

9.4. Strategic Land Program Group 1 - Strathalbyn Redevelopment Road Closure

Decision Report

Responsible Officer: Tash Hunt (General Manager Corporate)

Report Author: Lisa Hoyle (Manager Property and Procurement Services)

Previous Decisions: March 2024 - C24097, November 2023 - C23474

Report Purpose

To seek Council's decision whether to progress or otherwise, a proposal to commence a road process order under the *Roads (Opening and Closing) Act 1991* (the Act) for the purpose of closure and sale of unmade road reserves within the Whittam Transport Depot land at Strathalbyn to the adjacent landowner, to consolidate their land holdings to facilitate further development opportunities.

Recommendation

Recommendation Group A

1. That Council receive and note the contents of the report titled *Strategic Land Program Group 1 - Strathalbyn Redevelopment Road Closure*.

Recommendation Group B

That Council:

1. Resolve to commence a 'Road Process Order' in accordance with the legislative process stipulated within the *Roads (Opening and Closing) Act 1991* and the *Roads (Opening and Closing) Regulations 2021*, to progress the proposal to close a portion of 10,360 m of unmade roads located within the Whittam's Transport Depot at Strathalbyn, consistent with the proposed preliminary plan provided at *Attachment 1* of this meeting report.
2. Authorise the Chief Executive Officer to sign the proposed preliminary plan that is required to form part of the community engagement process.
3. Grants consent to proceed to community engagement on the proposal to close and sell the unmade roads as described in the preliminary plan at *Attachment 1* in accordance with the Community Engagement Plan at *Attachment 2* of this meeting report.
4. Authorise the Chief Executive Officer to make any minor amendments to the community engagement arrangements.
5. Note that a further report on the community engagement outcomes will be presented at the conclusion of the public consultation process.

Recommendation Group C

That Council:

1. Treat the sale price for the unmade roads as an exception to the *Acquisition and Disposal of Road Policy* and rather than obtain an Independent Valuation, use the Financial Assessment Formula to calculate the value of the 'whole' (rather than 'part of') of the roads to be sold and closed.

2. **Approve an Agreement for Transfer at a disposal price of \$137,723 with the owner of the adjoining land in accordance with the requirements of section 12 of the *Roads (Opening and Closing) Act 1991* and delegate the Mayor and CEO to execute the Agreement, with such Agreement to be void if Council does not progress a road process order to close the unmade roads following community engagement.**
3. **Require the Applicant to enter a 'Cost Agreement' with Council prior to Council progressing the matter to community engagement (or the matter is not to be progressed).**

Background

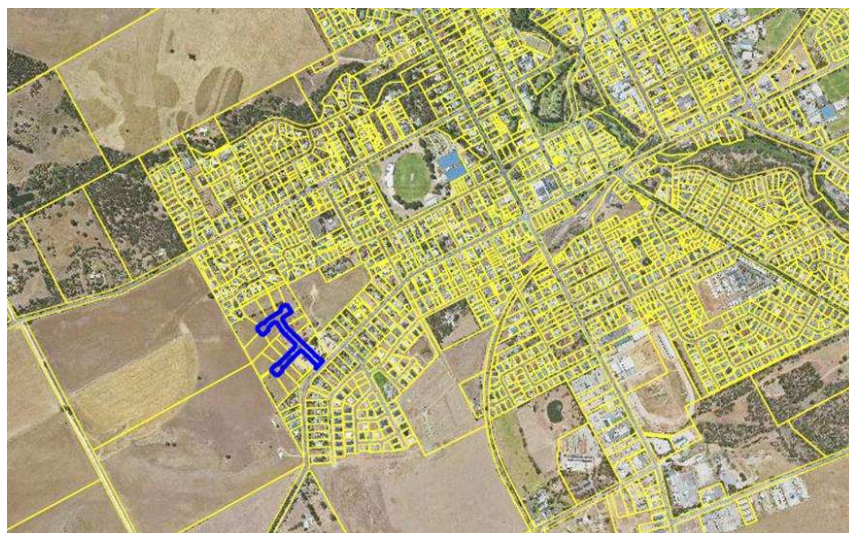
At the 18 March 2024 Council Meeting (C24097), the proposal to seek the revocation of the dedications to Council of five (5) Crown land reserves described as sections 131 and 134-137 in Strathalbyn and located within or adjacent to the Whittam's Transport Depot land was supported. This was an outcome of community engagement that occurred between the 18 January and 16 February 2024 and which received ten (10) submissions, 70% in support of the reserve closures and 30% objecting to the reserve closures.

