

Future Living Code Amendment

Strategic Alignment - Our Community

Confidential - s 90(3) (m) proposal to prepare or amend a designated instrument under Part 5 Division 2 of the PDI Act prior to consultation

Thursday, 21 March 2024

City Planning, Development
and Business Affairs
Committee

Program Contact:

Sarah Gilmour, Associate
Director Park Lands, Policy &
Sustainability

Approving Officer:

Ilia Houridis, Director City
Shaping

EXECUTIVE SUMMARY

This report seeks Council endorsement to request the State Planning Commission include the City of Adelaide as a party to the Future Living Code Amendment (the Code Amendment).

The Code Amendment is being undertaken by the State Planning Commission, and currently applies to five local government areas. The State Planning Commission has requested advice from other local governments who wish to be included in the Code Amendment by **29 March 2024**.

The Code Amendment seeks to enable adaptation of existing housing and retention of streetscape character in established residential areas, to create a new housing option (co-located housing). Co-located housing can be used to age in place and enables extended families to live together or other community members who are interested in affordable, sustainable and community-minded housing options to co-locate.

The Code Amendment is one in a suite of Amendments that the State Government has foreshadowed in relation to improving housing diversity in South Australia.

The Code Amendment aligns with Council's Strategic Plan 2024-2028 and Housing Strategy – *Investing in our Housing Future* to increase population to 50,000 persons by 2036 and supports innovative and diverse housing and offers an option for adaptive reuse of larger homes.

If City of Adelaide becomes a party to the Code Amendment it is anticipated that the Code Amendment would apply to the City Living Zone, subject to further investigations.

Consideration in confidence is sought because documents linked to the report have been provided in confidence by Planning and Land Use Services (PLUS), on behalf of the State Planning Commission.

RECOMMENDATION

The following recommendation will be presented to Council on 26 March 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Endorses the City of Adelaide making a request to the State Planning Commission to be a party to the Future Living Code Amendment.
2. Notes that becoming a party to the Future Living Code Amendment requires City of Adelaide to assist the State Planning Commission with the public consultation on the Code Amendment as it relates to City of Adelaide.
3. Authorises the Acting Chief Executive Officer or delegate to write to the State Planning Commission to request that City of Adelaide become a party to the Future Living Code Amendment.
4. Authorises that, in accordance with Section 91(7) and (9) of the *Local Government Act 1999 (SA)* and because Item 6.2 [Future Living Code Amendment] listed on the Agenda for the Special meeting of the City Planning, Development and Business Affairs Committee held on 21 March 2024 was received, discussed and considered in confidence pursuant to Section 90(3) m) of the *Local Government Act 1999*

(SA), this Special meeting of the City Planning, Development and Business Affairs Committee do order that:

- 4.1 The resolution becomes public information and is included in the Minutes of the Council meeting.
 - 4.2 The report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until the State Government publicly releases the Code Amendment for public consultation.
 - 4.3 The confidentiality of the matter be reviewed in December 2024.
 - 4.4 The Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.
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Confidential

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Community Drive affordable, safe and quality housing outcomes that attract and retain residents in our city
Policy	The proposed Future Living Code Amendment seeks to amend planning policy contained in the State-wide Planning and Design Code to support innovative and diverse housing. This aligns with aspirations in Council's Strategic Plan 2024-2028 and Housing Strategy – Investing in our Housing Future to increase population to 50,000 persons by 2036 and the proportion of families living in the city.
Consultation	The Future Living Code Amendment is proposed to undergo public consultation in 2024. If the City of Adelaide is included in the Code Amendment there is an obligation to support the consultation process being led by the State Planning Commission.
Resource	If Council supports the recommendation, resourcing will be required to support the State Planning Commission's consultation process on the Code Amendment.
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The Code Amendment provides an opportunity to implement policy in the Planning and Design Code that will facilitate greater housing diversity and housing supply, whilst maintaining and protecting areas of heritage and character value to the City of Adelaide.
23/24 Budget Allocation	The item that is the subject of this report is currently unfunded, assistance to the State Planning Commission with public consultation undertaken in the City of Adelaide will be provided through current staff resources.
Proposed 24/25 Budget Allocation	The item that is the subject of this report is currently unfunded. Any required funding for this item is subject to, and needs to be considered in the context of, the prioritisation of projects, initiatives and service enhancements for the development of the 2024/25 budget, and within the parameters of the Long-term Financial Plan to ensure long-term financial sustainability.
Life of Project, Service, Initiative or (Expectancy of) Asset	If Council supports the recommendation, and the City of Adelaide is included in the Code Amendment. The Code Amendment will be subject to public consultation and with the approval of the Minister for Planning, the Planning and Design Code will amend the Planning and Design Code to include additional policies to facilitate co-located housing outcomes.
23/24 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	The Code Amendment is being led by the State Government, Planning and Land Use Services on behalf of the State Planning Commission.

