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**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**ELEVENTH ASSEMBLY**

**PLANNING (MISSING MIDDLE HOUSING) AMENDMENT BILL 2026**

**EXPLANATORY STATEMENT  
and  
HUMAN RIGHTS COMPATIBILITY STATEMENT  
(*Human Rights Act 2004, s 37*)**

**Presented by  
Chris Steel MLA  
Minister for Planning and Sustainable Development  
March 2026**

# PLANNING (MISSING MIDDLE HOUSING) AMENDMENT BILL 2026

## INTRODUCTION

This explanatory statement relates to the Planning (Missing Middle Housing) Amendment Bill 2026 (the *bill*) as presented to the Legislative Assembly. It has been prepared to assist the reader of the bill and to help inform debate. It does not form part of the bill and has not been endorsed by the Legislative Assembly.

The statement must be read in conjunction with the bill. It is not, and is not meant to be, a comprehensive description of the bill. What is said about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

The bill is not a Significant Bill. Significant Bills are bills that have been assessed as likely to have significant engagement of human rights and require detailed reasoning in relation to compatibility with the *Human Rights Act 2004* (the *HR Act*).

## OVERVIEW OF THE BILL

The *Planning Act 2023* (the *Act*) is the foundation of the Territory's long-term aspirations for growth and development of Canberra while acknowledging the value of its character. The Act provides for a more 'spatially-led' and 'outcomes-focussed' planning system. Imbued in the provisions of Act, are the following five key principles:

1. Easy to use;
2. Certainty;
3. Flexibility;
4. Transparency; and
5. Outcomes-focused.

The following amendments are intended to better realise these key principles, principally 1, 2 and 5 through simplified or otherwise expedited processes relating to subdivisions, secondary residences and certain categories of lease variations.

### *Subdivision development proposal*

Chapter 4, Part 4.2 of the Act establishes the requirements for subdivision design applications, with section 43 (3) specifying the meaning of a *subdivision design proposal*. These commenced with the Act in November 2023.

A subdivision development proposal is defined as a development proposal that either creates or consolidates blocks, creates or removes roads, or involves land use zone, design and construction requirements for future development on the land that is the subject of the [development] application.

Notably, Chapter 6 of the Act defines subdivision development proposals as *significant development*. Additional public notification requirements apply to development applications for significant development (i.e. a second public notification period) and an approval timeframe of 60 working days (rather than 30-45 working days for non-significant development proposals). While the designation of larger scale subdivisions (such as estates) as *significant development* remains appropriate, these additional assessment requirements are considered onerous when applied to the smaller scale subdivisions of existing residential blocks, such as those envisaged by the Missing Middle Housing reforms.

With respect to the above, this bill amends the Act to revise the definition of subdivision development proposal to exclude smaller scale subdivisions from being designated as significant development and the requirements thereof. These amendments will contribute to the efficient operation of the planning system by ensuring that notification requirements are proportionate to the scale of development (i.e. subdivision or consolidation of typical residential blocks) being proposed.

### *Secondary residences on residential leases*

In residential leases, it is common, particularly in newer suburbs, that limits are placed on the amount of dwellings that can be constructed on the site. This can often be in the form of a lease purpose clause which restricts the use of a residential lease to a single dwelling only.

These leases are currently required to be varied to permit a secondary residence (i.e. granny flat) on a block as it is technically another habitable dwelling beyond the

stated limit in the lease. This is despite secondary residences being subordinate to a primary dwelling – and not being able to be separately titled.

While lease variations typically attract a Lease Variation Charge (LVC), a variation to authorise a secondary residence is currently LVC exempt under the Act.

Through the Development Application (DA) process, there is limited substantive assessment done of the lease variation for the secondary residence. Noting this, there is no financial, strategic or procedural benefit associated with requiring leases to be varied to permit secondary residences.

This bill addresses this by amending s 276 of the Act. This provides that all single dwelling leases may also be used for a secondary residence. This is the same entitlement as currently allows home businesses on all residential leases.

#### *Crown lease variation process*

This bill amends the Act and *Planning (General) Regulation 2023* to establish a new process for exempt variations to nominal rent Crown leases. This new process will be a key enabling amendment in support of future Missing Middle housing such as dual or tri-occupancy developments, particularly where an existing crown lease limits the amount of dwellings that can be contained on the block.

