whole.

I can honestly say that if we were to lose Kylie as our elected councillor it would be a huge loss to the Ipswich community. With Kylie, we have a person who fully understands the importance of art and cultural within our community. She is a great advocate for the arts and has worked hard to get a new Art and Cultural strategy in place in Ipswich. It would be a shame and a disappointment for Kylie not to be in her role to see that the Art and Cultural Strategy implemented after all her dedication, commitment and hard work.

It would be far worse for Ipswich not to have someone with work ethics and morals like Councillor Kylie Stoneman working for us.

Personally I have always been of the opinion that it is ethically wrong for an honest person to suffer the loss of their livelihood due the failures of others. I believe the best and moral thing to do is to ensure that people like Councillor Stoneman are not treated as guilty when clearly she is innocent of any wrong doing.

All I can ask is that the ethical decision is made in that Kylie Stoneman retains her position as Councillor for the sake of the Ipswich community.

Yours sincerely

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Committee Member (Ipswich Art Awards and RADF)

## LETTER OF SUPPORT – Ipswich City Councillors

The Committee of the Ipswich Genealogical Society Inc wishes to bring to your attention our support for the duly elected Councillors of the City of Ipswich.

We are a small not for profit organization, and without the help given by these Councillors, we would not have a permanent home after 40 years of having to move many times, some of which were when the State Government saw fit to sell the properties we were using.

A building no longer required from the Council Waste Depot at Raceview was moved to the Cooneana Heritage Centre, and the Society became responsible for the upgrade and refurbishment to make it suitable for our purpose. The Ipswich Genealogical Society was the first formed in Queensland, and as such has a long history with the area.

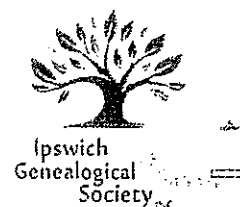
To remove the Councillors from office when nothing has been proven, and no charges laid would leave our city and residents with no one to go to for all the problems that arise in our day to day lives. A number of these Councillors were not in Office at the time in question, so cannot be held responsible, and others were not involved as far as is known. The Councillors know the area they represent and do what they can to overcome our difficulties.

All of the Councillors have been supportive of our group and have been there with advice and encouragement.

Our support is for all elected Councillors.

Thank you for taking the time to read this letter.

*The Committee of the Ipswich Genealogical Society Inc*



[REDACTED]

[REDACTED]

# Country Burgers

To whom it may concern

I am writing to voice my support for Cr Kylie Stoneman Division 4 Ipswich Qld Country burgers (old miners diner ) at Ebbw vale sits central in Kylies division and having been here some 11 years we feel more than qualified to voice our on going support of Kylie Stoneman .

In fact we have been working together in understanding what the needs are in the division with Kylie interested and passionate about her division working tirelessly in doing so ( in fact before her running for the division 4 I warned her off the massive work load a head and she has proving more than able)

We at Country Burgers see on average 1500 customers per week seven days a week , I am writing to tell you that Kylie was elected by the people of Division 4 and there has never been voiced to me any indication of lack of support for Kylie .

I wish to give an example, this week a customer who has been parking his truck some 10 years opposite our shop while he quickly ran over to get his lunch was fined by a council camera car , when I voiced my concern for this to Kylie I did not have to explain to kylie at all, she understood exactly where it was and the history of our business , Kylie is a local, living in her local division, Kylie is the voice of her division, I am completely convinced the state government will not want to remove the voice of the people , and I am calling on the state government to guarantee that this will not happen .

Having lived also in the division all my life , as also being a financial supporter of the neighbourhood watch , also working closely with booval police , Jo ann Miller , and Shayne Neumann as well as being an award winning local business and also Pastor of Bundamba Gospel hall some 15 years my opinion is not swayed by trends or media but genuine concern for the people of division 4 .

On a personal note my son [REDACTED] (paramedic, Nurse at Mater , and LT officer in the ADF, USQ ambassador , Gold standard GAMSAT ambassador , Owner of Polymath Academy ) having written several study helps for the USQ for first year medical students, [REDACTED] is an going young leader in the Ipswich community , he was awarded at the Australia day local Ipswich awards recognized by Kylie and awarded by the Mayor , [REDACTED] continues in his passion to help young medical trainees to become the best at their chosen profession, [REDACTED] is proud to have received the award and his continued association with Ipswich and with the USQ . (this is what our local member does and continues to do , you can't put a cost to this , with the real prospect of removing community passion is vert very concerning )

Ipswich is a very proud city , but let me be perfectly clear we are not ignorant this decision before the state government must not be made because of media or the popular vote , but made in the best interest for the voters of Ipswich and rest assure Division 4 is made up of experienced local residents .

Kylie Stoneman has our complete trust  
Please do not hesitate to contact me



Springs Lifestyle Village,  
45 Sealy St.,  
SILKSTONE  
QLD. 4304.

21 - 06 - 20

Minister for Local Government Qld.,  
Mr Stirling Hinchliffe,  
c/- Queensland Parliament House

Dear Sir,

It is with concern that we note the media information that the elected members of the Ipswich City Council may be "sacked" from their positions and not be able to function as our representatives until the next election in March 2020.

Of particular concern is the threat to our Division 4 Councilor - Ms Kylie Stoneman - who has demonstrated since her recent election that she is committed to listening to residents and has been known on frequent occasions that she has considered the substance of our enquiry and looked further than the present week to what plans are in place which will effect the matter about which we have enquired. A prime example of this has been my enquiry concerning a traffic incident at the corner of Mary Street and High Street. Kylie's reply indicated that the Ipswich City Council has plans at present to create a four way intersection close by which is controlled by traffic lights. Associated with that, the intersection under question would be limited to Left only in and Left only out.

This planned work will make that 300 metres of Mary Street much safer. Kylie has listened to our concern.


I wish to add **one** more illustration of the way in which Kylie has supported and serviced the residents of our "Springs Lifestyle Village". We were struggling to afford the purchase of a complete set of Croquet equipment - Hoops, balls, croquet mallets - each of which are suitable for playing on our perfectly level concrete based outdoor bowling green. Kylie arranged to assist substantially by using funds set aside by the Ipswich City Council for supporting residents in community activities.

Finally we make the point that no one is to be penalized until it has been proven that they are guilty.