For context, the locations of the reserves that formed step 1 of this process are outlined in yellow below.



Addressing these Crown reserves was the first of two (2) matters requiring Council action to facilitate the redevelopment of the subject land for residential purposes, as part of the Strategic Land Program Group 1 process on this matter. The second step requiring Council action, is the closure of the unmade public roads within the site and which forms the subject of this report.

For context, the location of the unmade roads proposed for closure are identified in blue below.



Discussion

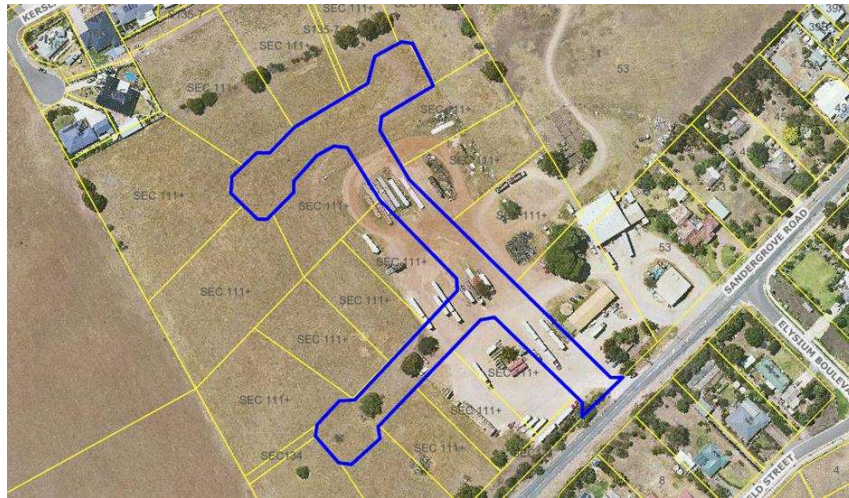
The current proposal for all of the land owned on Sandergrove Road by the Whittam's is encompassed by a single development application by Gemlife (Applicant), for a residential park and includes all of the land marked in blue in the below image.



The development application (DA) is for the construction of a residential park with 266 lease sites and associated community facilities, comprising a two-level multi-purpose community and recreational building, swimming pool, tennis court and lawn bowls: with associated civil works including retaining walls, internal roads and landscaping. The Fleurieu Regional Assessment Panel (FRAP) considered the DA at their meeting on 21 April 2026 and resolved to defer the application to a later meeting date, to enable the applicant to further consider issues regarding density, intensity, landscaping and open space. At this stage, the DA is still live and anticipated to go back to the FRAP at a meeting in the near future.

Whilst it is still unclear if a residential park development of this nature will gain development approval, continuing to progress the road closure process is desirable, as even if this development ultimately does not receive approval, another form of residential development, such as a conventional land division, is likely to occur. The location of the unmade public roads would make any development on this site challenging, and there is benefit in closure of the roads to enable any future development to be properly master planned.

To be able to reconfigure the land for residential development, the Applicant has approached Council with a request for the closure of the unmade and unused sections of roads on the land, as outlined in blue below.



The preliminary plan at **Attachment 1** of this meeting report, shows rights of way to two (2) of the small Crown reserves that formed Part 1 of this process. The rights of way are necessary as, until the disposal of those reserves is finalised by Crown Lands, they would otherwise have no legal access once the proposed road closures are enacted. For this reason, the endorsed reserve closures will be finalised after the roads.

The Act is prescriptive legislation that describes the process to close a public road. Within local government areas, councils are the relevant authorities for closing roads in South Australia and two (2) resolutions of a council are required for this purpose.

- Firstly, a council must resolve to commence a road process, and which forms the subject of this report. After the preparation of the preliminary plan by a surveyor as provided at **Attachment 1** of this meeting report, public notification and consultation is carried out in accordance with the Act. Public consultation is also undertaken in accordance with Council's [Public Consultation Policy](#).
- Following community engagement, Council would receive a further report to consider any submissions from the consultation outcomes before resolving whether or not to make the road process order to close the road. Copies of the minutes of all meetings held in relation to the road closure must be provided to the Surveyor-General.

