



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

[REDACTED]

## **Redlands2030 submission about Local Government Electoral (Implementing Stage 1 of Belcarra) and Other Legislation Amendment Bill 2018**

Redlands2030 Inc. is an incorporated not-for-profit association advocating good governance and community participation in government decisions about matters and issues affecting the Redlands.

Redlands2030 welcomes the opportunity to make a submission to the Committee about this proposed legislation dealing with the integrity of local council decision making.

The proposed laws are a step in the right direction but there is scope for further reform and further clarification.

### **Banning donations from property developers**

Since the Government announced its intention to ban donations from property developers, in line with recommendations from the Crime and Corruption Commission, there has been a push back from the Property Council of Australia and the Local Government Association of Queensland arguing that property developers should not be singled out, and that any banning of political donations should apply more broadly to include all corporations and lobby groups.

No good reason has been put forward for resisting the CCC's recommendations.

The CCC Chairman Alan MacSporren has [said](#) in response that the corrupting influence of developers is a far greater evil than the perceived unfairness of banning their donations.

NSW has prohibited donations from property developers for many years.

An investigation by the NSW Independent Commission Against Corruption (ICAC) [uncovered](#) illegal political donations by property developers such as [REDACTED]

[REDACTED] and [REDACTED].

The NSW laws prohibiting certain classes of donors from making political donations were upheld as valid by a High Court [judgement](#) in October 2015.

Redlands2030 agrees that there should be targeted prohibitions on particular classes of political donor, including property developers.



### **When to ban inappropriate influencing**

One area where the CCC's recommendations and the proposed laws are inadequate is the trigger for when councillors should be banned from attempting to exert influence.

The CCC's Operation Belcarra Recommendation 26 says that attempts by a conflicted councillor to influence others should be banned from any point "after the matter appears on an agenda for a council meeting".

This reflects a lack of understanding by the CCC as to how decisions are made in some councils. Redland City councillors are regularly involved in discussions and even decision making at non-public meetings or 'workshops' which are not subject to the provisions of the Local Government Act.

To preclude inappropriate influence by conflicted councillors, the ban on attempting to influence others should apply from the moment any councillor becomes aware that a matter involving the donor is being considered by the Council.

### **Ignorance is no excuse**

It should be incumbent on any person receiving a political donation to be fully aware of who is giving the donation. In the case of gifts from corporations this should include a presumption that the recipient is aware of any related bodies corporate.

Redlands2030 uncovered an instance where [REDACTED] declared a \$5,000 gift from a little known entity which was related (with common directors and the same business address) to a major company undertaking development in the Redlands. When asked why she did not declare a conflict of interest at a council meeting which approved the developer's application [REDACTED] said she was unaware of any relationship.

The excuse of ignorance is, in this case, quite implausible.

The matters summarised in this case have previously been written about by Redlands2030 in:

[REDACTED]

[REDACTED]

### **Mayor's power to give directions**

In 2012, local government legislation was amended to give mayors the power to direct Council staff. Mayors were empowered to do so without any documentation of their directions or accountability in the form of a report to the full council about any directions issued.

This amendment has given mayors the scope to exert influence inappropriately and is a huge risk to the integrity of local government decision making.

While improving laws dealing with conflicts of interest, consideration should also be given to improved disclosure and accountability for mayoral directions to council staff.

### Case study

A short case study follows which demonstrates a number of problems with ensuring integrity in local government decision making under the current laws and advances further amendments to the proposed legislation to ensure that the case cannot happen again.

## The [REDACTED] case study

This case argues for three further amendments, and a supplement, to the Local Government Electoral (Implementing Belcarra) and Other Legislation Amendment Bill 2017 introduced to the Queensland parliament on 12 October 2017. All arise from a long-term assessment of the election and subsequent behaviour of the Redland City Council [REDACTED]

The submission is in three parts: 1 - the amendments, 2 - a summary of the events that underpin them, 3 - a detailed narrative of the favourable outcomes that accrued to [REDACTED] inner circle of property developers.