Thank you for taking time to read and consider ways in which we believe that Kylie Stoneman has serviced the ratepayers in the Blackstone ( particularly Eric Drive area ) and the ratepayers / residents in our Springs Lifestyle Village.

We look forward to noting the next announcement concerning the future of Councilors who have been elected and have in deed been servicing the rate payers of the Ipswich area.

Yours Faithfully,

  
[Redacted] of the "Springs Lifestyle Village" Social Club.

Representing 130

residents

  
[Redacted]



Cr Kylie Stoneman - Division 4 - Ipswich



May 3 · 🌐



👤 1 758 people reached

Boost Post



Like



Comment



Share



██████████ and 192 others

Most Relevant ▾

↪ View more replies

**[REDACTED]** Some governance by councillors is better than no governance which is effectively what an administration will do for near two years if it occurs.

Democracy is a wonderful thing and I'll support who ever the people of this great city elect aside from my personal views. I can say the new guard including your self in their short term to date overall has done us as a city proud in their conduct for the people. We can all fault find in everyone but no one is perfect. Hold your head high in this somber time as we look to move onward and upwards. Hopefully common sense prevails in the weeks ahead.

↑ ↓ Love Reply Message 6w

02 6

**[REDACTED]** Thinking of you and your staff. You have been an exceptional support for your community.

I only hope that karma comes back to bite whoever felt they needed to do this to the council and the community of Ipswich.

↑ ↓ Love Reply Message 6w

02 6

**[REDACTED]** Kylie you deserve to hold your head and heart high. To serve is in your nature and you do that well and with integrity.

I wish you well.

↑ ↓ Love Reply Message 6w

02 6

**[REDACTED]** Lockwood I know you'll be OK Kylie - you don't deserve to be part of this blanket demonising. I wish I understood what is going on, but we know you're not remotely part of it.

↑ ↓ Love Reply Message 6w

02 5

**[REDACTED]** Sorry Kylie I had not called you just thought you would be very busy Rebekah and I have been watching interested to see how the state government handles it all, it's still a Democracy and our local members were elected by the people and Kylie if and when they ask a local Buisness owner we can say in all honesty that Kylie Stoneman has honoured her position and is well respected in her local community!! All our love and support Paul old miners diner Ebbw Vale

↑ ↓ Love Reply Message 6w

02 3

**[REDACTED]** The Arts Community are grateful for your support and you do not deserve this. So unfair to tar everyone with same brush. You have my full support as an Arts member and a resident of Div 4.

↑ ↓ Love Reply Message 6w Edited

02 3

[REDACTED] Kylie Stoneman you are a person of integrity and genuineness.

You've helped Ipswich folk who've been in need at their most darkest time for many many years now.

Hold your head high Kylie

↑ ↓ Love Reply Message 6w



[REDACTED] I've only had one conversation with you just this week - and you seem like a thoughtful, kind and hard working woman. I trust that if you are genuine then you will continue with your position. I hope to hear this outcome for you. Wishing you all the best

↑ ↓ Love Reply Message 6w



[REDACTED] Kylie our thoughts are with you at this horrible time. You will always have our family's support because you have earned it! No one who knows you would ever question your decency, integrity and genuine care for people. We're with you.

↑ ↓ Love Reply Message 6w



[REDACTED] Just another Pig at the Council Trough. Asset strip them and their Trusts, charge them, imprison them and get the working on the North / South Pipeline for the rest of their natural lives and put a long rope in their pocket. If they're smart enough to be criminals they'll figure out what to do with the bulge in their pants

↑ ↓ Like Reply Message 6w

[REDACTED] Such a shame you have been caught up in this. Anyone who has ever had any dealings would never believe otherwise. Wishing you nothing but the best and you will definitely see my name on any vote of support you need.

↑ ↓ Love Reply Message 6w



[REDACTED] You are by far the best thing that has happened to this division. Hopefully sensibility will show through.

↑ ↓ Love Reply Message 6w



↑ ↓ Love · Reply · Message 6w

Nice to see the outpouring of support for you Kylie.  
Stay strong. Keep the faith. I'm standing with you sister. xxxxxx

↑ ↓ Love · Reply · Message 6w

Sad they have tarnished you with the same brush.  
We wish you well Kylie and will support you through this ordeal.

↑ ↓ Love · Reply · Message 6w

You are integrity personified. The community needs the  
Kylie Stonemans of this world. Right behind you.

↑ ↓ Love · Reply · Message 6w

you should run for mayor at least we would  
have someone honest in there!!!

↑ ↓ Love · Reply · Message 6w

You were always one of the good ones Kylie. ☺

↑ ↓ Love · Reply · Message 6w

Thinking of you and your staff Kylie.

↑ ↓ Love · Reply · Message 6w

Blackstone Girl Guides will be for ever grateful for the  
support and assistance you have shown us

↑ ↓ Love · Reply · Message 6w

Im kind of abit freaked out. didnt think the entire  
council would be sacked.? is thats whats happened?

↑ ↓ Like · Reply · Message 6w

↳ 2 Replies

Thinking of you, hang in there darl, you have worked  
very hard.  
You have done nothing wrong  
You have my support

↑ ↓ Love · Reply · Message 6w

Looks like a witch hunt to me.

↑ ↓ Love · Reply · Message 6w

[REDACTED] We know this Kylie.. and you have our continued support.. hope everything goes ok with you xx

↑ ↓ Love · Reply · Message · 6w



[REDACTED] You will always have my support anything I can do please ask

↑ ↓ Love · Reply · Message · 6w



↩ 1 Reply

[REDACTED] Thinking of you. Hang in there as Ipswich needs people like you. Take care. 🌸💖💖💖

↑ ↓ Love · Reply · Message · 6w



↩ 1 Reply

[REDACTED] Kylie I see we have had road repairs here in Bognuda st. Thank you for making sure your promises are being fulfilled.

↑ ↓ Love · Reply · Message · 4w



[REDACTED] You've got my support Kylie. good luck and keep your head up.

↑ ↓ Love · Reply · Message · 6w



[REDACTED] Thankyou Kylie for all the work you do 😊

↑ ↓ Love · Reply · Message · 6w



[REDACTED] You have done yourself and family proud...

