



**GYMPIE
REGIONAL
COUNCIL**

LATE AGENDA

of the

ORDINARY MEETING

CHAIRMAN: Cr MW Curran (Mayor)

Held in the Boardroom

Town Hall

2 Caledonian Hill

Gympie Qld 4570

On Wednesday, 27 November 2019

At 9am



The Corporate Plan 2017-2022 provides a clear framework and direction in relation to Council's **vision, purpose, values and key strategic objectives**.

Our vision for the Gympie region is to **be the natural choice to live, work and play**.

Our purpose is to actively serve our community and plan for the future of the region.

Through our values we are:

Accountable

We take responsibility for our actions, we will be accessible and fair.

Consistent

Our actions will reflect Council's guidelines and practices at all times.

Appreciative

We value the opportunities we have, and look for the best in our people, our organisation and our community.

Communicative

We will keep people informed, consult with the community and actively listen to and respond to their input.

Respectful

We treat people with dignity, courtesy and respect.
We recognise and support everyone's contributions.

Council's activities are aimed at achieving our vision and are focused into the following five key strategic themes/objectives:

OUR INFRASTRUCTURE

is well planned, integrated and safe.

OUR COMMUNITY

is active, diverse, creative and engaged.

OUR ECONOMY

is dynamic, productive and resilient.

OUR ENVIRONMENT

is sustainable, well-managed and accessible.

OUR ORGANISATION

is accountable, responsive, efficient and innovative.

The above framework informs Council's decision making and guides our organisational management and operational activities.

Gympie Regional Council **ORDINARY**

Mayor MW Curran (Chairman),

*Crs MA McDonald, GC Hartwig, MS Gear, DW Dodt, DH Stewart, HT Smerdon,
WR Leitch and RA Fredman.*

CONTENTS:

SECTION 1: PLANNING AND DEVELOPMENT	2
1.1 REPRESENTATIONS FOR DEVELOPMENT APPROVAL FOR RECONFIGURING A LOT (3 LOTS INTO 3 LOTS) AT 54 SMITH ROAD, MOOLOO, 101 NEUENDORF ROAD AND 199 GLEN MUSA ROAD, LANGSHAW.....	2

SECTION 1: PLANNING AND DEVELOPMENT

1.1 Representations for Development Approval for Reconfiguring a Lot (3 Lots into 3 Lots) at 54 Smith Road, Mooloo, 101 Neuendorf Road and 199 Glen Musa Road, Langshaw

PORTFOLIO: Planning and Development

DIRECTORATE: Planning and Development

DOC ID: 2018-2069

LINKS TO CORPORATE/OPERATIONAL PLAN

STRATEGIC THEMES:

5. Our Organisation – accountable, responsive, efficient and innovative

1. BACKGROUND AND PREVIOUS COUNCIL CONSIDERATION

A Development Application for Reconfiguring a Lot (3 Lots into 3 Lots) at 54 Smith Road, Mooloo, 101 Neuendorf Road and 199 Glen Musa Road, Langshaw was determined by Council on 12 February 2019. A Decision Notice was issued on 19 February 2019.