The amendments are:

1. Candidates for state or local government election should publically declare all financial transactions with prohibited donors which may not be gifts, but from which the candidate has gained, or could gain a benefit.
2. The bill should contain a mechanism whereby those transactions identified in (1), which exceed a certain dollar value, trigger a conflict of interest assessment as to whether the councillor concerned can remain in the chamber and vote on a matter involving parties to the transaction.
3. The bill's definition of 'a material personal interest' needs to be broadened. As tabled, a councillor (inter alia) "stands to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of the matter."

This definition fails to capture gifts that predate and anticipate the outcome, but do not depend on it. They're investments, rather than donations, but the corrupting effect is identical. The risk to the donor of paying in advance of a council decision that may not be favourable has proved to be no deterrent whatsoever. The reason is fairly obvious.

This bill needs to be supplemented by legislation that enables specific and discreet incidents that arouse reasonable suspicions of corruption within state or local government to be reported and investigated by an independent agency. It may require no more than extending the powers of an office that already exists.

A timeline of the circumstances that underpin these proposed amendments.

February 2011	Councillor ██████ formally announces her candidacy for the Redland City ██████ at the 2012 elections. For the next 12 months her campaign fundraisers, ticketed below the disclosure trigger of \$200, are conspicuously attended by developers and their allied beneficiaries - lawyers, real estate agents and publicists. \$54,825 is raised at these events. Foremost among her public supporters is ██████, principal of developers ██████
May 2011	█████ opens campaign headquarters at ██████, owned and operated by developers ██████. This appears in her interests register 8 months later. The only proof this space was not a gift, is the absence of its being recorded as such in her election disclosure return.
January 2012	█████ register of interests is amended to include an interest, as joint executor, in residential land in Capalaba at 124 Finucane Road.
March 2012	Another major Redlands developer, ██████ makes application to the council to reconfigure the ██████ Finucane Road land. ██████ will later settle its purchase from ██████ and her brother for \$4,025,000. This is not made public at the time.
April 2012	█████ thrashes the Redlands ██████ 70/30 at the polls. ██████ campaign was awash with money - over \$138,372. Twice the dollars wins ██████ twice the votes.
August 2012	Election Disclosure Return shows pro-█████ third party, ██████ raised \$21,675, spent attacking her opponent. ██████ treasurer was ██████ a ██████ landowner and principal of ██████
March 2013	Public notification advises that Redland City Council is removing the Investigation zoning from land south of Redland Bay. This action was commenced by the previous ██████ to discourage urban sprawl. The zone removal will greatly disadvantage developers' plans to build a large self-contained suburb, ██████ on the bayside waterfront. The developers most affected are ██████ and ██████
April 2013	Evidence of drama behind the scenes in the Redlands City Council comes a fortnight later when the Bayside Bulletin carries a curt public correction from Council to say the Investigation Area is back in business, as large as life, miraculously restored to the Redlands Planning Scheme.
May-September 2013	For a full six months, councillors are given no explanation by ██████ the ██████ or anyone as to why their decision to remove the zone had been over-ruled.
October 2013	The Community & Customer Services department of Council advises councillors in a report to the Coordination Committee (refer item 8.1.6) that their decision to remove the Investigation Area has been put aside, not so much on the back burner, as off the stove completely. Why? Because "there is no timing obligation placed on Council to make such changes." This is as bizarre as it sounds. It's like a batsman being clean bowled, but deciding to stay at the crease as the rules of cricket do not attach a 'timing obligation' to his departure.
November 2015	In November 2015, the ██████ application for planning approval comes before Council. The Investigation Area voted to oblivion by Council, remains intact in the Redlands Planning Scheme - a survival critical to the ██████ application and thus to its developers, ██████ and ██████ Before voting on the application, ██████ declares a perceived conflict of interest in the following item stating that although the applicant is not on her gift register, there

	have been grumbling in social media forums about her perceived relationship with the applicant. She chooses to remain the room and vote "in the best interest of the community." The [REDACTED] application wins approval by 6 votes to 5. [REDACTED] votes in favour.
Since then	No agency has given these facts or their implications for good governance in the Redlands any worthwhile consideration. The critical question to be answered is why was the councillors' lawful decision to remove the Investigation zoning over the land in question frustrated, delayed and then abandoned? It is a question that must be asked, and answers demanded, by an agency empowered to do so.

