Attachment B – South Australian Government Response to Productivity Commission Information Request.

Reform initiatives and best practice

- We are collaborating with state and territories to gather relevant information available to inform our assessment. We kindly request you review the list below and provide information on:

- **Any of your existing reform initiatives we may have missed from appendix A**

- Greater Adelaide Regional Plan (GARP) and Digital Regional Plans have been completed and are now statutory instruments aligned with the Planning and Design Code and related planning instruments. The plans are maintained to ensure they reflect current strategic planning priorities.
- Environment and Food Production Areas boundaries were changed to reflect new greenfield growth areas identified in the GARP via amendments to the Planning, Development and Infrastructure Act 2016.
- Ancillary Accommodation and Student Accommodation Definition Review Code Amendment commenced operation late 2024 enabling allowing ancillary accommodation ('granny flats') to be self-contained and, together with Residential Tenancies Reform, enabled this typology to be occupied by persons not related to the occupants of the primary dwelling
- Future Living Code Amendment commenced operation in September 2025, introducing new policy settings to support housing diversity and contemporary housing delivery within historic and character areas of inner Adelaide.
- Accommodation Diversity Code Amendment
  - Part 1 has been implemented enabling 4+ storey aged care and retirement accommodation development in established suburbs on sites +6,500m^2.
  - Part 2 is under further consideration and includes the application of the Retirement Facility and Supported Accommodation Sites Overlay to relevant neighbourhood-type zones where the Historic Area Overlay or Character Area Overlay applies.

- **Evidence of progress made or outcomes achieved for the reform initiatives.**
- **Evidence could include cost benefit analysis or program estimates completed prior to an initiative's implementation, or evaluation of implemented reforms.**
- **If the evidence cannot be published, it could be considered confidentially by the PC team. Its existence could be noted in our assessment without specifics being published.**

- South Australia has a demonstrated track record of implementing planning reforms and translating strategic planning initiatives into statutory instruments and policy changes. Recent completed reforms include:
  - Greater Adelaide Regional Plan (GARP) and Digital Regional Plans implemented as statutory planning instruments.

  - Ancillary Accommodation and Student Accommodation Definition Review Code Amendment commenced operation November 2024
  - Future Living Code Amendment commenced operation in September 2025.
  - Accommodation Diversity Code Amendment commenced operation in October 2025.
  - Environment and Food Production Area boundaries were changed to reflect new greenfield growth areas identified in the GARP via amendments to the Planning, Development and Infrastructure Act 2016Accommodation Diversity Code Amendment Part 1 implemented, with Part 2 currently progressing.
- Current reform initiatives are underpinned by data analysis, housing demand research and economic assessment to ensure future reforms are targeted, evidence-based and capable of delivering measurable planning system improvements.
- The Planning Approvals Council Dashboard and Policy Analysis Tool will provide an ongoing framework for monitoring planning system performance, evaluating reform outcomes and identifying future opportunities to improve housing delivery and assessment efficiency.

- **a specific case study for 1-2 reform initiatives that you think align with best practice or where lessons could be learned.**

- The Assessment Mining Project (AMP) and Policy Analysis Tool reflect best-practice regulatory reform by using evidence and operational data to identify barriers to streamlined assessment pathways, target reforms where they will have the greatest impact, and support ongoing monitoring and continuous improvement. Together, they provide a clear link between analysis, policy development and implementation.
- A key lesson learned is the value of using real-world assessment data to identify the root causes of complexity and inefficiency. The initiatives demonstrate that effective reform is achieved not only through policy change, but also through ongoing monitoring to ensure reforms deliver intended outcomes and can be refined over time.
- Use of AI in planning assessment and approvals and it's associated implementation is more complicated than it first appears, given the site specific nature of planning and building approvals.
- Best practice characteristics
  - Evidence-based and informed by operational planning system data.
  - Focused on addressing root causes of regulatory complexity.
  - Creates a clear link between analysis, policy development and implementation.
  - Supports continuous improvement through ongoing monitoring and evaluation.
  - Enables assessment resources to focus on more complex applications while increasing the use of streamlined pathways.