GROUNDS AND BASIS FOR CONSIDERATION IN CONFIDENCE

Grounds

Section 90 (3) (m) of the *Local Government Act 1999 (SA)*

- (m) information relating to a proposal to prepare or amend a designated instrument under Part 5 Division 2 of the Planning, Development and Infrastructure Act 2016 before the draft instrument or amendment is released for public consultation under that Act.

Basis

This Item is confidential as it contains information and links to draft Code Amendment documents provided by Planning and Land Use Services in confidence.

The disclosure of information in this report could reasonably breach confidentiality of information provided to Council by the State Government through Planning and Land Use Services prior to the commencement of a Code Amendment.

Public Interest

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information will result in release of information that has been provided to Council in confidence from the State Government through Planning and Land Use Services.

DISCUSSION

Background

1. The purpose of this report is to seek Council endorsement to request that the State Planning Commission (the Commission) include the City of Adelaide as a party to the Future Living Code Amendment (the Code Amendment). The report outlines the details of the Code Amendment and options for City of Adelaide's involvement.
2. Planning and Land Use Services is currently working on a number of code amendments that support housing diversity through clearer definitions and policy for student accommodation, ancillary accommodation, built to rent projects and adaptive reuse. The Future Living Code Amendment is another mechanism to support housing diversity.
3. The Code Amendment seeks to enable adaptation of existing housing and retention of streetscape character to create a new housing option (co-located housing). Co-located housing can be used to age in place and enables extended families to live together or other community members who are interested in affordable, sustainable and community-minded housing options to co-locate.
4. The Code Amendment aligns with Council's Strategic Plan 2024-2028 and Housing Strategy – *Investing in our Housing Future* to increase population to 50,000 persons by 2036 and support innovative and diverse housing.
5. The Code Amendment originated from the 'Co-housing for Ageing Well Project (August 2020)', a collaboration between the University of South Australia, the Office for Ageing Well, the State Planning Commission and the Eastern Region Alliance which includes the City of Unley, City of Burnside, City of Prospect, Campbelltown City Council and Town of Walkerville.
6. A copy of the Co-housing for Ageing Well Design Research Report is included in Link 1 view [here](#). With the Co-located Housing – An explanatory Guide in Link 2 view [here](#).
7. Some of the benefits of co-located housing include community building, healthy ageing, sustainability and affordability.

Future Living Code Amendment

8. The Code Amendment was initiated by the Commission in October 2021. A copy of the Proposal to Initiate is provided in Link 3 view [here](#).
9. The Code Amendment encourages adaptive reuse by enabling additional new houses to be developed on an allotment with an existing home and incorporating them into the co-located housing design. The resulting co-

located housing development (including the existing single dwelling) includes a land division from Torrens title to a community title.

10. Community title land division is required so that any co-located housing is subject to a tailored community title scheme description / by-laws (a model template is being developed by PLUS) which will assist in governing the long-term use of any sites for co-located housing.
11. Co-located housing means a group of two or more self-contained dwellings that meet the following criteria:
 - 11.1. They are located together on a single community land title with a binding community scheme description and/or by-laws (rules); and
 - 11.2. They are arranged in a manner so that the site operates as an integrated housing development with shared private open space that is accessible to all dwellings within the development; and
 - 11.3. They comprise at least one established dwelling facing a primary street that is integrated into the development.
12. Co-located housing is proposed to be identified in the Planning and Design Code through the inclusion of a new 'Co-located Housing Overlay'. The Overlay is currently proposed to apply to the Established Neighbourhood Zone within the local government areas included in the project.
13. There are no Established Neighbourhood Zones in the City of Adelaide, however, it is considered that the Overlay could apply to all or parts of the City Living Zone which applies to large parts of North Adelaide and sections of the south-west and south-east areas of the city.
14. If an Overlay applies within the City of Adelaide, it will provide enabling policy for co-located housing. It does not mandate co-located housing as a development outcome.
15. A confidential draft of the Co-located Housing Overlay is in the draft Future Living Code Amendment in Link 4 view [here](#), with additional information in the Draft Frequently Asked Questions in Link 5 view [here](#).
16. The draft Code Amendment has been developed by Planning and Land Use Services in conjunction with the existing local government working group and Dr Damian Madigan of the University of South Australia.