↑ ↓ Love · Reply · Message · 6w



[REDACTED] you are an outstanding councillor Kylie and I am sure the people of Ipswich know this.

↑ ↓ Love · Reply · Message · 6w



[REDACTED] Thoughts are with you and your family Stay strong

↑ ↓ Love · Reply · Message · 6w



[REDACTED] Hey Kylie, hopefully this will open another chapter for you moving forward

↑ ↓ Love · Reply · Message · 6w





↑ ↓ Love · Reply · Message 6w

Neither Kat nor I have forgotten your assistance to us. We will forever be grateful.

↑ ↓ Love · Reply · Message 6w

Another name for your support list.

↑ ↓ Love · Reply · Message 6w

We're all behind you Kylie Stoneman

↑ ↓ Love · Reply · Message 6w

Thinking of you.  
Please stay strong Kylie Stoneman

↑ ↓ Love · Reply · Message 6w

We are Supporting you all the way

↑ ↓ Love · Reply · Message 6w

You have our support Kylie. ...

↑ ↓ Love · Reply · Message 6w

We are all with you 100 % xx

↑ ↓ Love · Reply · Message 6w

All the best

↑ ↓ Love · Reply · Message 6w

Good luck Kylie whatever happens

↑ ↓ Love · Reply · Message 6w

Chin up Kylie!

↑ ↓ Love · Reply · Message 6w

Well spoken Kylie..

↑ ↓ Love · Reply · Message 6w

3 May 2018

Legislative Assembly


949

## THURSDAY, 3 MAY 2018

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The Legislative Assembly met at 9.30 am.

Mr Speaker (Hon. Curtis Pitt, Mulgrave) read prayers and took the chair.

 **Mr SPEAKER:** Honourable members, I respectfully acknowledge that we are sitting today on the land of Aboriginal people and pay my respects to elders past and present. I thank them, as First Australians, for their careful custodianship of the land over countless generations. We are very fortunate in this country to have two of the world's oldest continuing living cultures in Aboriginal and Torres Strait Islander peoples whose lands, winds and waters we all now share.

### SPEAKER'S STATEMENT

#### Questions Without Notice

 **Mr SPEAKER:** Further to my ruling yesterday, I have circulated a statement around questions asked of ministers during question time. I seek leave to incorporate the statement into the *Record of Proceedings*.

Leave granted.

Honourable members

I refer to questions asked of Ministers in question time.

All questions should be asked through the Chair which requires the Minister to be addressed in the third person.

A formulation such as:

"Mr Speaker

My question is to the Premier

Will the Premier ..."

is in order.

A formulation such as:

"Mr Speaker


My question is to the Premier

Premier, does ..."

is out of order as the last part of the question is direct to the Premier and not through the Chair.

### REPORT


#### Auditor-General

 **Mr SPEAKER:** Honourable members, I have to report that I have received the Auditor-General's report 14 of 2017-18 titled *The National Disability Insurance Scheme*. I table the report for the information of members.

*Tabled paper:* Auditor-General of Queensland: Report to Parliament No. 14: 2017-18—The National Disability Insurance Scheme [604].

### MINISTERIAL STATEMENTS

#### Ipswich City Council

 **Hon. A PALASZCZUK** (Inala—ALP) (Premier and Minister for Trade) (9.32 am): The people of Ipswich have lost confidence in their city council. There are too many charges levelled at too many officials for anyone to have confidence in the management of Ipswich City Council. The people of Ipswich come first. In a moment the local government minister will detail actions we are initiating immediately to begin restoring people's faith not just in Ipswich but also in local government everywhere.

Only recently we governed from Ipswich for a week. People came to me with their concerns. They were worried about becoming Australia's dump. We acted with the waste levy. They came to us with their concerns—


**Opposition members** interjected.

**Mr SPEAKER:** Order, members. The Premier is not being provocative.

**Ms PALASZCZUK:** They came to us with their concerns about their local council. We are acting on those concerns.

The work leading us to this day has been underway for some time. Governing is not about being rash; it is about being considered and responsible and taking the right action at the right time. That time is now. Enough is enough. This will stop. I am stopping it. The people of Ipswich deserve better. The Minister for Local Government will now detail the actions that he will take under the act.

### Ipswich City Council


 **Hon. SJ HINCHLIFFE** (Sandgate—ALP) (Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs) (9.34 am): When a community loses faith in its elected leaders, as is the case in Ipswich, it is time to act. The situation we see in Ipswich today is of the gravest concern. The people of Ipswich are shocked by what has happened. Some are angry. Many are outraged. Others are, quite frankly, appalled at what they perceive as the repeated breaches of trust from their elected representatives. The Ipswich community is reeling.

Twelve people, including two mayors and two CEOs, are facing a total of 66 charges. The current Ipswich mayor is facing seven charges of fraud as a result of CCC investigations. Frankly, the eyes of the Ipswich City Council have been off the ball. The impacts we have already seen are devastating on the morale of council staff, including on the personal wellbeing of individuals; on council's ability to deliver good policy outcomes; and on the Ipswich community as a whole.

Based on urgent legal advice, the government will now commence the process of appointing an administrator at the Ipswich City Council, as provided by the Local Government Act. The government has not taken this decision lightly; however, I have reached the conclusion that the Ipswich City Council can no longer function effectively. I acknowledge the support of the Leader of the Opposition and the CEO of the LGAQ for this course of action.

Today I will ask Ipswich City Council to show cause why they should not be dismissed. Next week I will be asking cabinet to consider strengthening the legislative powers of the local government minister to dismiss councils when they have lost the trust of their community. I appreciate that this course of action will impact councillors who were only recently elected; however, I believe this course of action is necessary to restore public confidence in the Ipswich City Council.

### Domestic and Family Violence

 **Hon. A PALASZCZUK** (Inala—ALP) (Premier and Minister for Trade) (9.36 am): Last night I gathered with hundreds of Queenslanders at a candlelight vigil on the cliffs of Kangaroo Point to remember dear friends, colleagues and family members who are no longer with us because of domestic and family violence. We also stood committed to take action. It is time for us to take a stand as a community and commit to doing something. Doing something saves lives. Doing this together changes society.