Infrastructure and strategic planning

- **What is the process in South Australia for ensuring undeveloped residential land is infrastructure-enabled and ready for new housing to be built? Who is responsible for each part of the process?**

- Infrastructure coordination is complex for several reasons including the high number of stakeholders involved, the spread of planning and delivery responsibilities across multiple government departments, and the range of responsibilities of infrastructure providers. Housing delivery is a long-term process.
- The identification of future growth areas, infrastructure planning, policy changes, development approvals and construction activity can collectively occur over periods exceeding 15 years.
- The relationship between planning and infrastructure is therefore fundamental to housing delivery. Planning activities generally establish where future growth may occur, while infrastructure activities determine when growth can occur.
- Effective housing delivery requires ongoing coordination between planning authorities, infrastructure agencies, utility providers and industry participants throughout each stage of the planning process -
- The Department for Housing and Urban Development is responsible for:
  - long term growth planning which determines how projected housing demand will be accommodated and where future growth will occur. This considers long term housing needs alongside infrastructure consideration (i.e. land most viable from servicing and infrastructure perspective) and is reflected in the State's Regional Plans.
  - Structure Plans for major greenfield and state-significant infill areas. These outline future land uses and identify trunk and major social infrastructure that is required to support housing delivery. These inform rezonings and infrastructure coordination and delivery mechanisms (such as Infrastructure Schemes).
  - Infrastructure Schemes are the primary tool in the SA planning system to ensure that the infrastructure needed to service future urban development is understood and planned in line with rezoning. They are legally binding planning tools for landowners, councils, infrastructure providers and developers. They set out the infrastructure and construction works required to support a new housing community, how and when they will be delivered, and who pays for them.
  - Rezoning is undertaken through an amendment to the Planning and Design Code (Code Amendment), based on the land uses expected such as retail centres, residential areas and infrastructure corridors. The Minister for Planning will only support an amendment to the Planning and Design Code to accommodate growth at scale where infrastructure has been resolved and there is clarity about costs and who pays, including through the infrastructure scheme.
- State Agencies and Utility Providers–
  - Are key stakeholders in the preparation of long-term growth plan including Regional Plans and Structure Plans for major growth areas
  - Are responsible for long term infrastructure planning to align with housing and population projections and growth areas identified with these plans

- Plan and deliver infrastructure under a range of regulatory frameworks and agreements
- Make infrastructure commitment through forward works programs, investment decisions, infrastructure schemes, funding agreements or other delivery mechanisms.

- Local Government
  - Are key stakeholders in the preparation of long term growth plans
  - They are responsible for the delivery of critical infrastructure such as local roads and stormwater, open space and civic services such as libraries and recreation centres.
  - Local governments are now required to develop a Local Area Plan, which requires them to demonstrate how they will support long term growth and delivery of housing identified in the Greater Adelaide Regional Plan.
  - Local Area Plans will identify local opportunities for development and align with local infrastructure required to support.
- Landowners and Developers –
  - Landowners and developers are responsible for detailed planning of their land, funding and delivering infrastructure and civil works.
  - In some circumstances landowner contribute to early planning and infrastructure investigations including through privately led Code Amendment processes.

- **How do you monitor how much undeveloped residential land is already supported by housing-enabling infrastructure (ready for housing construction) and how much of this land is waiting on housing-enabling infrastructure to proceed with housing construction? How much land in South Australia falls into each of these categories?**

- There are multiple tools available to industry, agencies and the community to monitor undeveloped zoned land, including the Land Supply Dashboard, the Greater Adelaide Regional Plan (GARP) South Australian Property and Planning Atlas (SAPPA).
- We are currently working with state infrastructure agencies to align this with capacity mapping to identify how much of this land is serviced to support the delivery of housing.
- The current regional plan reports on land supply as follows:
  - Proposed (i.e. allotments under assessment)
  - Zoned undeveloped (land zoned but no active plan of division or application)
  - Future growth (land that requires rezoning).
- A snapshot of estimated undeveloped zoned potential by Planning Region, as detailed within the relevant regional plan, is provided below:
  - Greater Adelaide = 175,065 allotments
  - Eyre and Western = 12,782 allotments (excludes Rural Living)
  - Kangaroo Island = 1,041 allotments (excludes Rural Living)
  - Murray Mallee = 18,565 allotments (excludes Rural Living)

- Limestone Coast = 10,123 allotments (excludes Rural Living)
- Yorke Peninsula and Mid North = 21,243 allotments (excludes Rural Living)
- Far North = 6,464 allotments (excludes Rural Living)

- **What are the main constraints that you face in coordinating infrastructure with housing (i.e. to prevent a situation where residential land sits undeveloped while awaiting supporting infrastructure)?**