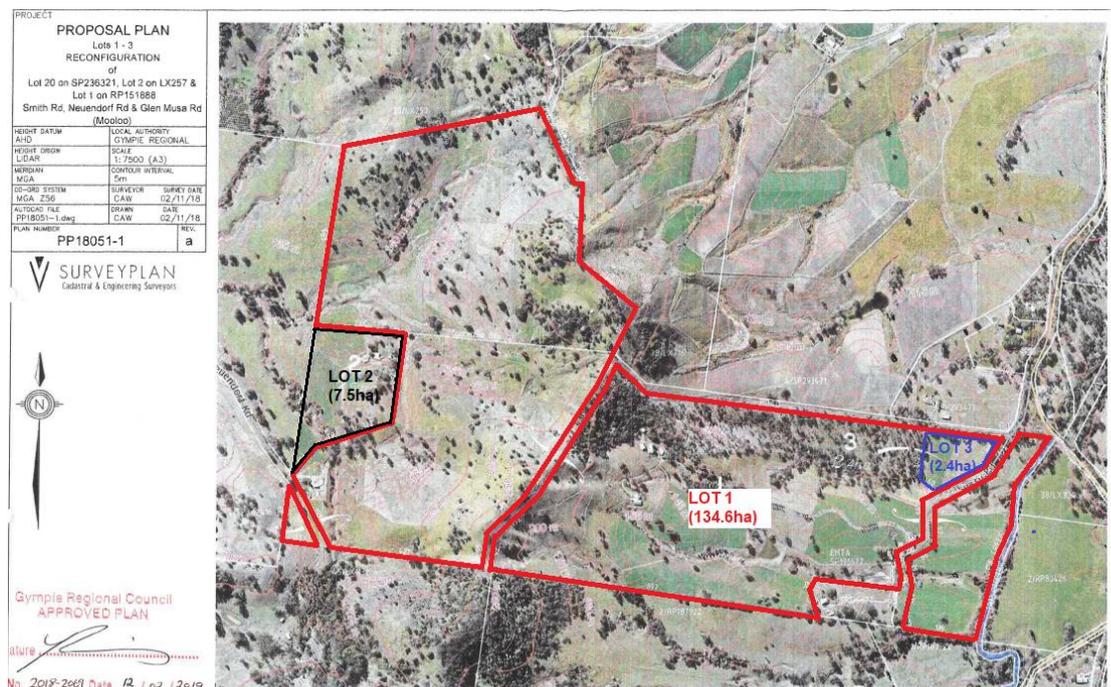


Image 1: Approved Plan.

On 1 March 2019 the applicant suspended the appeal period and on 26 March 2019 submitted representations in regards to a number of conditions, most of which can be dealt with by staff under delegation.

Condition 10, however, related to the provision of electricity to one of the new lots and given the request is contrary to Council's current approach was discussed with Councillors' during a Briefing held on 11 September 2019. The

primary matter for discussion related to whether a change to the current policy position is warranted, both in relation to this application as well as similar future proposals. For Council's information the item discussed during the Workshop held on 11 September was Item 2.4.

2. REPORT

<i>SUMMARY SHEET</i>	
<i>APPLICATION DETAILS</i>	
Applicant:	Mackenzie Land Development Pty Ltd C/- Plansmart Development Solutions
Proposal	Reconfiguring a Lot - Subdivision to Create Three (3) New Lots from Three (3) Existing Lots.
Properly Made Date:	10/11/2018
Information Request Date:	N/A
Information Response Received Date:	N/A
Public Notification Stage ended:	N/A – Code Assessable
Decision Made:	12/02/2019
Decision Issued:	19/02/2019
Appeal Period Suspended:	1/03/2019
Representations Received:	26/03/2019
Number of Submissions:	N/A – Code Assessable
<i>PROPERTY DETAILS</i>	
Division:	6
Property Address:	54 Smith Road, Mooloo, 101 Neuendorf Road and 199 Glen Musa Road, Langshaw.
RP Description	Lot 20 on SP236321, Lot 2 on LX257 and Lot 1 on RP151888
Land Area:	144.47ha (total of all three (3) lots)
Existing use of Land:	Dwelling house and associated domestic outbuildings, Rural pursuits.
<i>STATUTORY DETAILS</i>	
Planning Scheme:	Gympie Regional Council 2013
Planning Zone/Precinct:	Rural
Overlays:	Flood Hazard, Bushfire Hazard (Medium & High), Conservation Significant Overlay, GQAL (Class A, B & D).
Assessment Type:	Code