Domestic and family violence affects everyone: men and women, children, extended family members, friends, workplaces and society as a whole. No-one is immune. We all may know someone who has suffered or is suffering, and we all have a responsibility to help them. Last night I was very pleased to present Red Rose Foundation's new domestic violence awareness production by Queenslanders Megan Doneman. Today I table the six-month report of the Domestic and Family Violence Implementation Council.

*Tabled paper:* Domestic and Family Violence Implementation Council—Progress Report—1 Dec 2016–30 Nov 2017 [605].

We are making good progress. There is still more to do. I am pleased to say that, of the 121 recommendations, 90 recommendations have been completed. The remaining 31 recommendations have commenced. This is great news. Key outcomes in this report include finalisation of the evaluation framework for the Domestic and Family Violence Prevention Strategy, delivering the 'Stop the Hurting: End Domestic Violence' campaign; and delivery of a train-the-trainer campaign across health sectors.

**Minister for Local Government, Minister for Racing and Minister  
for Multicultural Affairs  
The Honourable Stirling Hinchliffe**

**Thursday, May 24, 2018**

**Statement from Local Government Minister Stirling Hinchliffe**

"On Thursday 3 May, I asked Ipswich City Council to show cause within 21 days why it should not be suspended or dismissed.

"Today I received a comprehensive submission from Ipswich City Council in response to this show cause notice.

"The submission includes letters from the Acting Mayor and Ipswich Councillors, as well as letters from the Acting CEO and appointed CEO.

"I would like to thank Council for its careful consideration of the matters raised.

"I give my commitment to Ipswich City Council and the people of Ipswich that I will give the submission, and all the materials before me, the close attention they deserve.

"Under the *Local Government Act*, I am required to make a decision within a reasonable time.

"Based on advice I have received, a reasonable time is between seven and 28 days."

**Minister for Local Government, Minister for Racing and Minister  
for Multicultural Affairs  
The Honourable Stirling Hinchliffe**

**Wednesday, June 20, 2018**

**Statement on Ipswich City Council**

Local Government Minister Stirling Hinchliffe said:

"Today I have requested the Ipswich City Council respond to further matters in my consideration of whether they should not be dismissed or suspended.

"In the wake of multiple charges by the CCC against both Councillors and staff, I remain gravely concerned that the people of Ipswich are being short-changed by their Council.

"Local Government Act amendments passed in late May have given me an additional power to dismiss or suspend a Council or Councillors *in the public interest*.

"These are powers that I won't shy away from using.

"I am giving the Council and its Councillors until Friday week (29 June) to respond to a further Show Cause notice that I have issued today using the new 'public interest' provisions.

"The Council and the residents of Ipswich have my commitment that any further material will be considered quickly, but thoroughly, and a decision made shortly thereafter.

"I want to thank Ipswich residents, ratepayers and businesses for their patience as this matter moves towards a conclusion."

**Minister for Local Government, Minister for Racing and Minister  
for Multicultural Affairs  
The Honourable Stirling Hinchliffe**

**Wednesday, June 27, 2018**

**Statement on Ipswich City Council**

Local Government Minister Stirling Hinchliffe said:

"It's gravely disappointing to see Ipswich City Council hiding behind new legal proceedings that clearly aren't in the best interests of the city.

"Residents, ratepayers and businesses deserve transparent and accountable leadership - they want a Council they can have confidence in.

"I am more determined than ever to address any governance shortcomings at Ipswich City Council, which is why I've issued a show cause notice that includes a right of reply.

"Council's delaying tactics in seeking to circumvent the legal process already underway will only create more uncertainty and confusion for the people of Ipswich.

"I will not hesitate to use any powers at my disposal, or seek new powers if necessary, to ensure Council is able to serve the Ipswich community and its best interests.

"I will monitor tomorrow's proceedings closely, and any actions I take will be focused solely on restoring transparency and accountability at Ipswich City Council."



## Media Statements



### Media release

Minister for Local Government, Minister for  
Racing and Minister for Multicultural Affairs  
The Honourable Stirling Hinchliffe

#### **Ipswich City Council dismissal legislation referred to parliamentary committee**

Minister for Local Government, Minister for Racing and Minister  
for Multicultural Affairs  
The Honourable Stirling Hinchliffe

Tuesday, July 17, 2018

#### **Ipswich City Council dismissal legislation referred to parliamentary committee**

A draft Bill to dismiss Ipswich City Council has been referred to State Parliament's Economics and Governance Committee for consideration.

Local Government Minister Stirling Hinchliffe said the Bill seeking the dismissal of Council was in response to an unprecedented integrity crisis in Ipswich.

"This draft Bill will be scrutinised by the multi-party Economics and Governance Committee ahead of its introduction in State Parliament in August," he said.

"There are 15 current and former Councillors and officials facing almost 80 charges in Ipswich, undermining confidence in the city and its economy.

"Residents and businesses are crying out for certainty – they want this situation resolved once and for all, without an never-ending legal circus.

"It's become clear in recent days that there's a groundswell of local opinion in support of dismissing Council and appointing an administrator.

"The administrator will be supported by governance experts, who will help to create stronger standards and procedures to enhance integrity and accountability in Ipswich.

"The Government is getting on with the job of delivering the certainty the Ipswich community needs."

**Kylie Stoneman**

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**From:** [REDACTED]  
**Sent:** Thursday, 12 July 2018 2:33 PM  
**To:** Councillors; [REDACTED]  
**Subject:** Statement from MacSporran

<http://www.ccc.qld.gov.au/news-and-media/ccc-media-releases/statement-from-ccc-chairperson-12-july-2018>

## Statement from CCC Chairperson - 12 July 2018

Following public comments about the Government's decision to introduce legislation to remove the current Ipswich City Council, I have determined it is in the public interest to provide this statement to clarify the advice the CCC provided to the Minister.

The CCC's investigation into Ipswich City Council remains ongoing. To date, 15 people have been charged with 79 criminal offences. Of the 15 people charged, seven are either current or former staff members or councillors. This includes two Mayors, two CEOs and a Chief Operating Officer. All of the criminal matters are currently before the courts and it is not appropriate to discuss the details publicly.

The investigation has identified significant governance failures and cultural issues that appear to have been occurring over many years. A number of these failures do not reach the threshold of corrupt conduct or the investigation to date has not identified sufficient evidence to pursue these criminally.