### The full narrative behind the timeline above.

*'The evidence given by some councillors at the inquiry, and their conduct outside the inquiry, has created an impression that they are entirely unwilling to accept responsibility for either their actions or their words. They have shown a worrying lack of insight into how their actions might be perceived by the general public'*

Robert Needham, Chair, CMC Inquiry into the 2004 Gold Coast City Council Election

Even before she became [REDACTED] at the 2012 election, Redlands [REDACTED] was alert to "a whispering campaign accusing me of corruption". It was the usual suspects - she was "funded by developers". It wouldn't go away. By May last year it was "comments saying I am corrupt, or that I have done shonky deals". In September, Council lawyers were sending threatening letters to Facebook posters for their "deeply offensive and defamatory" imputations that "[REDACTED] and Redland City Council officers are prejudiced and blindly pro-development". Finally [REDACTED] "moved to clear accusations of corruption by having the claims referred to the Crime and Corruption Commission." She was "absolutely confident (the Commission) will find me and the Council officers clear of any wrongdoing." Given the CCC's operational charter, [REDACTED] action and expectations were futile. The CCC politely dismissed the stunt as rubbish, and, of course, they cleared her of nothing.

The community is left to hope she's not corrupt. But the picture is clouded by [REDACTED] close association with prominent developers before her election, and the degree to which she has worked to advance their interests since becoming [REDACTED]

Both concerns come together in one standout example. For over ten years, two of the city's biggest developers have been working towards the creation of an entire residential suburb on waterfront farmland, south of Redland Bay. When [REDACTED] in April 2012, the [REDACTED] project was mired in a major planning problem. A year later, it was back on its feet and well on the way to receiving its development approval.

But the resurrection was no miracle. A reasonable person, acquainted with the facts, could well conclude it was a travesty of local government administration - with the [REDACTED] of Redland City at its heart. It confirmed long-standing suspicions. Questions about [REDACTED] association with the [REDACTED] developers have swirled around her from the moment she launched her election campaign.

**2011**

In January, when [REDACTED] announced she was running [REDACTED] her cheer squad of city developers lined up quickly, with [REDACTED] investors front and centre. The [REDACTED] consortium is dominated by two major Redlands developers: [REDACTED] best known as the creators of the [REDACTED] retail complex at Victoria Point, and [REDACTED], an established builder and developer based in Capalaba.

[REDACTED] began immediately to raise her profile and the cash for an assault on [REDACTED] [REDACTED] Her headline campaign promises would be abolishing tip fees and keeping rates steady - a no frills agenda that sat uncomfortably with her first fundraiser. "An exclusive evening of Moonlight Revels - Dress: Cocktail" was held at the [REDACTED] lifestyle centre at Wellington Point. Tickets were \$180. The photos posted afterwards are a who's who of Redlands developers, real estate and PR identities, and LNP politicians. Among those declaring themselves for [REDACTED] were [REDACTED] directors [REDACTED] and [REDACTED] and a gallery of local millionaires. It's unlikely that relief from tip fees was a hot topic.

Two months later, [REDACTED] and her brothers negotiated the sale of two blocks of family land at Capalaba. The buyer was [REDACTED] major partner in [REDACTED] [REDACTED] offered four million and twenty-five thousand dollars (\$4,025,000) for one block of 2.8 hectares. [REDACTED] and brother [REDACTED] accepted.

[REDACTED] made no public disclosure of the transaction. It would have been a convincing display of integrity. Staying silent provoked exactly the opposite response when, inevitably, the details leaked out.

The admiring court of developers surrounding candidate [REDACTED] and the pay out from [REDACTED] [REDACTED] were justifiable reasons for public unease and rumours. The long and ugly history of city councillors who've sold their integrity, mostly to developers, ensures any councillor who consorts with them, away from the public eye, is begging to be distrusted.

