Submission to the Accommodation Diversity Code Amendment consultation (Part 2)

Strategic Alignment - Our Places

Public

Tuesday, 9 December 2025 Council

Program Contact:

Sarah Gilmour, Associate Director Park Lands, Policy & Sustainability

Approving Officer:

Ilia Houridis, Director City Shaping

EXECUTIVE SUMMARY

The purpose of this report is to seek endorsement of a response (Attachment A) to correspondence from the Minister for Planning (the Minister) / State Planning Commission (the Commission) on Part 2 of the State Government's Accommodation Diversity Code Amendment (the Code Amendment) (Link 1).

The Code Amendment is one in a series of State Government led Code Amendments that seek to facilitate increased housing supply and diversity per the State Government's Housing Roadmap. Its aim is to enhance housing diversity and provide more flexibility for building apartment-style homes, and retirement and supported living options across the state.

On 11 February 2025, Council endorsed a submission to consultation on the draft Code Amendment and acknowledged its alignment with Council's population growth ambitions and its Housing Strategy: *Investing in our Housing Future*, while raising concerns about housing quality, amenity standards, and the interaction of proposed policies with heritage areas (<u>Link 2</u>).

Part 1 of the Code Amendment was adopted on 15 October 2025 and applies the Significant Retirement Facility and Support Accommodation Site Overlay (the Overlay) to the City Living Zone in the City of Adelaide, excluding areas also covered by the Historic Area Overlay.

Part 2 addresses the application of the Overlay where both the City Living Zone and the Historic Area Overlay apply. This only relates to where we have the City Living Zone and Historic Area Overlays in North Adelaide and parts of the south-east of the CBD.

The Minister has requested a response to Part 2 by 25 November 2025. Due to the State Government's consultation timeframe, there was not an opportunity to progress the matter through the City Planning, Development and Business Affairs Committee. Administration has been granted an extension to enable a Council decision on 9 December 2025 on the response.

This report considers four options and recommends that because the Code Amendment aligns with Council's population growth ambitions and responds to demand for aged care accommodation, the Council advise the Minister that it supports the Overlay applying across the whole of the Historic Area in the City Living Zone (Figure 1).

The implication of this approach is that existing significant or amalgamated sites of 6,500m² or more could be developed for retirement or supported accommodation up to 4 storeys, and significant or amalgamated sites of 10,000m² or more at up to 6 storeys.

The likelihood of sites meeting these thresholds is constrained by a high concentration of Heritage Places with predominantly smaller land parcels limiting potential site amalgamation in Historic Areas.

Based on the available information, there is currently one existing retirement/aged care facility – Helping Hand in North Adelaide. This 24,000m² site is currently subject to a Concept Plan in the Planning and Design Code that allows development up to 4 storeys. Helping Hand supports its inclusion in the Overlay to realise its future development aspirations.

This report also recommends that the Council acknowledge the amendments made through Part 1 of the Code Amendment, while reiterating concerns about housing quality and amenity which the Code Amendment has not addressed.

RECOMMENDATION

THAT COUNCIL

- 1. Notes the Minister for Planning / State Planning Commission's post-consultation letter dated 15 October 2025 regarding the Accommodation Diversity Code Amendment including the division of the amendment into two parts, along with changes made to Part 1 of the Code Amendment that partially address concerns raised in the Council's submission of February 2025.
- 2. Endorses the response to the Minister for Planning on Part 2 of the Accommodation Diversity Code Amendment as contained in Attachment A of Item 18.2 on the Agenda for the meeting of the Council held on 9 December 2025.
- 3. Authorises the Chief Executive Officer, or delegate, to make technical or typographical amendments to the response to Part 2 of the Accommodation Diversity Code Amendment consultation as contained in Attachment A of Item 18.2 on the Agenda for the meeting of the Council held on 9 December 2025, for the purposes of finalising and issuing the response.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Places Encourage bold, interesting and purposeful development that supports the changing needs of our community and city.
Policy	The recommendations proposed in this report align with the Council's growth aspirations as set out in its Strategic Plan 2024-2028, City Plan – Adelaide 2036 and the Housing Strategy: <i>Investing in our Housing Future</i> .
Consultation	This report responds to a consultation process being undertaken by the State Planning Commission in relation to a State Government-led amendment to the Planning and Design Code (Code Amendment).
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	To align Planning and Design Code policies relating to the City Plan – <i>Adelaide 2036</i> and the Housing Strategy: <i>Investing in our Housing Future.</i>
25/26 Budget Allocation	Not as a result of this report
Proposed 26/27 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
25/26 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Background

