

**INTERNAL ARBITRATION PROCESS – Southern Grampians Shire Council  
(IAP 2025-16)**

**Applicants:** Councillor Dennis Heslin, Councillor Adam Campbell, Councillor Helen Henry, Councillor Afton Barber, Councillor Jayne Manning and Councillor Albert Calvano

**Respondent:** Councillor Katrina Rainsford

**Arbiter:** Noel Harvey OAM

**DETERMINATION**

Pursuant to s 147(1) of the Local Government Act 2020 (the Act), I determine that Cr. Katrina Rainsford has engaged in misconduct.

Allegations 1, 2, 4, 5, 8 and 9 are established and constitute breaches of clause 2, clause 4, or both, of the Model Councillor Code of Conduct set out in Schedule 1 to the Local Government (Governance and Integrity) Regulations 2020.

Allegations 3, 6 and 7 are not established and do not constitute a breach of the Model Councillor Code of Conduct.

**SANCTION.**

As provided for in s 147(2)(b) of the Act, Cr. Rainsford is suspended for a period of one calendar month commencing the day after this decision is tabled at the next meeting of Council in accordance with s 147(4)(b) of the Act.

## STATEMENT OF REASONS.

### **The Application**

The Application dated 30th July 2025 made by the Crs. Dennis Heslin (appointed representative) Adam Campbell, Helen Henry, Afton Barber, Jayne Manning and Albert Calvano, sought a finding of misconduct against Cr. Katrina Rainsford relating to various, statements and actions made by the Cr. Rainsford between 7<sup>th</sup> May 2025 through to 24<sup>th</sup> July 2025.

The standards of conduct applicable to councillors are prescribed by the *Local Government (Governance and Integrity) Regulations 2020* and are set out in schedule 1 - Model Councillor Code of Conduct (the *Model Code*) of the regulations.

A Directions Hearing in this matter was conducted in Hamilton on 21<sup>st</sup> October 2025. In accordance with the directions made, both parties filed all materials and supporting evidence by 7<sup>th</sup> November 2025. The Hearing was subsequently held in the Southern Grampians Shire Council Chambers on 13<sup>th</sup> November 2025.

The Hearing was attended by the Mayor, Cr. Heslin supported by Cr. Henry, Cr. Rainsford with her husband Mr. Rainsford as a support person. Cr. Manning and Cr. Henry also attended as witness for relevant parts of the Hearing .

### **Allegation 1. Meeting on 7<sup>th</sup> May.**

Relates to a CEO-facilitated meeting on 7<sup>th</sup> May 2025 during which Cr. Rainsford is said to have made demeaning and misleading remarks toward Cr. Henry, including questioning her motives, competence, and professionalism. Cr. Henry gave evidence that Cr. Rainsford spoke over her repeatedly during the meeting, preventing her from contributing. It was alleged that Cr. Rainsford implied that Cr. Henry attended the meeting to cause trouble and aggressively inferred that Cr. Henry was inept and unprofessional.

Cr. Henry said she left the meeting distressed, particularly due to misleading implications about secret meetings, transparency, and councillor conduct. After leaving the meeting Cr. Henry returned to the office and spoke with a senior officer for guidance.

Cr. Rainsford did not contest the allegation and provided no alternative account, relying instead on general assertions of legitimate governance concerns. Cr Henry's evidence was clear and consistent, and supported by her immediate response and conduct following the meeting.

Having considered the information provided, I am satisfied on the balance of probabilities that Cr. Rainsford's conduct during the meeting was demeaning and disrespectful, caused significant distress to a fellow councillor, and constituted a breach of Standard 2(1)(a) of the Model Code.

### **Allegation 2. June 4<sup>th</sup> meeting at the Speckled Frog Café.**

This allegation relates to an incident at a business forum on 4<sup>th</sup> June 2025, where Cr. Rainsford is said to have initiated an unscheduled discussion with an external consultant,

and drew the Mayor (Cr. Heslin) into the discussion, to air her dissatisfaction with Council's streetscape and gallery proposals.