However, the investigation has confirmed these governance failures are significant and extremely concerning.

Many of the councillors and senior staff have held positions at the council for a long time. They may not have been aware of the extent of some practices but if they were operating in an environment in which transparency, accountability and good governance were paramount, many of the poor practices would not have continued.

Based on the investigation to date and the practices the CCC has uncovered, I do not have confidence the current council is equipped to change the culture and adequately address the systemic issues and this is what I have communicated to the Local Government Minister.

It is important to reinforce that the CCC has not consulted with the Minister or other Government representatives about who or when to charge individuals. These decisions are always made independently by the CCC based on evidence we collect from our own investigations.

The CCC's independence is at the core of everything this agency does and the decisions we make.

I was subsequently informed by the Minister about the decision to remove the Council and the process by which the Government intended to do so. The Minister advised me of the decision to ensure it would have no adverse impact on our ongoing investigation into Ipswich City Council.

When I was informed of the decision to remove the Council, I told the Minister that I supported removing Ipswich City Council for the reasons explained in this statement.

The decision to remove the council and the legal process for this to occur is a matter for the Government, not the CCC.

The CCC is currently preparing a public report to discuss the cultural and systemic issues we have uncovered throughout the investigation and to provide practical recommendations which will prevent further corruption from occurring in the local government sector in Queensland.

The report will be finalised when the investigation is completed.

**AJ MacSporran QC**  
**CCC Chairperson**



## Media release

Minister for Local Government, Minister for Racing  
and Minister for Multicultural Affairs

The Honourable Stirling Hinchliffe

### Secret report bolsters case to dismiss embattled Ipswich City Council

Disturbing revelations including multiple alleged breaches of the Corporations Act, potential fraud and off-market land transactions at Ipswich City Council-owned entities have bolstered the case to dismiss the embattled Council.

Local Government Minister Stirling Hinchliffe said the new revelations - contained in three reports prepared by advisory firm McGrathNicol - reveal a culture of secrecy, entitlement and a lack of accountability at Ipswich City Council.

"For too long, Ipswich City Council-owned entities have been acting as a law unto themselves," he said.

"Until recently, these entities have been run on a whim by Councillors and Council officials, without the best practice of oversight from independent directors.

"This led to questionable transactions and dud deals which have saddled Ipswich ratepayers with massive costs, while generating next-to-nothing in return.

"Ipswich City Properties (ICP) incurred losses of up to \$50 million – all ratepayers' funds - on an Ipswich CBD redevelopment that never eventuated.

"ICP officials, including Councillors and staff, also enjoyed an all-expenses-paid trip to the United States in 2010, including specially chartered flights on private jets.

"Italy, France, the UK and Abu Dhabi were other travel destinations for Councillors and staff.

"Council even wasted more than \$83,000 of ratepayers' funds on high-priced lawyers to conceal the cost of these jaunts, following Right to Information requests from a media outlet."

Mr Hinchliffe said in a litany of governance failures, Ipswich City Council-owned entities also:

- sold large tracts of commercial and residential land without testing the market;
- made inappropriate donations to a large and wealthy private school;
- failed to lodge audited financial statements and prepare a director's report;
- failed to sign off on board minutes, putting their decisions in doubt; and
- allowed officers of the controlled entities to sign off on their own travel costs.

"These entities are 100 per cent owned by ratepayers, and Council has an obligation to ensure they're delivering for ratepayers," Mr Hinchliffe said.

"But it appears these entities achieved virtually nothing and were set up for the sole purpose of getting around the probity requirements of the Local Government Act.

"Up until very recently, none of these entities had any independent board directors.

"The board positions were shared almost exclusively between four individuals – all either current or former Councillors and Council officials.

"This is yet more evidence that Ipswich City Council is a closed shop.

"The privileged few have been allowed to behave as they pleased, without proper oversight and hidden by a veil of secrecy.

"I'm determined to lift the veil of secrecy and restore transparency and accountability to these ratepayer-owned entities.

"Now more than ever, the people of Ipswich need confidence in their civic institutions, and that's what we're going to deliver."

**Media contact: Martin Philip 0427 919 548**

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## GOVERNANCE REVIEW IMPLEMENTATION - PROGRESS REPORT

#	RECOMMENDATION	STATUS	PROGRESS COMMENTS - MARCH 2018
1	Council consider the re-introduction of a Code of Conduct for Councillors as a public expression of its commitment to ethical governance.	Completed	
2	The CEO consult with the executive team to review the extent of councillor/staff contact contained in the "red box" lists to ensure nominated contacts within the organisation have sufficient level of responsibility and accountability to advise and inform Councillors accurately and reliably in a manner consistent with management policy. Following the review the CEO advise Council on changes desirable to the Reasonable Requests Guidelines.	Completed	
3	The CEO ensure that effective guidelines are promulgated to Councillors and employees (including relevant training) outlining their respective responsibilities in recognising, avoiding and responding to inappropriate approaches under the Reasonable Request Policy.	Completed	
4	The CEO take action to achieve more effective compliance with Section 295 of the Local Government Regulation 2012 by publishing identifiable and consolidated Register of Interests for Councillors with clear links from the Councillor information page of the Council's website.	Completed	
5	The CEO instruct Minutes Clerks when recording Councillors' declaration of conflicts of interest to record the Committee Report Item number and the topic or subject heading to fairly identify the context of the declared conflict of interest	Completed	
6b	Council partition the Committee agenda into matters to be dealt with in option session and matters to be dealt with in closed session, subject to listing the topic headings in the publicly available Committee agenda.	Completed	
6c	When reaching the Items on the Committee agenda that are to be dealt with in closed session, a motion should be moved that the Committee move into closed session to consider the nominated items on the agenda	Completed	
6d	Having returned from Closed session a motion should be moved specifying the actual recommendations from the closed session in respect of each matter considered and for those recommendations to be voted on, individually or collectively.		
6e	The motions, recommending those recommendations to the Council, having been carried, the reports considered in Closed session should be committed to the public record of the Committee meeting for public disclosure, except in circumstances where the Committee recommends the report be deemed confidential in keeping with the definitions in Section 275 of the Local Government Act 2009	Completed	



