

Our Economy

Outdoor Dining Workshop

City Finance and
Governance Committee

17 March 2026



CITY OF
ADELAIDE

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KEY QUESTION

What are Council Members' views of the recommendations?

Purpose

This workshop responds to the 27 January 2026 resolution that Council:

8. Requests a workshop be presented at the City and Finance Committee on 17 March 2026, with the outcomes of the report to be subsequently considered through the appropriate Committee and budget process, with a view to implementation as soon as practicable if supported by Council.

Timeline:



Strategic Context

- Council's Strategic Plan acknowledges the importance of promoting economic activity and creating vibrancy.
- It also acknowledges public space must be activated in a safe and accessible way for our community.
- 500+ active outdoor dining & parklet permits generating:
 - \$603k YTD in 2025/26
 - \$630k budgeted in 2026/27.
- Council's Disability Access and Inclusion Plan (DAIP) 2024–2028 states: *ensure outdoor dining and signage that support local businesses and economic activity doesn't block paths of travel.*



Our Economy

- Continue to grow our economy in alignment with the community
- Support existing businesses to be agile and responsive

Our Places

- Facilitate and activate our places in a safe and accessible way for our community
- Create safe, inclusive and healthy places for our community

Outdoor Dining Guidelines

- Outdoor Dining balances competing priorities:
 - Supporting hospitality businesses economically;
 - Creating city vibrancy; and
 - Ensuring public spaces remain accessible, safe & clean.
- City of Adelaide's approach to balancing these priorities are reflected in the [Outdoor Dining Guidelines](#).
- The Guidelines were endorsed in 2016, with subsequent reviews retaining the objective and core principles.

Outdoor Dining Guidelines

Objective: To encourage the establishment of outdoor dining wherever feasible and appropriate and with minimum effort from businesses.

Principles:

- Create a public realm that is welcoming & user friendly.
- Cultivate a positive relationship between the private and public realms.
- Strengthen the character and identity of our capital city.

The objective and principles have practical implications regarding:

- Vibrancy & Economic Activity.
- Accessibility.
- Public Safety.
- Administrative Processes.

4 General Principles of Outdoor Dining

Create a public realm that is welcoming and user friendly

- » Outdoor dining should support the City of Adelaide's ability to maintain clean public places and streets
- » Outdoor dining areas must be designed with safety in mind
- » The city's streets are to remain welcoming and accessible for users of all abilities, without obstacles or hazards for pedestrians
- » Outdoor Dining Permit holders must maintain their outdoor dining area to a high standard and comply with conditions of outdoor dining management set by the City of Adelaide
- » Unnecessary noise and nuisance should be minimised

Cultivate a positive relationship between the private and public realms

- » Outdoor dining is intended to be outdoors, and should look and feel as such. Environmental and weather conditions should be accommodated without the addition of infrastructure that encloses the space
- » Outdoor dining is a temporary use of public space, and should provide flexibility for other uses outside trading hours
- » Permits are issued with the intent of balancing the needs of all footpath users. Operators and customers are able to make use of the footpath space but do not have exclusive rights over the occupancy of the area
- » Outdoor dining is supplementary to the business' internal trade and seating. Businesses should not be reliant on outdoor dining
- » Additional infrastructure to support outdoor dining should be temporary, so that the area can be reinstated as public space in both appearance and function

Strengthen the character and identity of our capital city

- » Outdoor dining should enhance the appearance and character of its location
- » Outdoor dining should be considered as part of street design, and incorporate and enhance existing features such as trees and verandahs
- » Outdoor dining approaches and furniture should be of high quality and design, and make a positive contribution to the street experience. Interesting and innovative approaches are encouraged



Vibrancy & Economic Activity



Guideline:

Encourage the establishment of outdoor dining wherever feasible and appropriate.

Approach:

- Guidelines in place to support outdoor dining & parklets.
- Fee rates reviewed annually.
- Business Incentives:
 - o Discounted rates in areas of lower foot traffic for Outdoor Dining Permits
 - o First 12 months free for Parklets.

Considerations:

- Outdoor dining increases the area available for a business to trade at a significantly lower rate than rental costs.
- Average outdoor dining fee is \$21 per week for a business using removable furniture.
- Parklets balance activation with on-street parking availability.

Accessibility

Guideline:

Create a public realm that is welcoming and user friendly.

Approach:

- Minimum standards for pedestrian access in Guidelines.
- Preference for furniture placed against the kerb:
 - o Allows use of the building line for those with visual impairments.

Considerations:

- Supports accessibility for all users and Council's DAIP 2024-2028.
- Permit area can be extended to neighbouring business frontages if supported by those businesses.
- Feedback received that some businesses would prefer placement along the building line and this occurs in limited circumstances.

Public Safety & Amenity



Guideline:

Cultivate a positive relationship between the private and public realms.

Approach:

- Furniture must be removable and taken in at the end of trade.
- Legacy-approved fixed furniture is charged a premium.
- Minimum setbacks required from public assets and infrastructure.