It is alleged that Cr. Rainsford pressed the consultant to endorse her views despite his clear indication that the matters were outside his expertise. Cr. Rainsford stated her intention to take the issue to the public due to a lack of internal council support and made critical remarks about the Mayor Cr. Heslin's conduct.

The written evidence included an email from the consultant which confirms that the discussion was not related to his presentation, that he felt pressured to agree with Cr. Rainsford's position, and that her remarks about the Mayor amounted to a personal attack. The email concluded: *"Unfortunately, the discussion had nothing to do with my presentation, and it quickly turned into a personal attack on the Mayor. Katrina wanted me to downplay the importance of the street upgrade and agree with her on the need for a new Art Gallery. As a consultant, this is not my place, and I felt that the Mayor would think that me sitting there was planned. I can assure you this was not the case"*

Cr. Rainsford did not dispute initiating the meeting or making the alleged statements, describing her conduct as legitimate policy discussion and advocacy.

I am satisfied that Cr. Rainsford's actions in initiating the discussion, and her behaviour and comments during the discussion diminished the public's trust and confidence in the SGSC (breaching clause 4(1) of the Model Code) and brought discredit upon the council (breaching clause 4(1)(a) of the Model Code).

I am also satisfied that Cr. Rainsford's actions were disrespectful towards the Mayor and constituted a breach of Standard 2(1)(a) of the Model Code.

### **Allegation 3. Facebook post 6<sup>th</sup> June**

The Application alleges that a Facebook post made by Cr. Rainsford's on 6<sup>th</sup> June 2025 undermined council's decision to build a new art gallery by implying a lack of due process and transparency, and by questioning the legitimacy of a lawful council decision in a way that could mislead the public and diminish confidence in council.

Cr. Rainsford did not dispute the substance of the post and contended her comments were a legitimate democratic debate about governance, transparency and major capital projects.

I am satisfied that, the material does not establish that the post was misleading, disrespectful, or reasonably capable of being interpreted as an official council position.

Accordingly, no breach of the Model Code is found in relation to this incident.

### **Allegation 4. 11<sup>th</sup> June Council meeting**

Concerns conduct by Cr. Rainsford during the Southern Grampians Shire Council meeting on 11<sup>th</sup> June 2025. It is alleged that she publicly described the council culture as "unsafe", using terms such as "gaslighting" and "shooting the messengers," and alleged dysfunction. Cr. Rainsford stated that she had encouraged community members to attend the meeting to

confront councillors and raised the prospect of calling in a state-appointed monitor. Cr. Rainsford's comments were viewed on a recording of the meeting.

These themes were repeated in emails circulated on the morning of the meeting and during her public delegates report, which was live-streamed and widely accessible. It was submitted that this conduct was disrespectful, misleading, and capable of bringing the Council into disrepute.

Cr. Rainsford did not deny making the statements and characterised her comments as raising legitimate governance concerns. Given the public forum, the timing, and the suggestion of state intervention, the conduct carried significant reputational risk for the Council and potentially undermined public trust.

I am satisfied that the comments were made without foundation or prior discussion with her council colleagues, were inflammatory and misleading, and represented a serious lapse of judgement inconsistent with the standards of conduct expected of a councillor.

I am also satisfied that Cr. Rainsford's actions in describing the council culture as "unsafe" and in accusing fellow councillors and council officers of "gaslighting" had the capacity to diminish public trust and confidence in the integrity of SGSC (contrary to clause 4(1) of the Model Councillor Code of Conduct), were capable of bringing the council into disrepute (contrary to clause 4(1)(a)), and deliberately misled the public about a matter related to the performance of her public duties (contrary to clause 4(1)(b)).

I believe Cr. Rainsford's continue or repeated calls for a monitor to be appointed to the Council without any justification or basis for doing so, could diminish the public's trust and confidence in the integrity of SCSC and brought discredit on the Council, breaching clause 4(1) and 4(1)(a) of the Model Code.

#### **Allegation 5. 13<sup>th</sup> June Hamilton Spectator interview.**

This matter concerns public statements made by Cr. Rainsford in a Hamilton Spectator interview published on 13 June 2025, in which she strongly criticised Council's decision to build a new art gallery.