#	RECOMMENDATION	STATUS	PROGRESS COMMENTS - MARCH 2018
6f	This procedure for dealing with matters in closed session be also applied to the Council's other Committees as and when required.	Completed	
7	Council adopt the practice of publishing on its website all reports considered by Committees and all Committee reports submitted to Council including officers' recommendations, Committee recommendations as well as Council's formal resolutions, in order to provide full transparency of its decision making	Completed	
8	Council improve public information on its website by incorporating a page containing a list of all adopted and current policies together with links to the actual documents for accessible inspection by Inquirer	Completed	
9a	The CEO review the conditions of the delegated power to decide applications under the Planning Act to avoid any risk of consultation with Councillors being interpreted as directing employees or exercising undue influence.	Completed	
9b	The CEO prepare a program to incorporate in Council induction and CPD programs including awareness training in relation to workplace behaviour including preventing undue influence of delegated authority decisions, bullying and harassment.		
10	Council revisit the recommendations of the QAO and Internal Audit in relation to the Procurement function and reconcile those recommendations with the implementation plan for the new Procurement Framework.	Completed	
11	The Audit Plan element for examination of the Council's Procurement function be retained in the 3 year plan and continue to monitor the implementation of the new Procurement Framework, to provide ongoing review of its effectiveness.	Completed	
12	The CEO review the Claim Form for use by Councillors in submitting expenditure for reimbursement to include declarations as to the compliance of the claim with Council policy and to provide for notations concerning the deduction of disallowed items.	Completed	
13	Council review its arrangements for the City Wide and Divisional Allocations particularly in relation to funding for community purposes to align more closely with the transparency and accountability requirements of Section 109 of the Local Government Act 2009 and Section 202 of the Local Government Regulation 2012.	Completed	
14	The CEO extract relevant matters from this report to include in the executive office risk register and develop appropriate risk mitigation strategies to deal with them.	Completed	



#	RECOMMENDATION	STATUS	PROGRESS COMMENTS - MARCH 2018
15	The CEO formulate guidelines for the assessment of correspondence likely to be regarded as a public record and provide Councillors and their administrative assistants with a convenient process to enable a capture of relevant material.	Completed	
16	Council proceed to implement the recommendations of the Internal Audit unit in relation to controlled entities.	Completed	
17	The charter of Council's Audit Committee be expanded to include risk management and the committee's name be altered to the Audit and Risk Management Committee.	Completed	
18	The CEO arrange for procedures concerning the reception of the Observation Report to include a procedure for the Mayor to present the report to the next ordinary meeting of the local government after being received and the staff of the Mayor's office be alerted to this requirement.	Completed	
19	The CEO consult with the Mayor to convene working parties to develop the approved implementation plan for any changes endorsed from this review and a formal project plan be compiled to manage the implementation.	Completed	
<b>ADDITIONAL ITEMS ARISING FROM GOVERNANCE INITIATIVES</b>			
20	Review of Local Law & Sub-ordinate Local Law & Procedures for conduct of Council/Committee meetings	On hold	Defer pending LGA Amendment Bill. Longer term project.
21	Review of formatting of reports to Committee & Council	In progress	New format reports circulated and being incorporated into Committee & Council process.
22	Review all Policies for currency and accuracy and accessible publication on website	Completed	Continuous review process as part of operational activities.
23	Review of Delegations	On hold	Several resources possibly required for this task including legal knowledge. Longer term project.
24	Performance Management System	In progress	HR drafting an Executive Framework in consultation with ACEO.
25	Review of Complaints Management System/Framework	On hold	Complaints Management Framework identified. Longer term implementation project
26	Review of Councillor Expense Reimbursement & Administration Support Procedure, specifically relating to travel	On hold	CFO to review policy and procedure in relation to the approval process for travel and provide an update to CEO.

A4763705

9 April 2018

City Management Finance and Community Engagement Committee	
Mtg Date: 17.04.18	OAR: YES
Authorisation: Gary Kellar	

## MEMORANDUM

TO: CHAIRPERSON, CITY MANAGEMENT FINANCE AND COMMUNITY ENGAGEMENT COMMITTEE

FROM: ACTING CHIEF EXECUTIVE OFFICER

RE: CONTROLLED ENTITIES REVIEW

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### INTRODUCTION:

This is a report by the Acting Chief Executive Officer providing an update of the Council Controlled Entities Review undertaken.

### BACKGROUND:

Following the Mayoral by-election in August 2017 a review was initiated of all Council Controlled Entities with particular focus on those created as Pty Ltd corporations, with a view to assessing the validity of their continuing to be operated as separate entities to the local government. The companies concerned were all wholly owned by the Ipswich City Council as sole shareholder.

The entities subject to review comprised:

- Ipswich City Developments Pty Ltd
- Ipswich Motorsport Park Pty Ltd
- Ipswich City Enterprises Investments Pty Ltd
- Ipswich City Enterprises Pty Ltd
- Ipswich City Properties Pty Ltd

All of these entities are "Corporate Entities" for the purposes of the *Local Government Act 2009*.

Council engaged the firm of McGrath-Nicol who are experienced in corporate and commercial matters to review these corporate entities, their financial position and current status of commercial operations with a view to the objective of winding up those companies where the operations and assets could reasonably be reintegrated to the corporate operations of Ipswich City Council. The review was also to recommend an action plan to dismantle the corporate entities where appropriate.

Detailed forensic examination of the financial transactions of the entities was not considered warranted given that a complete audit had been conducted by the Queensland Audit Office for the financial year ending 30 June 2017 and both the financial statements and the QAO reports on each of the entities were made available to and published by the Council. These reports were also available to McGrath-Nicol to inform the review.

The outcome of the consultant's review in respect of each of the entities is summarised as follows:

#### **Ipswich City Developments Pty Ltd (ICD)**

This entity was established with the objective of acquiring, developing or redeveloping and on-selling of land within the City of Ipswich. Between 2015 and 2018 the company undertook 15 projects of which seven resulted in completed sales with positive commercial outcomes. Locations of these projects included Bellbird Park, Redbank Plains, Booval, Goodna and Ipswich CBD. The company also investigated a number of potential development opportunities in Yamanto, Springfield Lakes, Leichhardt, Redbank Plains, Goodna and Flinders View which at the time of the review had not come to fruition.