Recommendation Group B seeks to progress this proposal in accordance with the legislative requirements of the Act and Council's *Public Consultation Policy* so further consideration can be given to the matter in a future report to Council following community engagement.

Financial Implications

In accordance with the Alexandrina Council's Adopted Budget / Long Term Financial Plan, the financial implications of adopting this recommendation are considered low.

Usually with a proposed road closure, Council will resolve to commence the process then seek quotes from surveyors for the preparation of a preliminary plan and engage the successful surveyor. In this case, the Applicant has already engaged a surveyor directly and the preliminary plan is attached to this report. This means that the Applicant is already incurring the majority of costs for the proposed road closure, however, the proponent will still be required to enter into a Cost Agreement with Council for ancillary costs such as public notices.

In this instance, it is proposed to use the Financial Assessment Formula (Formula) within the [Acquisition & Disposal of Road Policy](#) to determine the disposal value of the unmade roads. This is because the value of the roads to be disposed can be calculated now, based on the survey plan. The proposed cost can be put to the proponent for in principal agreement, prior to Council progressing a decision on the road closures, and which has occurred in this case. In instances such as this, where a proposed disposal value for a road is known up front, including the proposed Agreement for Transfer within Council reports is seen as an administrative improvement to the road closure process and which will be applied where possible, to future road closures providing

additional procedural transparency during consultation. The Agreement for Transfer will only become binding if Council subsequently resolves to close the road and that decision is confirmed by the Minister for Planning.

Applying the Formula to the roads the subject of the report, the calculated proceeds if the roads were disposed of is \$137,723. This figure is calculated on the basis that the adjoining land parcels shown in the preliminary plan have a single valuation with an area of 58,764 m² and a site value of \$780,000, while the area of road to be closed is 10,360 m². In this case, and based on previous road closures undertaken by Council, it is anticipated that applying this formula will follow a process broadly comparable to that which would be undertaken by an independent valuer. Using the Formula in this instance requires a minor exception to the Policy criteria, as the Policy permits use of the Formula in instances where the proposed sale is for portion of a road parcel only. This was to prevent the sale of a road providing a single landowner with enough area so they could subdivide their land as their primary reason for a road closure. In this instance, the land is already the subject of a land division, consistent with the zoning for the land.

For this reason, Recommendation Group C seeks to progress the sale of the roads using the Financial Assessment Formula, with an exception for it to be applied to the 'whole' of the roads rather than 'portion of'.

In accordance with Council's [Annual Budget and Budget Performance Policy](#), the operational budget will be structured such that there is no reliance on asset sales to fund core services, therefore, if sold, the income would be recognised through the next quarterly budget review.

Risk Implications

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as the Act will guide Council's actions and processes. Undertaking community engagement on the proposal as the first step, will inform Council of the community's appetite for such a road closure.

When considering this proposal, it is noted that:

- These unmade roads have never been publicly available in practice as road, but have been within the business landholdings.
- As the land is already zoned Neighbourhood, there is an inevitability that the site will be largely redeveloped for residential purposes.
- Given that this road closure will be required for any residential development of the site, the proposed road closure consultation should not be seen as an avenue to object to the current development application, as those objections are already the subject of consideration by FRAP.
- While Gemlife is the applicant, if the road is closed, the owner of the closed road will be the Whittam's, who own the adjoining land parcels. The financial arrangements between Gemlife and the Whittam's in relation to the road closure are commercial matters between those parties.
- The current arrangement of the roads was an outcome of a proposed light industrial estate subdivision plan from the 1980s which did not progress.

The risk for the proponent if the road closures do not go ahead, is that the DA is unlikely to be approved for the residential redevelopment of the subject land in its current form. The risk to Council if the roads are not closed remains low however, there is no advantage to Council in retaining these portions of unmade road, particularly when the road is not used as road.

Attachments

Attachment 1 - Proposed preliminary plan for road closure

Attachment 2 - *Whittam's road closures - Community Engagement Plan*

Attachment 1 - Preliminary Plan

Attachment 1