- **Framework maturity:** The legislative framework (under the Planning, Development and Infrastructure Act) allows for the creation of Infrastructure Schemes that include development charges.
- **Backlog in utility investment:** Investment in water and wastewater infrastructure has not kept pace with development over many years, creating a backlog that the government is now addressing with additional funding and new charges.
- **Fragmented roles and responsibilities:** Multiple agencies (eg. DHUD, SA Water, SA Power Networks, ElectraNet, Department for Infrastructure and Transport, federal government [for telecommunications], local governments, ESCOSA) are involved, both in the public and private sectors and differing tiers of government, which has led to coordination challenges and misaligned priorities.
- **Funding limitations and developer charges:** Enabling infrastructure funding relies heavily on state government budgets to forward fund projects, with developer charges applied though the Infrastructure Scheme to recoup costs over time as land is developed.
- **Backlog in unserviced zoned land:** Due to the infrastructure backlog identified above, there are areas of zoned land which are unable to be serviced in currently regulatory funding windows. These areas 'compete' with new and existing growth fronts for future funding, creating for uncertainty for developers dealing with land which has existing zoning, but an unclear pathway towards servicing.
- **Regulatory and planning frameworks:** Ongoing reviews of planning and regulatory frameworks, especially regarding ESCOSA's review of SA Water's plans, can create uncertainty and impact infrastructure delivery timing.
- **Local government capacity:** Councils in SA primarily fund ongoing maintenance of local infrastructure but have limited capacity, incentive or mandate to fund enabling infrastructure for new land releases.
- **Monitoring and data:** The effectiveness of digital planning and monitoring systems depends on timely updates and alignment with growth projections. Reporting relies on whole of industry compliance and buy in, with data relating to construction notifications, completions and occupancy being reliant on a stretched construction industry. Delays can affect infrastructure planning and investment decisions.
- **Growth Prioritisation:** There is not currently a coordinated vision of delivery for housing across state agencies to ensure the necessary land use and infrastructure planning, funding and delivery occur in unison – this has resulted in uncoordinated investment, missed opportunities and spending inefficiencies. Having a coordinated and agreed growth prioritisation list across all government agencies will allow alignment of work programs, funding and delivery to support housing.

Approvals data

- **We have found some South Australia government-reported approvals data in the Performance Indicator Scheme Annual Reports. We would appreciate any additional approvals data or information you could provide us. This includes data on development approval metrics (e.g. timeframes, stop-clocks, requests for further information, appeal, referrals, outcomes), on other approvals (e.g. fast-track planning approvals, rezoning approvals, subdivision approvals, building approvals) or data broken down by council.**

- See attached data.

Developer contributions

- **Are charges capped under the Basic Infrastructure Scheme and Primary Infrastructure Scheme and if so, how can caps be exceeded?**

Charges are not capped. They are designed to recover the *reasonable costs* relating to the infrastructure. The charge is calculated based on detailed costings and is subject to principles in Section 166(2) of the PDI Act, which require that the charge should not have an excessively adverse impact on development viability, housing affordability, or economic sustainability.

Charges can be varied through a formal review and variation process. The Scheme Coordinator may initiate a variation to the scheme if revised costings from detailed design or changes in scope require it. This process is governed by statutory requirements and must be transparent, with stakeholder communication.

Importantly, a charge imposed under an infrastructure scheme must relate to the infrastructure which is required to service the Growth Area and is therefore directly apportionable. In situations where key enabling infrastructure may benefit multiple growth fronts, an apportioned percentage of this charge can be recovered through an Infrastructure Scheme charge. In this instance, the development of the Infrastructure Scheme would consider alternative funding pathways for the balance of the infrastructure cost, including funding from other Growth Areas, existing areas and from Government.

- **What is the timing of payments under the Basic Infrastructure Scheme and Primary Infrastructure Scheme?**

Under Section 166(2)(c) and 166(3), a charge under an infrastructure scheme becomes payable on a specified events relating to when development is undertaken being—

- the depositing of a plan for the division of land to create new land titles; or
- undertaking of approved development.

Staging or deferral of the payment is possible by agreement with the Scheme Coordinator.

In addition to the triggers above, Section 169(4) states that payments cannot be transferred to a purchaser of any land or dwelling to which the scheme relates who intends to occupy the land or dwelling for residential purposes.

The Act enables the option of the Minister noting the charge on each land title that is subject to an infrastructure scheme. This notation is only removed from the land title upon the Minister being satisfied that the charge has been paid, which helps control the transfer of the liability to a purchaser of a residential allotment

- **Do you have data you can share on the annual size of local and state collections of development contributions, and the proportion of housing-enabling infrastructure that is funded through development contributions as opposed to other funding channels?**

South Australia does not currently maintain a statewide dataset of annual local and state development contributions across all infrastructure classes, reflecting the fragmented roles and responsibilities of public and private sectors and different levels of government.