And inside the [REDACTED] triangle lay an extra cause for concern. The two developers had a problem, one that threatened to stop [REDACTED] in its tracks. [REDACTED] replacing the current mayor was the key to solving the problem.

[REDACTED] campaign went from strength to strength. On July 21st, over 200 well-wishers were ticketed into [REDACTED] to listen to [REDACTED]. Damning comparisons between Ipswich City's dynamism and the Redland's "Deadlands" became a [REDACTED] theme. Somehow, it was all [REDACTED] fault. Meanwhile a Greek chorus of developers and real estate agents, the [REDACTED] excoriated [REDACTED] council colleagues, the "selfish greenies". The [REDACTED] were fundraising as well. Their Treasurer was [REDACTED] landowner, [REDACTED].

On it went, for another nine months. Big money rolled in for [REDACTED] the fundraisers prospered, and the demonisation of [REDACTED] intensified. [REDACTED] raised giant signage depicting [REDACTED] councillors as public enemies, to be destroyed at the ballot box. [REDACTED] was staggered by the hateful intensity of the campaign.

**2012**

On the 28th April, ██████ thrashed ██████ 70/30 at the polls. Collateral damage removed four of ██████ supportive councillors, enough to give the freshly-elected ██████ majority support around the council table.

█████ victory had little to do with tip fees and marginal rate rises. She'd spent a year on the campaign trail, while ██████ was pre-occupied running council. The candidates' donation records told the rest of the story. ██████ campaign was awash with money. It was no contest. ██████ had budgeted \$60,000 to defend her job, nearly all of it her own money. ██████ had amassed \$138,372. More than twice the dollars won ██████ more than twice the votes. The developer-driven ██████ chipped in too - \$21,675 spent bad-mouthing the councillors ██████ wanted removed.

Neither ██████ nor ██████ appeared on ██████ register of campaign donations - but it's scant reassurance. Disclosure laws ignore donations below \$200, so tickets to the Moonlight Revels, the ██████ and a string of similar events are cloaked in anonymity. Those contributions, \$54,825 of ██████ total, are untraceable.

For her part, ██████ was just as coy about acknowledging any debt to the developers who'd done so much for her campaign. When the Brisbane Times, on the eve of the election, asked about future development in southern Redland Bay, she claimed "It's not even on my radar at the moment.". But it might be just over the horizon. "I think it's incumbent on us to always be open-minded."

Not on her radar? ██████ had done a four million dollar deal with ██████ ██████ had been front row in her cheer squad and fundraisers for over a year. She even had her campaign office in their ██████ complex. It probably helped keep her 'open-minded' as well - about dumping a sprawling suburb in rural isolation, out in the southern Redlands.

**2013**

█████ nagging problem came to a head near the end of ██████ first year in office. Much of the impetus and money which developers had given her election campaign was aimed at getting rid of her predecessor - the moderate, progressive ██████. Among ██████ sins had been removing the Investigation status which had been bestowed on the ██████ site by a previous, pro-development council.

Declaring the farmland an Investigation Area, in 2006, flagged the possibility of one day changing its rural zoning . This was critical to ██████ and ██████ because it gave legitimacy to their ambition to bury the 300 hectares under thousands of houses, creating a waterfront suburb they could on-sell for multi-millions.

But when ██████ swept the old regime away, in 2008, she quickly rejected the notion of a huge residential estate far from the civic infrastructure of Redlands' population centres. And it's important to note that no need has ever been established, based on population growth, for turning rural land outside the city's urban footprint into residential estates.

The ██████ asked the State Government to remove the Investigation Area from the 2009 SEQ Regional Plan, which it did. On July 28th 2010, to bring the Council's local planning



scheme into alignment with the state's Regional Plan, Council voted to amend the Redlands Planning Scheme to likewise remove the Investigation Area.

It took nearly three years of tedious administration, and repeated Council votes affirming the original decision, but on March 26th 2013, a public notice in the Bayside Bulletin announced that the Southern Redland Bay Investigation Area had been removed from the Redlands Planning Scheme. The state and local plans were now in agreement. The prospect of rezoning the southern Redlands farmland, especially to urban residential, was off the table. [REDACTED] was a goner.

