The NSW Government has allocated $99 million to assist councils provide the local infrastructure necessary to boost housing supply.

The Local Infrastructure Growth Scheme will fund the gap between what councils can charge developers in infrastructure levies and what it actually costs councils to build infrastructure such as new local roads and stormwater drainage.

More than 20,000 homes in the Hills and Blacktown communities are among those to benefit from the scheme.

Planning and Infrastructure Minister Brad Hazzard said the funding demonstrated the Government’s commitment to assist local government in the drive to deliver the new housing the state needed.

“The State’s new planning system will include a fairer, more transparent and more economically feasible system of infrastructure contributions that will help unlock the supply of new housing,” Mr Hazzard said.

“In the meantime, the Government is committing the funds to meet the gap between what councils can charge and what it actually costs them to build essential local infrastructure.

“This funding ensures that the supply of new housing is not blocked by exorbitant developer contribution charges, while still making sure the necessary infrastructure gets built.”

The funding program will mainly benefit councils with new land releases, due to the greater costs associated with providing infrastructure to previously undeveloped land, but is also available for new housing developments in existing urban areas.

To be eligible for funding, a council must have its contributions plan reviewed by IPART, showing that a gap exists between what it is able to charge and what the reasonable infrastructure cost will be.

To date, contributions plans for five new release areas in the Hills and Blacktown council areas have been reviewed by IPART and endorsed for funding.

“This $99 million commitment shows how serious the NSW Government is about delivering the infrastructure needed for our new housing areas, particularly in Western Sydney,” Mr Hazzard said.

MEDIA: Leonie Lamont 0407 591 926