In support of achieving a more timely and efficient planning system, this new process will require that decisions will be required to be made in 10 working days, the application will not require public notification or entity referral and will not be subject to third-party ACAT appeal rights on decisions.

The new process is intended to apply only to one or more of the following types of lease variations:

- Express or change the maximum number of permitted dwellings or units on the block
- To authorise a secondary residence – this can apply to all other leases, not just single dwelling leases as proposed in the amendments to s 276.
- A proposal relating to an easement – this may be to remove, relocate or change lease clauses

- Allow for other considerations to be prescribed in a regulation.

## **CONSULTATION ON THE PROPOSED APPROACH**

Consultation on the bill was conducted with the Territory Planning Authority, internally within the City and Environment Directorate and with other ACT Government directorates, including Treasury and the Human Rights Unit in the Justice and Community Safety Directorate.

## **CLIMATE IMPACT**

This legislation has been assessed, and it has been identified as having no material impact on climate change. None of the amendments contribute to emissions production or abatement within the ACT community nor are there any adaptation impacts against key climate risks to the ACT.

The amendments are focussed on process improvements to support applications for missing middle housing developments to progress through the planning approvals process in a timely manner. Each development proposal will still need to be assessed against the climate and environmental outcomes contained within the Territory Plan, including canopy cover, planting area and permeable surface requirements.

Further, by supporting missing middle housing in established suburbs, this limits urban sprawl and brings associated benefits from a compact and efficient city.

## **CONSISTENCY WITH HUMAN RIGHTS**

During the development of the bill due regard was given to its compatibility with the rights set out in the *Human Rights Act 2004* (the **HR Act**). The Bill is not a Significant Bill.

The Bill introduces amendments to the Act and associated regulations that revise the definition of subdivision development proposals, to permit secondary residences on all single dwelling leases without the need to vary the Crown lease, and create a new exempt Crown lease variation pathway for select variations.

These reforms engage several rights protected under the HR Act, particularly the right to a fair hearing, the right to take part in public life and the right to privacy.

The following analysis sets out the nature of these limitations and assesses their compatibility in accordance with section 28 of the HRA.

### ***Rights engaged***

The amendments in the Bill engage the following rights:

- Right to a fair trial (section 21 of the HR Act)
- Right to take part in public life (section 17 of the HR Act)
- Right to privacy and reputation (section 12 of the HR Act)

### ***Rights limited***

#### Right to a Fair Trial

##### *1. Nature of the right and the limitation (s 28 (a) and (c))*

The right to a fair trial is protected by section 21 of the HR Act. Section 21 protects the right to procedural fairness and can also extend to protect third parties whose substantive legal rights may be affected by a determination, for example in planning decisions. The Bill limits this right by removing third-party appeal rights which currently apply to certain planning and lease-related decisions.

The amendments will create a pathway for some Crown lease variations to be exempt from requiring a DA, thereby limiting opportunities to participate in planning decisions. The proposed amendments will also mean that these lease variations are exempt from third party appeal rights in the ACT Civil and Administrative Tribunal (ACAT), limiting individuals' opportunity to pursue objections to planning decisions.

The Bill also proposes to allow secondary residences to be developed on all single dwelling leases without the need for a lease variation. This removes the need to vary the lease at all, including through the DA process, where public notification and third-party appeal rights currently apply.

##### *2. Legitimate purpose (s 28 (b))*

The objective sought to be achieved by these amendments is to provide for improved efficiency of the planning system that will facilitate the timely delivery of

more housing, which is a matter that directly impacts all Canberrans. These changes will support greater supply of low-rise, sustainable and comfortable homes envisaged by the Missing Middle Housing reforms that can blend into our existing suburbs without too much change to the character of these areas, helping individuals, couples and families to find homes in existing suburbs, limiting urban sprawl and making it easier for older Canberrans to stay in their communities as they age. Ensuring the timely assessment and approval of development proposals through the planning system will enable additional housing to be constructed more quickly. This will also introduce opportunities for aging in place, inter-generational living, and greater opportunities for more marginalised or vulnerable groups such as young people, single persons and low-income earners to find housing.

### *3. Rational connection between the limitation and the purpose (s 28 (d))*

By removing third-party appeal rights for the nominated lease variations, by not requiring a lease to be varied at all for secondary residences on single dwelling leases and by allowing simple subdivisions and consolidations to be assessed through the non-significant DA process the efficiency of decision-making will be improved. This will assist in streamlining the assessment, approval and delivery of essential housing supply. Through extensive consultation on the reforms, including the 2025 Missing Middle Housing Reforms YourSay consultation, community and industry feedback has called for reducing barriers to enable timely delivery of housing, including simplification of administrative processes relating to lease variations. These changes directly respond to this feedback by reducing the time taken to process a lease variation, which is typically a necessary step in the development process.