The only current incomplete project of development potential is that associated with a property in the CBD currently accommodating the project known as Fire Station 101, which is leased to another Council controlled entity, Ipswich City Enterprises (ICE).

At the completion of the development at Goodna the board of ICD identified an opportunity to provide improved access to the area by constructing a culvert or bridge to connect access from Coldham Street. The board at its meeting of February 2018 recommended to Council that money be set aside from the available funds at the winding up of the company to finance that project.

It should be acknowledged that this entity during its life operated profitably and provided a return on the Council's investment.

#### **a. Statement of Financial Position**

At the completion of the review this entity was financially viable showing net sales for the 2017/18 financial year of \$1.43 million and operational expenses of \$0.242 million. Revenue included rental income received from the tenant of 101 Limestone Street Ipswich. Operating expense liabilities relate only to salaries of seconded ICC staff and a lease on office space at 143 Brisbane Street Ipswich.

#### **b. Assets**

The review assessed net assets as being valued at \$2.93 million, chiefly comprising cash and cash equivalents of \$1.18 million and property assets valued at \$2 million. Current liabilities relate only to GST payables.

#### **c. Action required to wind up**

With no current development projects active by this entity the action required to integrate the company assets and liabilities into the local government corporate structure require:

- transferring ownership of 101 Limestone Street Ipswich to Ipswich City Council;
- terminating the lease on the property with ICE;
- transferring any office furniture and fittings assets to ICC;
- collecting any remaining debts, if any, from development projects or assigning them to Council;
- settling any outstanding administrative support costs due to ICC for seconded staff etc.
- cancellation of the lease at 143 Brisbane Street Ipswich; and
- Council consideration of the board's recommendation to provide a financial contribution toward the infrastructure improvement to extend Coldham Street.

Otherwise there are no impediments to the closing down of this entity and its deregistration.

#### **Ipswich Motorsport Park Pty Ltd (IMP)**

##### **a. Statement of Activities**

The objective of this entity was to revitalise the Willowbank Motorsport Park. However this objective was impacted on by the fact that the company was constrained in obtaining access to the Queensland Raceway track by a long-term lease held by the occupier. Accordingly negotiations and investigatory activities ceased without the company entering into any material contracts or ongoing obligations other than a service agreement with ICD for use of office space in 143 Brisbane Street Ipswich.

There were no financial transactions until after 1 July 2016. The company employed a General Manager for a short period, seconded from ICE.

##### **b. Statement of Financial Position**

The entity had little formal operational activity, no revenue stream and operational costs only associated with salaries and office space rental as well as consultants fees. Grant funds were received from the Queensland Government which contributed to the development of a conceptual master plan for the future development of the Motorsport Park. This comprised a series of maps and schematic drawings of the future site might look like.

At the time of the review the company had net liabilities of \$415,000 comprising the balance of the loan advanced by Ipswich City Council in the form of operating capital. The loan was advanced on the basis of zero interest and operated similar to a line of credit facility.

With no assets and minimal cash (\$43,000) available the board will need to seek Council's forgiveness of the outstanding debt in order to deregister the company. The board has already resolved to request the Council to do so and proceed with deregistration.

##### **c. Assets**

The company has no assets other than minimal cash balances.

d. Action required to wind up

With no current business activity by this entity the action required to integrate the company assets and liabilities into the local government corporate structure require:

- Council's consideration of the forgiveness of the outstanding loan of \$415,000;
- termination of the service agreement with ICE for rental of office space at 143 Brisbane Street Ipswich; and
- paying any outstanding creditors.

Otherwise there are no impediments to the closing down of this entity and its deregistration.

**Ipswich City Enterprises Pty Ltd (ICE)**

a. Statement of Activities

This entity was created to be responsible for operating the technology hub known as Fire Station 101 as a commercial undertaking involving the hiring of business incubator space to members of the public. The company collected revenue in the form of membership fees from the public or start-up businesses and from fees to hire out the venue for functions, training sessions and meetings. Staff required for day-to-day operations are on secondment from Ipswich City Council and their time paid for by ICE.

For a period the company contracted a General Manager which it seconded to IMP from which it recovered the costs. That employee's contract ended in February 2017.

The ordinary operations of Fire Station 101 are not so commercially focused they cannot be transferred to the corporation of Ipswich City Council. There are Government grant funding programs supporting innovation initiatives through the Department of Science, Information Technology and Innovation that will either conclude before any transfer to ICC or be novated. There is already a specific action plan developed to transfer these activities to Council's Economic Development Branch.

b. Statement of Financial Position

The company had received revenue for the 2016/17 financial year of \$498,000 and for the first half of 2017/18 of \$85,000. Operating expenses for 2016/17 had totalled \$785,000. As a result of changes to commercial operations involving ICE's subsidiary company (ICEI) referenced below a write-off of dividends of \$724,000 resulted in a net operating loss of \$1,011,000 for 2016/17, offsetting in part accumulated surpluses in excess of \$3 million from previous years.

The company is presently operating at a loss of \$182,000 for the current financial year.

It should be acknowledged that a good portion of these operating expenses are internal costs as between ICE and ICC through costs of seconded staff.

c. Assets

At the time of the review the Company's net assets totalled \$145,000 comprising mostly cash, receivables and office furniture and fitout.

d. Action required to wind up

Although this entity is still active in the operation of Fire Station 101 the following action can be taken to wind up its activities:

- Transfer operations of Fire Station 101 to ICC, including any service agreements, grant scheme novations etc.;
- Terminate building lease with ICD for its accommodation;
- Collect outstanding debtors and settle outstanding creditors;
- Transfer office furniture and fitout assets to ICC;
- Transfer service and supplier arrangements to ICC;
- Finalise any outstanding shareholding distributions due from ICEI as a result of that entity's wind up and distribute those funds to ICC.

**Ipswich City Enterprises Investments Pty Ltd (ICEI)**

a. Statement of Activities

This entity is a wholly owned subsidiary of Ipswich City Enterprises (ICE) and was originally created to be responsible for a Services Queensland partnership with Propel, for the delivery of customer enquiry and call centre services. These services were provided both to Ipswich City Council and other local governments under a partnership which was dissolved in November 2017.

During the course of the partnership Council employees were engaged in the customer call centre activity on a secondment basis and as a result ICEI received revenue which created funds from which dividends were paid to the parent company ICE. Council staff now operate back under ICC management.