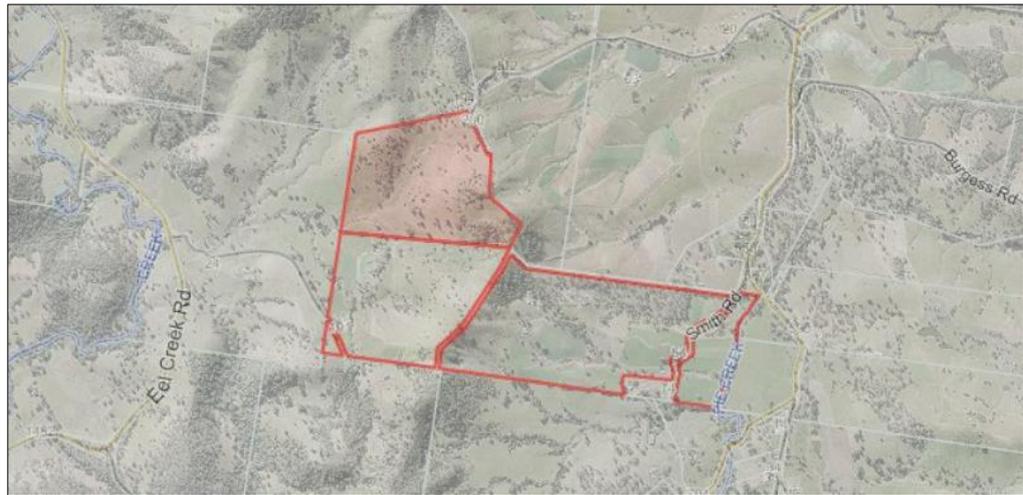


Image 1: Aerial – (Intramaps 2018).

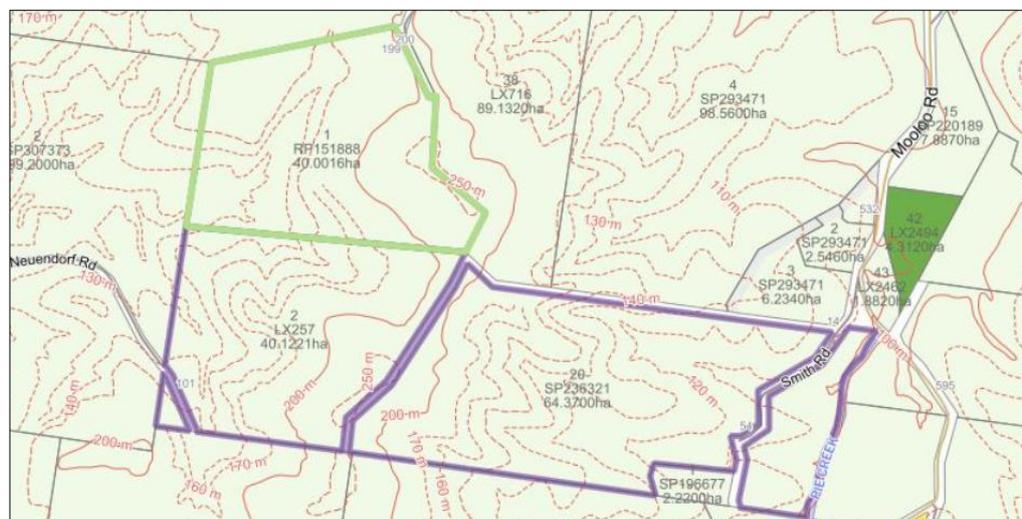


Image 2: Slope – Detailed (Intramaps 2018).

2.1 Representations

2.1.1 Condition 10

(a) Condition 10 reads:

“10 An agreement is to be entered into with the relevant distribution entity to provide electricity to all approved vacant allotments without any financial encumbrance on future owners of these lots.