### *4. Proportionality (s 28 (e))*

The limitations on the right to a fair trial are considered proportionate to the legitimate purpose.

The limit on the ability to review decisions of the lease variations outlined in the Bill, including secondary residences on single dwelling leases is justified on the basis that it will only apply to simple lease variations that are key to facilitating the future development on existing residential lease. The design and siting of future development permitted by the variations will continue to be considered through the

relevant assessment and approvals pathway under the Act, such as DAs or DA exemptions. Also, DAs will continue to be required for the lease variations not specified in this Bill, which are generally the more complex variations. Through this process, current third-party appeal rights will remain.

Subdivisions and consolidations as envisaged by the Missing Middle Housing reforms will continue to be assessed through the DA process as non-significant developments (as opposed to significant development). Third party appeal rights in this case will remain largely unimpacted by the bill.

A further safeguard is that members of the public may still seek judicial review of development decisions where this is available under the *Administrative Decisions (Judicial Review) Act 1989*. These measures balance the need for fair trial with the need to ensure suitable housing supply benefiting all Canberrans and the efficient functioning of the planning system.

#### Right to take part in public life

##### *1. Nature of the right and the limitation (s 28 (a) and (c))*

The right to take part in public life is protected by section 17 of the HR Act. Section 17 protects the right of every person in the ACT to participate in public affairs, directly or through freely chosen representatives. This right includes meaningful participation in administrative and decision-making processes that affect the public or particular communities. The Bill limits this right by removing public notification and opportunities to make submissions for certain categories of development.

Community members who would otherwise have a legitimate expectation to be informed of proposed development and to express their views will no longer be able to do so.

The amendments will create a pathway for nominated lease variations to be exempt from requiring a DA and will therefore not be subject to public notification requirements under the Act, thereby limiting opportunities for members of the community to participate in planning decisions.

The amended definition of a subdivision development proposal means that small-scale subdivisions, such as those associated with Missing Middle housing on typical residential blocks, will no longer be classified as significant development and

will therefore not require two periods of public notification and a 60 working day DA decision timeframe. Rather, they will be subject to one period of public notification and the 30-45 working day DA decision timeframe that applies to non-significant developments.

The clarification that secondary residences may be developed on all single dwelling leases without the need for a lease variation also removes public notification that is currently required through the DA process for this type of Crown lease variation.

## *2. Legitimate purpose (s 28 (b))*

The amendments will improve efficiency of the planning system to help achieve policy outcomes included in the Minister's Statement of Planning Priorities and broadscale public benefits, noting housing is an essential good that is directly connected to physical and mental health outcomes and therefore is a matter that directly impacts all Canberrans. Ensuring the timely passage of these enabling development proposals for housing through the planning system will permit additional opportunities for housing for families, aging in place, and marginalised or vulnerable groups such as young people, single persons and low-income earners to find housing.

The amendments propose to remove the public notification requirement for the nominated simple lease variations that currently applies through the DA process. These notification requirements have been identified as contributing additional time without substantial benefit to homeowners or the broader community. These amendments seek to redress this, by reducing or removing notification requirements where they do not significantly contribute or where other opportunities are provided throughout the DA process.

Removing the second public notification period for minor subdivisions eliminates an unnecessarily burdensome step without reducing public engagement on matters with genuine impact.

Similarly, by permitting secondary residences by default on single dwelling leases, the Bill removes the need for a Crown lease variation DA. There is limited substantiative assessment done on the lease variation for the secondary residence,

so this is largely an administrative process that does not meaningfully contribute to public oversight.

### *3. Rational connection between the limitation and the purpose (s 28 (d))*

The amendments respond to community feedback in streamlining the assessment, approval and delivery of essential housing supply. Through extensive consultation on the reforms, community and industry feedback has called for reducing barriers to enable timely delivery of housing, including notification requirements for low-impact developments. These changes directly respond to this feedback by removing public notification for nominated simple lease variations and secondary residences and removing secondary notification for minor subdivisions.

### *4. Proportionality (s 28 (e))*

The limitations on the right to take part in public life are considered proportionate to the legitimate purpose.