For the financial year 2015/16 a dividend of \$1.7 million was declared in favour of ICE. In November 2016, the ICEI board was advised by ICE that those dividends were not required to fund that company's activities and so ICEI resolved to cease any further dividend payments to ICE. Consequently \$724,000 was written off by ICE in the 2017 year as noted above.

From December 2017 onward as a result of the changed arrangements with Services Queensland ICEI received only interest revenue generated from cash at bank. Other revenue received relates to accommodation and support services paid for by Peak who occupy part of the building at 143 Brisbane Street Ipswich and still provide after- hours service in relation to call centre activities.

*b. Statement of Financial Position*

The company has always operated in a positive financial position and for the first half of the current financial year has a net operating surplus of \$924,000. However the restructure of the relationship in relation to Services Queensland means that there will be no further revenue stream equivalent to that seen in the past.

*c. Assets*

This company's net asset position has increased each year and at the time of the review stood at a value of \$5,143,000, comprised overwhelmingly of cash and cash equivalents.

*d. Action required to wind up*

With no current business activity by this entity the action required to integrate the company assets and liabilities into the local government corporate structure require:

- Final settlement if any between ICEI and ICE on any shareholder distributions; and
- Transfer of net assets (cash and cash equivalents) to ICE and through ICE to ICC.

**Ipswich City Properties Pty Ltd (ICP)**

*a. Statement of Activities*

This entity was created to own and operate Ipswich City Square shopping centre and to be responsible for the redevelopment of the CBD civic space and the construction of the new Council administration building. The company has an ongoing agreement with Council for the development of the civic space and is negotiating a new agreement with Council for the development of the new administration building.

In addition to the ongoing operational costs associated with project management the company also manages the properties within its portfolio in terms of leasing to retail tenants and maintenance. Employees required to undertake these activities are seconded from Ipswich City Council and the company reimburses Council for the cost. In addition the company presently pays both Council and other controlled entities for costs associated with accommodation and various service arrangements.

Given the substance and momentum of these projects it is not proposed to wind up this entity at this point in time.

*b. Statement of Financial Position*

The company currently receives rental income from tenants occupying properties in the CBD. The operating capital for the company is provided by line of credit extended by Ipswich City Council with the approval of the Queensland Treasury.



During the 2015-2016 financial year Council recognised the impact of historical economic conditions on the redevelopment activities at the Ipswich City Square and resolved to partially forgive the loan that had been extended for the purchase of certain properties in the amount of \$34 million and amended the interest rate of the remaining loan to zero percent. The remaining loan does not have a principal repayment schedule or minimum monthly repayments and its redemption will be structured to coincide with future asset sales to private sector purchases or related transfers as an asset return to Ipswich City Council.

c. Assets

Property assets currently owned by the company include:

- Ipswich City Square which comprises buildings and part of land disposed of when the Icon tower was sold in December 2011. The balance of property held for development includes sites for the administration building and the civic space.
- Murphy's Pub - a heritage listed property which is in the process of being restored for leasing.
- 2 Bell Street - purchased in February 2018 only the deposit for its purchase is accounted for in the balance sheet at the time of the review. This property will be a strategic asset in the overall CBD redevelopment.

Total assets recorded in the balance sheet at the time of review are valued at \$39.9 million whilst the net liabilities after accounting for loans outstanding amount to \$13.2 million.

d. Action going forward

Council is aware of the recent negotiations to restructure the relationship between Ipswich City Council and Ipswich City Properties for the delivery of the CBD redevelopment projects. Consequently no action is recommended at this stage for the winding up of this entity or its deregistration. Other considerations are in train in relation to the development of the ongoing shareholder/board communication and reporting arrangements.

**MECHANISM FOR WINDING UP:**

The report from the consultants based its recommendations for winding up action on the mechanism of Members' Voluntary Liquidation (MVL) which involves the Council as shareholder invoking its rights through appropriate resolutions and instructions to company boards. In such a case the shareholder would typically employ an administrator or liquidator to manage their interests. However in this case there is no suggestion that any of the companies are insolvent or that the shareholders' interests are at stake. Some of the assets need to be sold.

An alternative process is available through a more simplified approach based on the voluntary winding down and deregistration of the companies by virtue of their own actions resolved through the respective boards. This process reflects very similar steps to that of the MVL process but without the necessity to liquidate assets and instead transfer them in specie to the local government.

The administration of this alternative process can be conducted using Council administrative resources working in collaboration with the Company Secretaries. In order to provide assurance of the probity of these processes the consultants who conducted the review can be engaged to provide audit overview of the processes to finality. It is considered this approach will provide significant economies compared with the MVL approach.

**CONCLUSION:**

The review by consultants McGrath-Nicol has identified that there are no impediments to Council proceeding to wind up the corporate entities with the exception of Ipswich City Properties Pty Ltd. All the entities have assets to a greater or lesser degree that can be transferred to the Council, subject to adjustment of any outstanding loan arrangements extended to the entities by Council. Physical assets may be transferred in specie such that there will be no need for assets to be realised or sold for a distribution to occur. All employees servicing the companies are already employees of Ipswich City Council on secondment and therefore are capable of being reintegrated into the Council's organisational structure.

All companies will be required to attend to administrative matters revolving around closing down and deregistration including cancelling of insurances, finalising minor debtors and creditors, terminating leases with other entities, attending to any tax liabilities (GST,PAYG, FBT) and finally confirming their solvency prior to winding up.

**RECOMMENDATION:**

- A. That the report be received and the contents noted.
- B. That Council resolve to endorse the winding up of the corporate entities the subject of the review with the exception of Ipswich City Properties Pty Ltd.
- C. That Council's Shareholder Representative Councillor Wayne Wendt be authorised to engage with the respective boards of the corporate entities to be wound up, to seek their cooperation in implementing the action plans required.
- D. That the Chief Executive Officer liaise with the Shareholder's Representative and the Company Secretaries to prepare for submission to Council any matters requiring formal decision by resolution of the Council concerning the winding up procedures, and to otherwise be approved to attend to any administrative matters to assist the winding up procedures and the integration of assets, staff and other property into the local government entity.

Gary Kellar  
ACTING CHIEF EXECUTIVE OFFICER