Cr. Rainsford described the existing gallery as a "perfectly good building," characterised its demolition as "insane," and made additional claims about Council projects, budgeting, and its treatment of the Glenthompson community.

The applicants contended that these statements were inaccurate, misleading, and damaging to council's reputation, particularly given that the existing gallery had been assessed by council's professional consultants as unfit for purpose.

Cr. Rainsford did not dispute making the statements or the accuracy of the reporting but maintained that her comments were legitimate expressions of dissent and part of public policy debate.

The interview was prominent and widely published, forming the third in a series of public-facing incidents within a short period, and concerned a major capital project central to Council's strategy.

The statements were inconsistent with the material before the Council, were inaccurate and misleading, and were expressed in language that was disrespectful and inflammatory. I am satisfied that Cr. Rainsford's comments were capable of diminishing public trust and confidence in SGSC (contrary to clause 4(1) of the Model Councillor Code of Conduct) and were capable of bringing the Council into disrepute (contrary to clause 4(1)(a)).

#### **Allegation 6 – Letter to the Editor 20th June**

This allegation relates to a Letter to the Editor published on 20 June 2025 in which Cr. Rainsford repeated her criticisms of Council's handling of the Art Gallery Project.

As the issues raised substantially overlapped with other allegations, no separate determination was required.

While the letter expressed strong dissent, councillors are entitled to hold and publicly express differing policy views.

In the absence of evidence of deliberate falsehoods or conduct extending beyond the bounds of ordinary political debate or bringing council into disrepute, no breach of the Model Code is established in relation to this matter.

#### **Allegation 7 - Canberra Incidents 26<sup>th</sup> June.**

Concerns two disputed incidents in Canberra in June 2025: comments allegedly made by Cr. Rainsford to National Gallery of Australia staff during a meeting about the new Hamilton gallery project, and remarks said to have been made later in the Crown Hotel foyer during the ALGA conference.

It was alleged that Cr. Rainsford questioned the adopted gallery site, suggested an alternative solution, and later made critical comments about council's transparency and decision-making, potentially misleading external stakeholders.

Cr. Rainsford denied wrongdoing, describing her comments as an expression of opinion within legitimate policy debate.

After considering the competing accounts and the context and informality of the interactions, I am not satisfied that the comments were reasonably capable of undermining Council's adopted position or misleading external partners.

While the exchanges may have been uncomfortable and open to differing interpretations, the evidence does not establish that the conduct was deliberately misleading, abusive, or sufficient to diminish public trust or bring council into disrepute.

Accordingly, no breach of the Model Code is found in relation to these two incidents.

#### **Allegation 8. Group email to councillors, 9<sup>th</sup> July**

This matter concerns a sustained course of conduct by Cr. Rainsford between 11<sup>th</sup> June and 7<sup>th</sup> July 2025, involving internal emails to councillors, exchanges with individual councillors, and communications with external bodies.

In these communications, Cr. Rainsford asserted that the Council was dysfunctional and operating within a “toxic” or “unsafe” culture and raised the prospect that a state-appointed monitor may be required.

She alleged serious governance failures, including a lack of transparency, conflicts of interest, budget mismanagement, improper consultation processes, and misconduct by councillors and senior officers.

The emails also included personal criticisms of a fellow councillor, questioning her competence, impartiality, motives, and conduct, and suggested that the community was “aghast” and had lost trust in the council.

Cr. Rainsford escalated these concerns beyond internal processes by contacting community groups and external agencies. Without consulting her fellow councillors, Cr. Rainsford lodged a complaint with the Local Government Inspectorate, in which she alleged that Council had breached its own community engagement policy, improperly handled the budget and Long-Term Financial Plan, and that the CEO and Mayor had acted inappropriately.

While Cr. Rainsford maintained that she was raising legitimate governance concerns and denied misleading the community, I am satisfied that the allegations were serious, unsubstantiated, and portrayed personal disagreements as misconduct.