(b) **Applicant’s Representations**

(i) *The applicant’s electrical consultant has been advised by Energex that in order for proposed Lot 3 to be connected to the reticulated electricity network, an upgraded transformer, four (4) new poles and associated overhead wires will be required, at an estimated \$36,000.*

- (ii) *Proposed Lot 3 is not an additional lot; rather, it is a lot created from the rearrangement of boundaries within the development site. Having regard to the costs associated with connecting the proposed lot to the electricity network, condition 10 is considered onerous and an unreasonable imposition on the development.*
- (iii) *In this instance, it is requested that instead of requiring connection to the electricity network, Council accept an alternative energy source (solar), as provided for in Acceptable Outcome 12.3 of the Reconfiguring a lot code for land within the Rural Zone. Apart from a line of vegetation along its northern boundary, proposed Lot 3 is entirely cleared and there is no doubt that an appropriate solar power system will be able to service any future dwelling house constructed on this lot.*
- (iv) *Proposed Lot 3 is the result of farm rationalisation exercise and is intended to remain in the applicant's ownership in the short to medium term. The lot may however be disposed of at some time in the future and in this regard, the applicant is prepared to lodge a bond of \$5,000 as surety that an alternative energy source will be provided to the land at the appropriate time. Combined with a note on Councils property file, this should negate any unforeseen financial encumbrance on future owners.*
- (v) *The applicant accepts the bond would be redeemable only when:*
 - 1. *A solar power system has been installed in association with the construction of a new dwelling on the lot, or*
 - 2. *A change of ownership of the lot has been registered.*

It is requested that Condition 10 be reworded to reflect the above discussion.

(c) **Assessment of Representations**

It is noted that no 'additional' lots are created, however in planning terms/law 'new' lots are essentially being created, in particular Lot 3 which reflects a 'rural lifestyle' sized lot being introduced to front Smith Road.

Acceptable Outcome 12.3(b) of the Reconfiguring a lot code states:

New lots in the Rural and Industry Investigation zones where not involving the opening of a new road are:

(b) connected to electricity

And relating Performance Outcome PO12(b) states:

Infrastructure services are provided to each lot to ensure:

(b) high standard reliable services

Current Policy Position

To date Council has consistently required that newly established vacant lots must be ready to build on to simplify the process and minimise the cost for the purchaser. In relation to Rural or Rural Residential zoned land this particularly relates to access as well as electricity services being supplied to current service provider standards. The requirement is not imposed on rural lots that are subject to minor boundary changes or where the allotment is going to remain utilised for rural purposes.

In this instance the condition is considered particularly relevant to Lot 3 given its size (2.4Ha) and its likely use for purely residential purposes. Historically, Council has required the applicant to establish the connection to electricity on the basis that it did not support the applicant passing on the cost of electricity provision to subsequent landowners.

The applicant's comments are acknowledged in regard to Acceptable Outcome 12.3(c) where allowance is included to:

(c) provide evidence of the ability to satisfactorily utilise an alternative energy source.

However, the difficulty in satisfying part (c) of the Acceptable Outcome, is that compliance with this provision must generally, as in this instance, be deferred to the subsequent owner of the allotment with evidence not able to be provided until the lot is developed, i.e. through the erection of a Dwelling house. Given the allotment could be sold at any time in the future and ownership changed, the deferral of compliance means that the new land owner is being burdened with the requirement as well as cost of providing this infrastructure and Council may not be able to confirm compliance until sometime in the future.

Under the deferral scenario as requested by the applicant Council's current practice is that a bond is required to cover the cost of future electricity connection. The difficulty with this practice is that there is no certainty in knowing what energy consumption may accompany a future dwelling on the site, as this could be dependent on a range of unpredictable factors including:

- timing of future dwelling construction,
- dwelling house size,
- dwelling house location on site,
- number of buildings on site requiring electricity (e.g. secondary dwelling or sheds),
- number of persons within the household

Therefore, the ability for Council to determine an appropriate and reasonable bond amount which ensures that a *“high standard reliable service”* is able to be provided reflecting the practical needs of a future owner is problematic. In this instance the applicant has not provided evidence of the ability to satisfactorily utilise an alternative energy source as part of the reconfiguration application as allowed for by Acceptable Outcome 12.3(c).

The applicant has also failed to demonstrate that infrastructure services are provided to each lot to ensure high standard reliable services are provided, as required by PO12.