We'll probably never know what happened next - but it must have been dramatic. A fortnight later, the Bayside Bulletin carried a curt public correction to say the Investigation Area was no longer removed from the Redlands Planning Scheme. It was all a Big Mistake!

Without any reference to the community's elected representatives, who'd repeatedly voted it into oblivion, the Investigation Area was back in business. So was [REDACTED]. For a full six months, the City's councillors were given no explanation by [REDACTED] the [REDACTED] or anyone else for this stunning reversal. They could only speculate. We can speculate too.

The [REDACTED] developers must have been blind-sided by the appearance of the notice. Why? They knew the removal of the Investigation Area was in train. A likely answer is that they'd been assured it would not be finalised before [REDACTED] development application was safely lodged, and put to the vote.

Who inside Council had enough contempt for due process, and enough authority, to give that assurance? An open Council decision, amending the Redland Planning Scheme, couldn't be hijacked and stalled for months, even years, without the knowledge and complicity of her planning [REDACTED] and senior planners and bureaucrats. But only one of them had the rank to make sure it happened - [REDACTED]

A few council officials were kept out of the loop - like the elected representatives of the ratepayers of Redland City. And even as they waited for some explanation, yet another operation was underway that evidenced the same culture of concealment, the same disregard for honest and open administration.

Without the knowledge of most councillors, monthly meetings were being hosted at Council's Bloomfield Street HQ, between senior Council planners and the development industry. The meetings were not to be publically announced, their terms of reference and the names of those taking part were also not for publication. The minutes of the meetings were likewise off limits, even to the elected councillors.

How could any savvy administrator, or half-wise politician, condone anything that so endangered public trust? [REDACTED] knew. [REDACTED] knew. What were they thinking? Protests from councillors and the public finally broke the meeting-room door down to reveal that several prominent developers had been involved, including [REDACTED] and [REDACTED]. The minutes revealed an administration bending over backwards to accommodate its 'customers' - no, not ratepayers, developers.

While the developers were enjoying their clandestine meetings with the planners, the administration laboured to produce an explanation for halting the removal of the Investigation Area, in defiance of the elected council. It took them six months. It was hardly worth the wait.

On October 9th, the Community & Customer Services department advised a Council meeting that the [REDACTED] decision of 2010, had been set aside because "there is no timing obligation placed on Council to make such changes." This as bizarre as it sounds. It's like a batsman being clean bowled, but deciding to keep batting as the rules of cricket do not attach a 'timing obligation' to his departure.

Another straw they clutched at was the future review of the SEQ Regional Plan. For the record, three years on, not even a draft of the new Plan had been released.

### **2014, 2015, 2016**

The Redlands Planning Scheme was updated in 2014, with the Investigation Area still boldly proclaimed over the [REDACTED] hectares south of Redland Bay. It's there to this day, and became the foundation on which the [REDACTED] consortium would build its application to create a suburb of 4,000 homes and 10,000 residents - on farmland linked to the city's distant infrastructure by a two lane road.

The [REDACTED] development application was lodged on June 30th, 2014. The Council's planning department spent many months preparing a report and recommendations, which were presented to the Council meeting of November 18th 2016.

[REDACTED] listened. The ten divisional councillors listened. When it was over the [REDACTED] aligned councillors: [REDACTED] voted to give [REDACTED] the green light. The other five: [REDACTED] voted against the application. Perhaps they were swayed by the report's admission that "the proposed development does not comply with the criteria contained in the SEQ Regional Plan" namely there was no "overriding need for the development in the public interest."

But, in [REDACTED] favour, "The Investigation zoning of the land however remains extant in the Redlands Planning Scheme." Quite.

The minutes record that: [REDACTED] declared a perceived conflict of interest in the following item stating that although the applicant is not on her gift register, there have been grumblings in social media forums about her perceived relationship with the applicant. [REDACTED] chose to remain the room and vote in the best interest of the community.

[REDACTED] cast her deciding vote in [REDACTED] favour.

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Chris Walker  
Secretary  
Redlands2030 Inc.

23 March 2018