The communications were inaccurate and misleading, carried the clear potential to significantly undermine public confidence in the council, and were disrespectful in tone.

Accordingly, the conduct was inconsistent with the required standards of behaviour, integrity, and accountability, and constituted breaches clauses 2(1)(a), 4(1)(a), and 4(1)(b) of the Model Code.

#### **Allegation 9. Glenthompson Correspondence 24<sup>th</sup> July.**

(Cr. Manning was called as a witness in this allegation).

This matter concerns an email circulated by Cr. Rainsford on 24<sup>th</sup> July to members of the Glenthompson community in an environment of heightened sensitivity arising from earlier Council decisions, facility closures, and the cumulative impacts of bushfire and drought.

In assessing the conduct, I have considered the written and oral evidence of both councillors, the precise content and tone of the email, and the broader circumstances in which it was distributed.

The email indicates that several statements were framed in a manner that could misrepresent council’s budget processes, capital planning constraints, and the nature of earlier officer briefings.

Although Cr. Rainsford maintained that her comments were based on public information and genuine community concern, parts of the email lacked clarity and blurred the distinction between established facts, confidential or non-public briefing material, and her own interpretation.

This created a real risk that recipients unfamiliar with Council procedures would be misled about how decisions were made.

The email was capable of conveying that Council decisions were improperly influenced or that relevant information had been withheld and thereby had the potential to undermine confidence in the Council's transparency and integrity at a time when trust within the Glenthompson community was already fragile.

There was evidence that references in the email could be understood as drawing on officer briefings that had not been publicly released, raising concerns about the use or disclosure of confidential information.

In addition, the email included comments that could be read as questioning the conduct or motives of another councillor, which went beyond robust policy disagreement and risked damaging professional relationships and public confidence in elected representatives.

Taking account of the content, its circulation, and the broader pattern of engagement, I am satisfied that the overall effect of the communication was capable of misleading the community, undermining Council's decision-making processes, and harming both organisational and interpersonal trust.

Accordingly, I am satisfied circulation of the emails was inconsistent with the required standards of behaviour, integrity, and accountability, and constituted breaches of clauses 2(1)(a), 4(1)(a) and 4(1)(b) of the Model Code.

## **Sanctions**

In determining the appropriate sanction, I have had regard to the conduct found established, the cumulative pattern of that conduct, and the need to protect the effective functioning and public confidence in the Southern Grampians Shire Council.

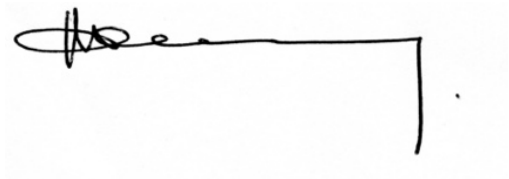
The suspension imposed for a period of one month is a proportionate response to the seriousness of the breaches found. It reflects not only the nature of the individual incidents, but the sustained course of conduct over time that was inconsistent with the standards of integrity, respect, and collective responsibility required under the Model Councillor Code of Conduct.

I consider the sanction to be a proportionate response that reflects the seriousness of the conduct and supports ongoing compliance with the Model Code.

The suspension is not imposed as punishment for its own sake, but to also address a pattern of conduct that was capable of affecting Council decision-making, working relationships, and public confidence. The suspension is intended to provide an opportunity for reflection and recalibration prior to the resumption of councillor duties.

In reaching this conclusion, I have taken into account Cr. Rainsford's very clear commitment to community advocacy and recognise that robust engagement on matters of public importance is a legitimate aspect of the councillor role. However, where advocacy is pursued in a manner inconsistent with the Model Code, intervention is justified.

Accordingly, I am satisfied that a one-month suspension is necessary and reasonable in the circumstances, and is the appropriate direction to uphold the standards of the Model Code and support the effective functioning of the Southern Grampians Shire Council.

A handwritten signature in black ink, appearing to read 'Noel Harvey', followed by a long horizontal line that ends in a vertical line forming a right-angle shape.

Noel Harvey OAM

Arbiter

Date: 29<sup>th</sup> December 2025.