The applicant’s use of the term ‘solar’ is also not entirely appropriate. A standard solar system can only meet a household’s electricity requirements if it is either connected to the electricity grid, or includes a sufficient electricity storage component (battery) to meet non-daylight hours’ power use. The correct terminology to be used should be solar with appropriate battery storage if this is the intention. However, if the applicant is referring to what is still the most common application of solar power whereby solar panels are connected to the electricity grid and act to offset power costs, the need for provision of reticulated electricity remains. If this is the case the requirement for the applicant to provide and fund this provision should remain.

Taking into account Council’s existing policy position as reflected in the Planning Scheme which aims to provide certainty and avoid an unnecessary burden being placed on the future land owner of Lot 3, it would be difficult under the current policy to support accepting a lesser standard of infrastructure than reticulated electricity.

In addition, it is considered that the current policy requirement for provision of a bond (in this case for future solar power) may not be appropriate (despite the applicant’s offer) given the bond does not fully cover the cost of either electricity or solar and cannot be handed on to a future owner.

3. BUDGET IMPLICATIONS

There are no budget implications to Council as an outcome of this report. However, the adoption of the recommended change in policy position will result in the cost of provision of power connection in specific types of development within the Rural and Industry Investigation zone being passed from the developer to the end user.

4. POLICY IMPLICATIONS

As outlined during previous discussions with Councillors, the following matters are relevant in consideration of the representation submitted by the applicant, as follows:

- Council's traditional view has been that that it is inequitable and inappropriate that the cost of connection to power be borne by/passed on to the new property owner/end user particularly when the resultant development is a single dwelling.
- The existing policy was based on Council and community expectations that standard services such as connection to electricity would be available at time of purchase and provided to the purchaser at no cost, as well as an acknowledgment that the provision of reticulated power is costly and potentially cost prohibitive for the end user.
- Acknowledging that Council's current Planning Scheme was prepared in the 2 years prior to its implementation in 2013, it is accepted that the energy market and consumer preferences have changed significantly since that time.
- Council's current policy position as reflected in its Planning Scheme may now be considered overly restrictive and somewhat out of date.

In response to the issues relating to the changing energy market and relative costs, Council's Coordinator Sustainability has provided the following comments:

- Statistics indicate the continuing and increasing trend towards alternative energy, the growth in alternative energy options, its increasing popularity and the fact that solar and battery storage systems are becoming more mainstream;
- An estimated 38.7% of dwellings within the Gympie Region now have solar power installed, albeit generally connected to the electricity grid;
- The inclusion of battery storage in solar systems is also gaining momentum, with dramatic and rapid improvements in technology and price reductions. Solar and battery systems are now able to provide all electricity needs for a residential dwelling, negating the need for grid electricity connection (hence they are often referred to as off-grid or stand-alone solar systems);
- Reticulated electricity (grid connection) continues to be costly (the applicant in this application has advised of an Energex quotation of approximately \$36,000 for network connection);
- In contrast off-grid solar and battery systems can result in long term financial savings for new dwellings, whilst also providing significant environmental benefits through reductions in greenhouse gas emissions. Relevantly, the Queensland Government has recently offered a series of grants and interest-free loan schemes for solar and specifically battery storage systems, which has seen overwhelming uptake.

Noting all of the above it is considered appropriate that Council investigate and adopt a revised policy position that will:

- Set out the parameters within which Council will accept the provision of solar power as an alternative to reticulated electricity;
- Clarify how applicants can respond to these parameters thereby enabling compliance with Acceptable Outcome 12.3(c); and
- Confirm the types and scale of development that are included within the policy.

Current Status

A draft version of a revised policy position (policy statement) has been drafted for Council's consideration. However, it is noted that the practical implementation of the policy is still subject to determining what form the "evidence" to be provided to enable compliance with Acceptable Outcome 12.3(c), should take.