Historical infrastructure deeds used in the State's growth areas have been administered by relevant Council's or the government agencies, with the charge, terms and scope of each deed varying between growth areas. Recent growth and infrastructure pressures have resulted in Government taking an active role in intervening in historical growth areas to ensure required infrastructure is able to be delivered, with infrastructure planning for Mount Barker being a commitment of the recent State Election.

Nor does South Australia historically track the proportion of housing-enabling infrastructure funded through development contributions relative to other sources. The State does not seek a fixed developer contribution rate; instead, it aims to balance infrastructure cost recovery with housing supply outcomes.

Funding arrangements vary by infrastructure type, location, development characteristics and beneficiary profile. Infrastructure may be funded through a mix of developer-delivered works, utility charges and revenues, local government revenue, State Government funding, Commonwealth grants and, more recently, infrastructure schemes under Part 13 of the PDI Act.

Where an infrastructure scheme includes a land charge, consideration must be given to its impact on development within the designated growth area. As a result, the proportion of infrastructure costs recovered through developer contributions may vary across growth areas and infrastructure classes. Where full cost recovery would affect housing viability, contributions may be supplemented by government investment or utility funding.

The infrastructure scheme framework recognises that excessive charges can affect development feasibility and housing delivery and therefore requires consideration of viability when setting charges. For example, a greenfield area with strong residual land values may support higher contributions than an infill precinct or constrained growth area. The PDI Act framework is designed to account for these differences through the scheme preparation process.

Land use reforms

- **Do you have data you can share on how commercial feasibility of possible developments is or has been factored into decisions to upzone or otherwise change land-use controls to facilitate an increase in zoned capacity?**

- No, the Department does not have information we can share on how commercial feasibility has been factored into decisions to rezone. In many cases, applicants seeking a Code Amendment (rezoning) would have done their own feasibility analysis which would be 'commercial in confidence'.

- **How much zoned residential undeveloped land does Adelaide have in supply? Please provide a response in years, dwellings and area.**

- This is an extract from the Greater Adelaide Regional Plan (GARP) - it is important to note that this does not mean the land is serviced.

Land Supply Region	Years supply	Dwellings
Northern Plains & Barossa	17	5,155
Outer North	23	54,975
Inner North	25	35,058
Adelaide West	25	35,754
Adelaide Hills	17	13,887
Murray Bridge	27	7,063
Inner Metro	15	12,650
Inner South	12	9,734
City of Adelaide	14	11,100
Outer South	19	17,327
Fleurieu Peninsula	9	6,494
TOTAL (Greater Adelaide Planning Region)	20	209,197

- **What is the share of your jurisdictions land supply for development that comes from greenfield versus brownfield or other commercial or residential redevelopment?**

- Our current share of greenfield development is approximately 33% of the gross dwelling completions.
- Strategic infill (including brownfield) consists of approximately 20% of dwelling completions and general infill (<20 dwellings) makes up 41%.
- 6% of development completions occur outside of Greater Adelaide within regional townships.

- **Do you have any evidence on which land-use controls might be the greatest constraint on housing supply in South Australia?**

- DHUD is in the process of working to better understand the current constraints, through a feasibility study.

• **Are you able to share parcel-level planning data in a consolidated format?**
• The South Australian Planning system has a central database containing all development applications at the parcel level. This data is available through SAPPA and through the Development Application Register on the Plan SA website. • Land division application data is also available through SAPPA. This shows the location and plans for proposed land divisions across the state.
• **Are you able to share any spatial models of your planning system that can help test potential reforms? If you have a model but are unable to provide it to us, can you provide us with an explanation of how the model works, including any key assumptions?**
• The Analytics & Forecasting team have a model to identify the potential for general infill development. This model can be used to compare development potential under current policy in comparison with proposed policy. This model is limited to testing and reporting on proposed changes in dwelling potential affected by minimum site areas and minimum frontages. It looks at the site area and frontage of an allotment and identifies the potential for each allotment to be subdivided to accommodate additional lots/dwellings at increased densities. For example, a house built in 1950 on a 900sqm lot with a 28 metre frontage may have potential under current or proposed policy to be subdivided to create three 300sqm lots with a minimum 9 metre frontage. This model identifies these types of lots and calculates the maximum potential that could be achieved if it is developed.