Considerations:

- Furniture left on street can encourage antisocial behaviour, impede pedestrian access, and impact cleaning/amenity.
- Removing furniture daily creates storage and resource requirements for businesses.

Administrative Processes

Guideline:

Encourage outdoor dining with minimum effort from businesses.

Approach:

- No application fee for new businesses.
- Ability to speak to staff for any enquiries.
- Online application and renewal process.
- Guidelines enables a merit-based assessment on a case-by-case basis.
 - o *Less than 1.8m footpath to support businesses in Gilles Street approved.*
 - o *Furniture placement on building line approved for Light Square.*

Considerations:

- The *Local Government Act 1999* requires a permit be obtained.
- Permits support management of public space, safety and liability.
 - o Council spends approximately \$180k per annum to administer outdoor dining permits.
- Process improvements delivered in recent years to make applications easier.
- Permit length and additional payment options under consideration.

Fee Principles

The outdoor dining fee model is underpinned by the following principles:

Fees charged for the commercial use of public land

- Includes outdoor dining, city works, mobile food vending, events, retail stands, etc.

Lower fee for areas of lower pedestrian traffic

- Zones defined by the Planning & Design Code.

Additional fee for fixed furniture

- Supports the principle of removable furniture.
- Reflects a business occupying public space 24/7.

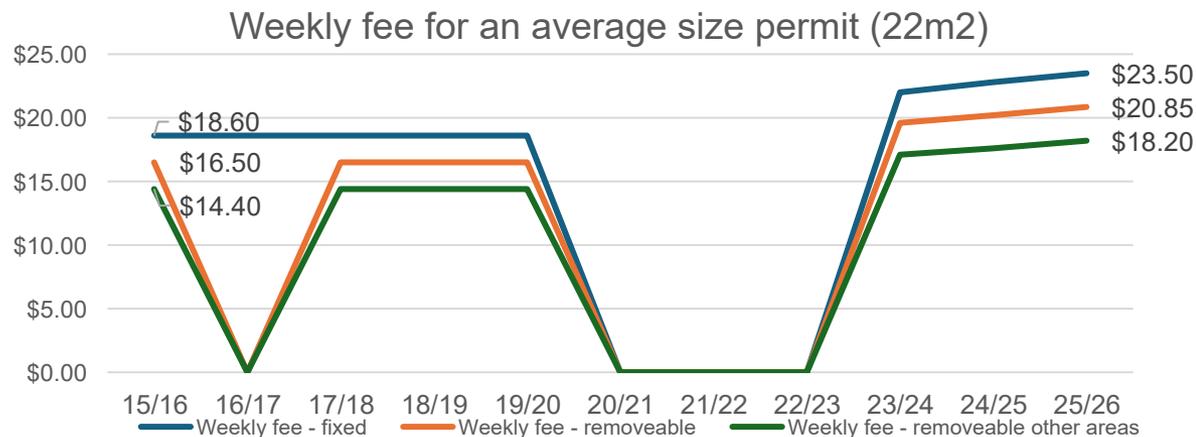
Higher fee for parklets

- Reflects the premium value of on-street parking.
- Assists managing supply and demand of parklets and on-street parking bays.

History of Fees – Outdoor Dining

The approach to Outdoor Dining fees has changed over time:

- Prior to 2015/16: Fees based on the number of tables (not per square metre).
- 2016/17: Fees waived for businesses with removable furniture for one year to encourage compliance with newly introduced Guidelines (approx. \$240k investment).
- 2017/18 & 2018/19: Fees reinstated for all businesses.
- 2019/2020 – 2022/23: All permit fees waived due to COVID (over \$1.5M investment).
- 1 October 2023 – Permit fees reinstated, application fee remained free.



- The increase in the weekly permit fee for 2025/26 compared to 2015/16 is \$4.35.
 - Calculated on the average size permit area using removable furniture.

History of Fees – Parklets



The approach to Parklet fees has changed over time:

- 2012 – 2020: Range of parklet schemes over time.
- 2021: Current Parklet Operating Guidelines approved (all permit fees waived due to COVID).
- 1 October 2023: Permit fees reinstated. Endorsed parklet fee model included a per square metre component and loss of paid parking revenue component (if applicable).
- 2024/25: Endorsed fee model included a per square metre component, reduced rate if unable to have footpath outdoor dining, and loss of paid parking revenue component (if applicable).
- 2025/26: Endorsed fee model converted to a single fee flat of \$165:

2024/25 Fee Model		2025/26 Fee Model	
Parklet Fee	Fee Rate	Parklet Fee	Fee Rate
Parklet fee (no footpath dining)	\$160.60 per square metre, per annum	Parklet fee	\$165 per square metre, per annum
Parklet (standard)	\$321.20 per square metre, per annum		
Loss of ticket machine revenue where applicable	Reimburse 50% of estimated revenue		
		<ul style="list-style-type: none"> ▪ Fee higher than outdoor dining ▪ Fee mirrors the lowest rate in 2024/25, increased by CPI 	