In this respect consideration is being given to options such as a letter of intent from the applicant (in the absence of a contract of sale or advice from an intended purchaser); the provision of a quote as evidence of the cost of reticulated power etc. These details are important in enabling both applicants and staff to have clarity on how compliance with Acceptable Outcome 12.3(c) "provide evidence of the ability to satisfactorily utilise an alternative energy source" can be achieved. These requirements would apply until the Planning Scheme is updated to reflect Council's revised policy position.

Recommended Policy Position

It is considered that the above matters of detail do not affect Council's ability to form a policy *direction* in this matter however these issues must be necessarily resolved to enable clarity for applicants in complying with the policy and Council officers in assessing that compliance against the Planning Scheme.

It is noted that the applicant has advised that there is no urgency in terms of the property owner's need or intention to sell the subject lot. However, it is acknowledged that some of the details of the proposed policy may not be finalised until early in the new year. On this basis it is not considered appropriate or necessary that the applicant's representations remain undetermined pending resolution of the details within the draft policy if Council is supportive of the overall policy direction.

It is therefore recommended that Council adopt the following policy position:

Policy on Alternative Energy Systems

1. *With respect to meeting Council's requirement for the provision of electricity to a newly created allotment, Council:*
 - *Recognises the growth and increasing popularity in alternative energy options;*

- *Acknowledges the dramatic and rapid improvements in alternative energy technology;*
 - *Welcomes the relative cost effective nature of solar energy systems in comparison to reticulated grid connected electricity and the potential long term financial savings for new dwellings;*
 - *Defines alternative energy provision as the provision of electricity to a dwelling that provides a high standard of reliable services, by way of a photovoltaic solar power generation system with appropriate battery storage, without the need for reticulated electricity.*
2. *Council will accept in lieu of provision of reticulated (grid connected) electricity, the provision of alternative energy systems consisting of a photovoltaic solar power generation system with appropriate battery storage.*
 3. *Application of this policy is limited to the subdivision and/or realignment of a common boundary within the Rural and Industry Investigation zones.*
 4. *Council requires that any allotment created utilising the provisions of this Policy be subject to a notation on its property records to alert any prospective purchaser that no reticulated electricity connection is available to the allotment.*
 5. *Council requires that any Development Permit issued utilising the provisions of this Policy include advice to the applicant that Council's property records have been notated to alert any prospective purchaser that no reticulated electricity connection is available to the allotment.*

Should this policy position be endorsed the applicant's representations can be considered in light of this decision and be determined favourably subject to the appropriate notation being included in Council's property records to advise any future purchaser that there is no reticulated electricity (grid connection) provided to the site and that consequently the purchaser will be responsible for the cost of power provision (in the case of solar, including both the panels and battery storage component).

5. CONSULTATION

The application was forwarded to the following internal council specialists and their assessment forms part of this report:

- Sustainability; and
- Development Engineering

6. CONCLUSION

The applicant in respect of the subject Development Permit has lodged valid representations in respect of the current Planning Scheme provisions that require evidence of connection to standard reticulated electricity. It is considered that these provisions are now somewhat dated and not reflective of community expectations.

Taking the above into consideration and noting the growth in solar energy systems as well as the price differential in solar systems versus reticulated electricity connection, particularly for minor scale developments it is considered appropriate that Council adopt a revised policy position.

The policy position as recommended will enable applicants and end users the option of alternative energy systems while providing clarity for staff in assessing Planning Scheme compliance for relevant applications. In this respect it is recommended that the applicant's representation be accepted and consequently that Condition 10 of Development Permit (DA 2018-2069) be deleted.

RECOMMENDATION

That Council:

- 1. Adopt as its policy position the acceptance of alternative energy (solar power with associated battery storage) in lieu of reticulated electricity in any subdivision and/or realignment of a common boundary within the Rural and Industry Investigation zone, as outlined in the body of the report;**
- 2. In response to Representations for Development Approval for Reconfiguring a Lot (3 Lots into 3 Lots) at 54 Smith Road, Mooloo, 101 Neuendorf Road and 199 Glen Musa Road, Langshaw (DA 2018 2069), Council as Assessment Manager, agree to the deletion of Condition 10.**