- 1. On 11 February 2025, Council endorsed a submission to the State Planning Commission (the Commission) on the draft Accommodation Diversity Code Amendment (the Code Amendment (Link 2).
- 2. The Code Amendment is one in a series of State Government-led Code Amendments that seek to facilitate housing supply and diversity by:
 - 2.1. Encouraging a range of affordable and sustainable smaller housing types
 - 2.2. Providing greater flexibility in design requirements
 - 2.3. Addressing both self-contained and non-self-contained housing types, and guiding the provision of common areas and facilities
 - 2.4. Ensuring retirement facilities and supported accommodation are not unreasonably constrained by building height criteria.
- 3. Council's February 2025 submission (<u>Link 3</u>) acknowledged the alignment of the Code Amendment with the City of Adelaide's population growth ambitions and its *Housing Strategy: Investing in our Housing Future* and supported the intent to enable greater housing diversity and rental supply. The submission also raised concerns about design quality and liveability and provided recommendations.
- 4. On 15 October 2025, the Minister for Planning wrote to the Lord Mayor (Link 1) advising of his decision to approve the Code Amendment in two parts:
 - 4.1. Part 1 contains the majority of the amendment with post-consultation changes as recommended by the Commission. The Significant Retirement Facility and Supported Accommodation Sites Overlay (the Overlay) now applies to the City Living Zone but currently excludes areas of the Zone covered by the Historic Area Overlay.
 - 4.2. Part 2 addresses the spatial application of the Overlay where both the City Living Zone and Historic Area Overlay apply (North Adelaide and part of the south-east of the CBD).
- 5. The Minister split the Code Amendment in recognition that some local governments had raised concerns regarding the tension between the new Overlay policy and the desired outcomes sought within Historic Areas.

Key changes to the Code Amendment as approved by the Minister (Part 1)

- 4. The Minister's letter dated 15 October 2025 outlines several improvements to the policies through Part 1 that address the concerns raised in Council's February 2025 submission (Link 3 ACC2025/22529), including increased bedroom dimensions, building heights, and the introduction of public notification for larger developments. Some concerns raised by the Council were not fully addressed.
- 5. This was communicated to Council Members via E-news on 30 October 2025 and is summarised below:
 - 5.1. For the Overlay in Part 1, the Minister reduced the site thresholds from those proposed during consultation:
 - 5.1.1. Sites between 6,500 m² and 10,000 m² can develop up to 4 storeys / 15 metres (previously 10,000m² threshold)
 - 5.1.2. Sites between 10,000 m^2 and 20,000 m^2 can develop up to 6 storeys / 22 metres (previously $20,000m^2$ threshold)
 - 5.1.3. Confirmed that the site must be contiguous (i.e., not separated by roads)
 - 5.1.4. The building envelope provision is now 45 degrees on all boundaries (other than southern) (previously this was 30 degrees for all boundaries). Note building envelope provisions relate to set-back requirements for building heights from the boundary.
 - 5.1.5. Limit shop / office / consulting room to 10% of the total floor area of all buildings on the site.
 - 5.1.6. Public notification is now required for development above 4 storeys / 15 metres (previously no public consultation was proposed)
 - 5.1.7. The Commission is the relevant authority for development above 4 storeys/ 15 metres.
 - 5.2. Bedroom dimensions: secondary bedroom minimum dimensions increased from 2.5 m by 2.5 m to 3.0 m by 2.5 m, which partially addresses Council's request for 3.0 m minimum dimensions for all bedrooms.