City of Adelaide Involvement

17. Three options have been considered for City of Adelaide's potential involvement in the Code Amendment:
 - 17.1. City of Adelaide seeks to join the Code Amendment now (recommended).
 - 17.2. City of Adelaide takes a watching brief of the Code Amendment.
 - 17.2.1. If Council (or the Commission) does not support City of Adelaide being included in this Code Amendment at this time, Council can seek to initiate and undertake a separate City of Adelaide Future Living Code Amendment (or include it as part of a broader Liveability Code Amendment) after the completion of the Commission led amendment. Based on City of Adelaide's Code Amendment program this would target commencement in the 2024/2025 financial year.
 - 17.2.2. Whilst this would delay the introduction of the policy to the City of Adelaide, it would provide Council with the opportunity to review the final policy outcomes prior to seeking the Minister's approval to undertake a Code Amendment.
18. Administration has reviewed the draft Code Amendment and supporting documents and has identified opportunities and risks in requesting inclusion in the Code Amendment as outlined in the table below:

Opportunities	Challenges
<p>Council is taking the initiative to progress innovative housing outcomes in line with the City of Adelaide Strategic Plan 2024-2028 and the Housing Strategy, <i>Investing in our Housing Future</i>.</p> <p>The Code Amendment will facilitate the introduction of planning policies that will support greater housing diversity and supply, support innovation in housing options, maintain heritage and character streetscapes and landscaping, and offer an option for adaptive reuse of larger homes</p>	<p>The details submitted to date are draft and the Administration has identified some areas for improvement in the draft policy (Overlay).</p> <p>Uncertainty about the mechanics of the co-located housing process may result in limited benefit/uptake of new policy in the short to medium term.</p>

Opportunities	Challenges
Administration can influence the development of planning policy prior to the Commission finalising the Code Amendment documents.	Without being party to the Code Amendment Council's potential to influence the policy outcome delivered through the Code Amendment is reduced. If Council chooses to adopt the policy outcomes through a future Code Amendment, the opportunity to amend the policy suite will be very limited.
Applying the Code Amendment policies from their commencement means they are available for uptake as required.	The proposed policy is enabling for new forms of housing. The process of a combined land use and land division application, and associated mechanics of assessment and ongoing compliance may limit interest and uptake in this new land use.

19. On balance, Administration recommends that Council seek to become a party to the Code Amendment as it will facilitate planning policies that will support housing diversity, supply and innovation, maintain heritage and character streetscapes and landscaping and offer an option for adaptive reuse of larger homes. Council's involvement will include an investigation into use of the Overlay in the City Living Zone.

Preliminary Assessment

20. Administration has used the City Plan Digital Tool, to undertake a preliminary assessment of properties within the City Living Zone that could accommodate co-located housing to understand the potential for increased housing supply and diversity.
21. The assessment considered existing houses on sites with less than 60% site coverage taking into consideration heritage status and tree canopy. Based on the preliminary assessment, the greatest opportunity for co-housing is in North Adelaide, with approximately 1,550 properties that currently contain dwellings and more than half of these (827 properties) having existing site coverage of less than 60%.
22. Whilst site coverage is not the only determinant of suitability for co-housing, it is an indicative factor of the availability of land for additional housing.

Code Amendment Process

23. If the Commission supports City of Adelaide being included in the Code Amendment, the policy changes, including mapping of the areas affected will be included in the Code Amendment for public consultation.
24. As a member of the Code Amendment Project Group, City of Adelaide would be directly involved in engagement activities to seek feedback from our community on the proposed policy changes.
25. Following consultation, the Code Amendment may be amended by the Commission in response to feedback received. The Code Amendment will then be finalised by the Commission and forwarded to the Minister for Planning for final approval.
26. If the City of Adelaide does not support the final proposal there is the opportunity to withdraw from the Code Amendment prior to its approval and implementation.

Next Steps

27. If Council supports the recommendation, the Acting Chief Executive Officer or delegate will write to the State Planning Commission requesting the Commission include the City of Adelaide in the Code Amendment.
28. Council Members would be advised by E-News of the decision of the State Planning Commission to include City of Adelaide or otherwise.
29. Pending decision on City of Adelaide's involvement, Administration would liaise with Planning and Land Use Services and the Commission in the finalisation of the draft Code Amendment and preparation of public engagement materials and approach. It is anticipated that public consultation on the Code Amendment would occur in the second half of 2024.

DATA AND SUPPORTING INFORMATION

Link 1 – Cohousing for Ageing Well – a collaborative design research project

Link 2 – Confidential Co-located housing – An Explanatory Guide

Link 3 – Future Living Code Amendment – Proposal to Initiate

Link 4 – Confidential preliminary Draft Future Living Code Amendment

Link 5 – Confidential Draft Frequently Asked Questions – Future Living Code Amendment

ATTACHMENTS

Nil

- END OF REPORT -

6.2 Future Living Code Amendment [S90(3) (m)]

Moved by Councillor Elliott,

Seconded by Councillor Couros -

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS
TO COUNCIL

THAT COUNCIL

1. Endorses the City of Adelaide making a request to the State Planning Commission to be a party to the Future Living Code Amendment.
2. Notes that becoming a party to the Future Living Code Amendment requires City of Adelaide to assist the State Planning Commission with the public consultation on the Code Amendment as it relates to City of Adelaide.
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 - 4.4 The Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

Discussion ensued

The motion was put and then lost unanimously