2025/26 Fees

Non-Statutory (Set by Council)



Fee Description	Fee Type	Fee Rate
Outdoor Dining - Central Activity & Main Street Areas	Per square metre, per year	\$49.30
Outdoor Dining - Other Areas	Per square metre, per year	\$43.00
Parklets	Per square metre, per year	\$165.00
Outdoor Dining - Fixed Furniture Levy	Per square metre, per year	\$6.30
Outdoor Dining - PVC Blinds/Dining Screens Levy	Per linear metre, per year	\$54.80
Transfer of Permit	Per permit	\$131.50
Application Fee	Per application	\$0.00

Average outdoor dining permit:

Size	Cost per week
22 m2 (e.g. 5 tables / 20 chairs)	\$20.85

Average parklet permit:

Size	Cost per week
15 m2	\$48.10

Hospitality Industry Support



- Incentive programs which drive visitation also support the industry.
- CoA and AEDA have delivered successful initiatives in the past, including:
 - 2020: Initiative gifting heaters to dining venues for support during cooler months.
 - 2020: Outdoor Activation Grant supporting businesses to upgrade outdoor settings (\$1.1m investment in partnership with State Government).
 - 2020/2021: Enabling increased permit area to support socially distanced dining.
 - 2022 Dining Voucher Campaigns – Various Iterations:
 - ‘Dinner’s On Us’: 2.5k vouchers redeemed with \$226k direct spend to business (Council investment \$78.8k).
 - ‘\$30 Eats’ – 14,800 vouchers redeemed with \$1.2M spend to businesses. (\$442k investment between Council and State Government).
 - ‘\$30 Eats Christmas Edition’ – 3,000 vouchers redeemed with \$120k spend to businesses (\$48k Council investment).
 - 2022 Shopfront Improvement Grant Scheme incentivising upgrades of ground floor premises, including but not limited to furniture and parklet infrastructure (\$670k Council investment).

Benchmarking – South Australia



- Most Councils charge on a per annum basis, with rates based on location.
- Some offer differing rates for licensed premises, or charge per chair.
- Fee rates differ across Councils.
- Application fees range from \$0 - \$295 per application (CoA have no fee).

Outdoor Dining fees* – 2026			
Port Adelaide Enfield	ODD – Licenced	\$19.25	per chair, per annum
	ODD – Unlicenced	\$11.75	per chair, per annum
Norwood, Payneham & St Peters	ODD – Licensed	\$66.00 - \$138.50	per chair, per annum
	ODD – Unlicensed	\$29.50 - \$92.00	per chair, per annum
Onkaparinga	ODD – Licenced	\$20.00	per patron, per annum
	ODD – Unlicenced	\$14.00	per patron, per annum
Marion	ODD Fee	\$90.00	per table & 4 chairs, per annum
Prospect	ODD Fee	\$21.00	per chair, per annum
Unley	ODD – Licensed	\$52.00 (\$1 per week on website)	per sq metre, per annum
	ODD – Unlicensed	\$36.40 (\$0.70 per week on website)	per sq metre, per annum
Holdfast Bay	ODD Fee	\$79.00 - \$227.00	per sq metre, per annum
City of Adelaide	ODD Fee	\$43.00 - \$49.30 (+\$6.30 if fixed furniture)	per sq metre, per annum

*Fee rates listed on publicly available information

Benchmarking – Interstate

- Fees charged per square metre, per annum.
- Fees differ greatly across Councils – with Perth and Sydney currently waiving fees.
- Application Fees vary from \$0 – \$1,049 per application (CoA has no fee).

Outdoor Dining fees* – 2026			
City of Melbourne	ODD Fee	\$35.90 - \$116.90	per sq metre, per annum
City of Brisbane	ODD Fee <i>*Small business eligible for 10% discount</i>	\$163.45 - \$568.85	per sq metre, per annum
City of Hobart	ODD Fee	\$78 - \$217	per sq metre, per annum
City of Darwin	ODD Fee	\$80 - \$170	per sq metre, per annum
City of Perth	Fees currently waived	\$0	
City of Sydney	Fees currently waived	\$0	
City of Adelaide	ODD Fee	\$43.00 - \$49.30 (+\$6.30 if fixed furniture)	per sq metre, per annum

Parklet fees* – 2026			
City of Melbourne	Parklet Fee	\$137-\$595	per sq metre, per annum
City of Hobart	Annual fee is a % of the construction cost of the structure		
City of Sydney	Fees currently waived		
City of Adelaide	Parklet Fee	\$165.00	per sq metre, per annum

Recommendations

- Fee models can support desired segments or strategic outcomes.
- Any fee reduction will impact Council's overall budget position.
- Adding fee rates can create complexity and perceived inequity.
- To support the Guideline Objective of '*minimum effort from businesses*', Administration recommends:
 - Removing 'Transfer of Permit' fee (\$5k-\$10k impact, 8-10% of businesses)
 - Increasing permit length beyond an annual process.

Question

KEY QUESTION

What are Council Members' views of the recommendations?