- 5.3. Toilets and shared facilities: references to the ratio of bathroom facilities (Council submitted one toilet per 10 beds did not provide liveable housing), have been removed from the Practice Guideline in favour of developments being performance assessed.
- 5.4. Management of co-living accommodation: while occupant amenity is not guaranteed, mechanisms are in place for the management of co-living housing.
- 5.5. Shared communal and open spaces: requirements for communal open space now align with the number of residents, as recommended by Council.
- 5.6. High standards of apartment amenity: policy was amended to require "a reasonable level of amenity", which is an improvement on the consultation version but does not seek the "high standard" previously required and supported by Council.
- 6. Several key concerns raised by Council in its February 2025 submission remain unresolved, and the response to the Minister encourages the State Government to address these matters through future Code Amendments or policy reviews:
 - 6.1. The absence of policies to facilitate adaptive reuse of existing non-residential buildings for residential purposes, and the absence of a Practice Guideline to support adaptive reuse as a catalyst for housing supply and diversity.
 - 6.2. The definition of Co-living still includes subjective requirements such as a full-sized fridge.
 - 6.3. The Code Amendment uses terminology that supports a 'reasonable level of amenity'. This is an improvement to the consultation version but does not seek 'high amenity' as was previously required (and supported by the Council).

Response to Part 2 of the Code Amendment

- 7. The current consultation process relates to Part 2 of the Code Amendment regarding the spatial application of the Overlay for Significant Retirement Facility and Supported Accommodation Sites.
- 8. The Minister has requested advice from Council on sites that could be nominated to have the new Overlay apply.
- 9. In the City of Adelaide this relates to the City Living Zone and Historic Area Overlay which only applies in North Adelaide and part of the south-east of the CBD (Figure 1).
- 10. Based on the available information, there is currently one existing retirement/aged care facility Helping Hand in North Adelaide. This 24,000m² site is currently subject to a Concept Plan in the Planning and Design Code which allows development up to 4 storeys.
- 11. Helping Hand has written to Lord Mayor requesting that the North Adelaide site be nominated as a suitable site for inclusion in the Overlay to enable Helping Hand to realise its future development aspirations. The implications of this would be development up to 6 storeys, subject to the conditions outlined in 5.1 above.
- 12. Other significant sites that meet the 6,500m² are shown in Figure 1. There are several Concept Plans that guide development opportunities for key large institutional sites (residential colleges, schools, hospitals).
- 13. The Historic Area Overlay areas in the City of Adelaide contain a high concentration of Heritage Places with predominantly smaller land parcels.
- 14. Building heights in Historic Area Overlay are generally between 1 and 2 storeys, depending on prevailing character.
- 15. The likelihood of sites meeting the 6,500 m² site threshold in these areas is limited due to smaller lot sizes, the requirement for sites to be contiguous and the large numbers of heritage places limiting potential site amalgamation.