Limiting the public notification and associated opportunity to comment on the lease variations outlined in the Bill, including secondary residences, is justified on the basis that it is limited to simple lease variations that are key to facilitating the development of more dwellings on existing residential lease. The design and siting of future development (i.e. where construction of a dwelling is proposed) will still require public notification or information sharing that will provide the public with an opportunity to be notified of and/or make comment on the physical development proposal.

Subdivisions and consolidations as envisaged by Missing Middle will continue to be assessed through the DA process as non-significant or standard developments (as opposed to significant development). Public notification requirements in this case will remain in place, meaning that the primary opportunity for participation remains available.

The exempt lease variation pathway applies only to a limited range of simple lease variations (such as updating the number of dwellings already approved or amending easement clauses). Public notification to update these figures provide little practical

benefit, noting the design and siting of future development is still required to be assessed and decided through the relevant statutory process where public notification or information sharing will continue to apply.

### Right to privacy and reputation

#### *1. Nature of the right and the limitation (s 28 (a) and (c))*

The right to privacy and reputation is protected by section 12 of the HR Act. Section 12 protects individuals from unlawful or arbitrary interferences with their privacy. The amendments will allow the Authority to request more information from an applicant when applications are made through the DA exemption pathway. The amount of information gathered through this process will be similar to what is currently gathered through the DA process. The amendment will limit the right to privacy because it will authorise the collection and storage of personal information.

#### *2. Legitimate purpose (s 28 (b))*

The purpose of collecting such information is legitimate and necessary to allow the planning authority to confirm applicant identity, administer statutory processes, ensure transparency in land-use decisions, and maintain accurate land-administration records.

#### *3. Rational connection between the limitation and the purpose (s 28 (d))*

The collection of relevant personal information is directly connected to achieving these administrative objectives. Without this information, the planning authority would be unable to confirm whether applications are being made by or on behalf of Crown lessees, maintain accurate records, or ensure accountability and legal compliance.

#### *4. Proportionality (s 28 (e))*

The engagement of the right to privacy is proportionate because the information collected is minimal, limited to that which is required to support the administering the Act, and is consistent with information already routinely collected through comparable planning processes, such as the DA process. The Bill does not grant powers to collect information unrelated to the lease variation process. The information will also remain subject to existing privacy protections under the *Information Privacy Act 2014*.

# PLANNING (MISSING MIDDLE HOUSING) AMENDMENT BILL 2026

## *Human Rights Act 2004 - Compatibility Statement*

In accordance with section 37 of the *Human Rights Act 2004* I have examined the **Planning (Missing Middle Housing) Amendment Bill 2026**. In my opinion, having regard to the Bill and the outline of the policy considerations and justification of any limitations on rights outlined in this explanatory statement, the Bill as presented to the Legislative Assembly is consistent with the *Human Rights Act 2004*.

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Ms Tara Cheyne MLA  
Attorney-General

## CLAUSE NOTES

### Part 1 Preliminary

#### Clause 1 Name of Act

This clause provides that the name of the Act is the *Planning (Missing Middle Housing) Amendment Act 2026*.

#### Clause 2 Commencement

This clause provides that the Act will commence on the day after its notification day.

#### Clause 3 Legislation amended

This clause sets out that the Act amends the *Planning Act 2023* and the *Planning (General) Regulation 2023*.

### Part 2 Planning Act 2023

#### Clause 4 New section 42A - definition of *subdivision development proposal*, part 4.2

This clause inserts a new section providing the revised definition of subdivision development proposal.

This revised definition excludes smaller scale subdivision activity envisaged by Missing Middle (i.e. subdivision or consolidation of typical residential blocks). The revised definition also excludes development proposals only for the creation or removal of roads.

Now, a subdivision development proposal (and therefore a significant development) needs to create or consolidate blocks and create or remove public roads. It may also include changes to land use zones, and design or construction requirements for roads, infrastructure and the future development of the land. This essentially limits the definition to estates and large-scale urban infill proposals.

#### Clause 5 Subdivision design applications Section 43 (3)

This clause omits the previous definition of subdivision development proposal noting this is replaced by section 42A, as introduced in Clause 4.

#### Clause 6 Effect of approval of subdivision design application, new section 44 (3)

This clause inserts a definition of *ongoing provision*. This outlines that an ongoing provision, which can be proposed as part of a subdivision design application, needs to be consistent with the Territory Plan. This will generally be to limit what is already

permitted in the Territory Plan or to achieve what is permitted in the Territory Plan in a different way.

