

Policy Number:	8.7
Policy Name:	Land Divisions – Indentures, Bonds & Bank Guarantees
Classification:	Public – Council Policy
Adopted:	24 May 2016
Frequency of Review:	Biennial
Last Review:	May 2016
Next Review Due:	May 2018
Responsible Officer(s):	Manager, Infrastructure and Engineering Services
Policy and Code of Practice Manual File Ref:	CC10/2601
Council File Reference:	CR14/18865
Legislation Authority:	<i>Development Act 1993</i>
Related Policies and Codes:	N/A
Related Procedures:	N/A

1. POLICY

- 1.1 That it be a Policy of Council that where a developer elects, after obtaining Council's planning authorisation for a land division, to enter into binding arrangements with Council to facilitate release of Certificates of Approval under the Real Property Act.
- 1.2 The following shall be adopted:
- 1.2.1 The Manager of Economic Development, Regulatory Services and Communications, shall issue Council's general land requirements in accordance with Council's delegations under the Development Act and Development Regulations.
- 1.2.2 A financial consideration shall be calculated by the Manager of Infrastructure and Engineering Services, or his delegate, to adequately cover the cost of outstanding works plus a 20% contingency.

- 1.2.3 A bond agreement shall (excluding financial contributions due to Council, e.g. open space; payment in lieu) be submitted by the Developer which meets with the satisfaction of the Manager of Infrastructure and Engineering Services. Such document may be referred to Council for vetting and endorsement at the discretion of the Manager of Infrastructure and Engineering Services.
 - 1.2.4 The document shall be executed by the Developer together with a guarantee from a Bank or other recognised financial institution for the financial consideration calculated. Provided all other matters referred to in the Statement of Requirements have been satisfactorily dealt with, the Manager of Economic Development, Regulatory Services and Communications may then issue a Certificate of Approval under the Real Property Act.
 - 1.2.5 After satisfactory completion of the bonded works the Council staff shall agree to the issue of a Certificate of Practical Completion. At that time the amount of the bond may be reduced by up to 90%.
 - 1.2.6 The remaining percentage of the bond shall be current until expiration of a twelve (12) months defects liability period, as specified in the bond agreement.
 - 1.2.7 Pursuant to the provisions of the Local Government Act, 1999 as amended, the Manager of Infrastructure and Engineering Services and the Manager of Economic Development, Regulatory Services and Communications Services are authorised to jointly agree to, or refuse, any written request from a Developer for progress reduction of the bond consideration as works are undertaken.
 - 1.2.8 In accordance with the bond agreement, if during the twelve (12) months defect liability period in the opinion of the relevant Council Staff, any defects arise which are the responsibility of the Developer, the Developer shall be immediately notified of those defects in writing and the remaining percentage of the bond shall be retained until such time as the defects are corrected by the Developer.
- 1.3 That Council appoint the Manager Infrastructure and Environmental Services or his delegate as an Authorised Officer under Section 245A of the *Local Government Act 1999* to enter into such an agreement.

2. REVIEW AND EVALUATION

The effectiveness of this Policy will be reviewed on a biennial basis.

The Chief Executive Officer will report to Council on the outcome of the evaluation and if relevant make recommendations for amendments, alteration or substitution of a new Policy.

The Policy will not be altered or substituted so as to affect a process already commenced.

The Policy will be reviewed after each general election of Council.

3. FURTHER INFORMATION

Further information about this Policy can be obtained by:-

Telephone: 8522 9211
Fax: 8522 9212
Email: council@gawler.sa.gov.au
Appointment: Town Hall, 89 – 91 Murray Street, Gawler
Letter: PO Box 130, Gawler SA 5118

4. AVAILABILITY OF POLICY

The Policy is available for inspection during ordinary business hours at the Council principal office, Gawler Town Hall or Library Council Offices, 89 – 91 Murray Street, Gawler or is available on the Council website at www.gawler.sa.gov.au.

A copy of this Policy will be provided to interested parties upon request, for a fee as contained in the Register of Fees and Charges.