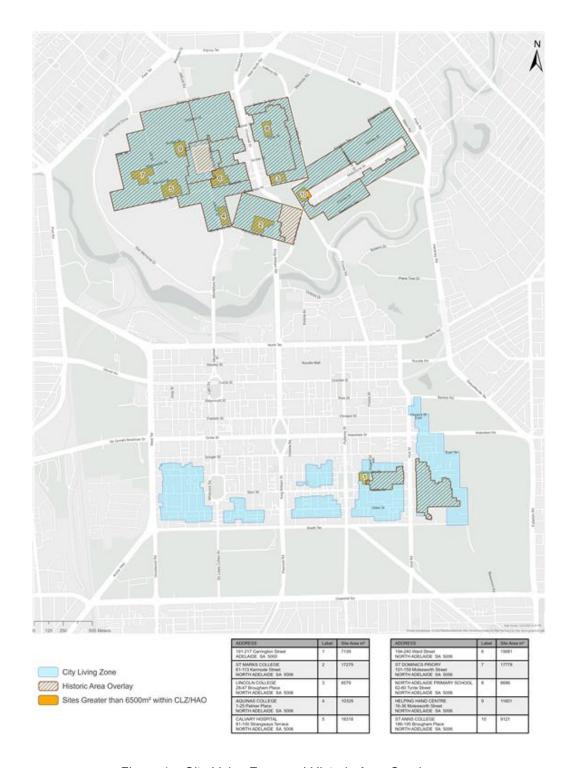


Figure 1 – City Living Zone and Historic Area Overlay

Options for response to the Minister

- 16. Administration analysed the proposed policy changes in the Code Amendment (Part 2) and provides the following options for consideration.
- 17. Option 1 (preferred) Indicate that there is no objection for the Overlay to apply across the whole of the Historic Area of the City Living Zone, per the consultation version of the Code Amendment.
 - 17.1. The implication of this approach is that existing significant or amalgamated sites of 6,500m² or more could be developed for retirement or supported accommodation up to 4 storeys, and significant or amalgamated sites of 10,000m² or more at up to 6 storeys, subject to the conditions outlined in 5.1 above.
 - 17.2. There are few such sites within the City Living Zone presently and the approach ensures that future aged care development of amalgamated sites (should they be achieved) are not precluded from the benefits contained in the new Overlay.

- 17.3. Potential future retirement development would need to consider the relevant Historic Area Statement which seeks outcomes that are sympathetic to existing character.
- 17.4. This is consistent with the City of Adelaide's Housing Strategy and City Plan objectives to both grow the city population and diversify our housing mix to meet the needs of all demographics.
- 18. Option 2 Indicate that the Overlay is suitable to apply to the Helping Hand site in North Adelaide located at 49 Buxton Street, North Adelaide.
 - 18.1. This would benefit Helping Hand (which can already be developed up to 4 storeys) but would preclude future retirement accommodation of the scale facilitated in the Overlay from being developed in North Adelaide (and parts of the south-east of the CBD).
 - 18.2. This is partially consistent with the City of Adelaide's Housing Strategy and City Plan objectives to both grow the city population and diversify our housing mix to meet the needs of all demographics.
- 19. Option 3 Indicate that the Overlay is not suitable for the parts of the City Living Zone within the Historic Area Overlay as other policy requirements in the Planning and Design Code limit building height and scale in these areas.
 - 19.1. This is inconsistent with the City of Adelaide's Housing Strategy and City Plan objectives to both grow the city population and diversify our housing mix to meet the needs of all demographics.
- 20. Administration considered but has discounted a fourth option that the Overlay apply to key sites/areas assessed as suitable for larger-scale Retirement/Supported Accommodation as this requires further investigation and is not feasible given the submission timeframe.
- 21. Based on the options presented, Option 1 is recommended because on balance:
 - 21.1. It aligns with Council's population growth ambitions and responds to demand for aged care accommodation.
 - 21.2. The approved Code Amendment includes a requirement for public notification for development above 4 storeys / 15 metres, noting that previously no public consultation was proposed.
 - 21.3. There are few sites where larger scale development could be achieved and the likelihood of sites meeting site thresholds is constrained by a high concentration of Heritage Places and smaller land parcels limiting potential site amalgamation.

Next steps

22. Pending the Council's decision, the response will be provided to the Minister for Planning in December 2025.

DATA AND SUPPORTING INFORMATION

- Link 1 Letter from Minister for Planning on Accommodation Diversity Code Amendment 15 October 2025
- Link 2 Agenda City Planning, Development and Business Affairs Committee 4 February 2025
- Link 3 Submission to Accommodation Diversity Code Amendment February 2025

ATTACHMENTS

Attachment A - Draft submission on the Accommodation Diversity Code Amendment (Part 2)

- END OF REPORT -