**Clause 7     What is a *minor plan amendment* and is consultation needed?  
Section 84 (2) (b)**

This clause revises 84 (2) (b) as a consequential amendment to the inclusion of the definition of *ongoing provision*, as introduced by Clause 8. The amendment references an ongoing provision when it is specifically not proposed by a proponent when making the subdivision design application. Ongoing provisions proposed by a proponent and approved as part of a subdivision design application will continue to be subject to a minor amendment under section 84 (1) (c).

**Clause 8     New section 84 (3)**

This clause inserts a cross reference to the newly inserted definition of *ongoing provision*.

**Clause 9     Meaning of exempt development Section 145 (1), new paragraph  
(a) (ia)**

This clause inserts a new paragraph (a) (ia) into section 145 (1). This outlines that a decision on an application for exempt development declarations under the new section 149C is also exempt development.

**Clause 10    New division 7.2.1A Variations of nominal rent leases – exempt  
development**

This clause inserts a new Division that outlines the application and decision-making process for exempt development decisions on certain nominal rent Crown leases.

Section 149A limits the application of this process to Crown lease variations that:

- Nominate or change the maximum number of dwellings permitted on the block.
- Authorise a secondary residence – noting the amendments to s 276 outlined in Clause 9, this is intended to apply to all other nominal rent leases other than single dwelling leases.
- Relate to provisions around easements – this may be to propose the removal, relocation or change associated clauses to do with easements.
- Other variations may also be prescribed in a regulation.

Section 149B outlines that exempt development declaration applications need to be made by application to the Territory Planning Authority (the Authority) and that it needs to include:

- Written consent by the lessee.
- If the variation relates to an easement – written consent from the written consent of the beneficiary of the easement to the variation

- Any plans, information and documents prescribed by regulation.

Section 149C establishes the decision-making process and considerations the Authority will follow and make. This includes:

- The Authority's decision to make or refuse to make the declaration must be made within 10 working days.
- The Authority may request further information from the proponent. This pauses the decision timeframe when the request is made, and recommences when the proponent gives the information to the Authority.
- What the Authority must be satisfied of to make a declaration, including:
  - That the variation would be consistent with other provisions of the lease – this may include development covenants and the like.
  - That the proposed variation would be suitable in the context of the site and site surrounds. This includes consideration of the permissible uses for the area.

Section 149D establishes that a declaration will expire 3 years after the day it is made.

### **Clause 11 Application for exemption assessment, New section 151 (1A)**

This clause disapplies the ability for a person to apply to a works assessor or building surveyor for an assessment of whether the variation of a nominal rent lease would be exempt development.

This change has been made as the process outlined in Clause 10 is an exemption development declaration, and it requires an application to be made to the Territory Planning Authority.

### **Clause 12 Use of land for leased purpose Section 276 (2) and note**

This clause revises section 276 to allow secondary residences on all residential leases that allow the use of the land for a single dwelling only. This use is permitted by default in these leases, without the need for a lease variation.

### **Clause 13 Section 276, new note**

This clause updates the existing note to reflect that while both home business and secondary residences are authorised, beginning to use the land for either purpose requires development approval unless the use is an exempt use.

### **Clauses 14-42 Various consequential amendments**

Clauses 14-42 make various consequential amendments to the Act to reflect the introduction of the exempt development process for variations of nominal rent leases in Clause 7.

These consequential amendments outline that:

- A Crown lease may now be varied through this new exempt development declaration as well as through development approval.
- The new exempt development declarations are made by proponents rather than an applicant – who makes development applications.

### **Clauses 43 Dictionary, new definitions**

This clause includes the definition of *subdivision development proposal* and *secondary residence* in the dictionary.

## **Part 3 Planning (General) Regulation 2023**

### **Clauses 44-46 Various consequential amendments – ongoing provision definition**

Clauses 44-46 makes consequential amendments to the *Planning (General) Regulation 2023* to reflect the introduction of definition of ongoing provision in section 44 of the Act.

### **Clauses 47-49 Various consequential amendments – exempt development process for variations of nominal rent leases**

Clauses 47-49 makes consequential amendments to the *Planning (General) Regulation 2023* to reflect the introduction of the exempt development process for variations of nominal rent leases. This makes similar changes to reflect that the new declaration applications are made by proponents rather than applicants.