

NSW Regional Housing Strategic Planning Fund FAQs

This document answers frequently asked questions about the NSW Government's fund to support councils in planning for new regional housing.

What is the Regional Housing Strategic Planning Fund?

The NSW Regional Housing Strategic Planning Fund is a competitive grants program that helps regional councils plan for new housing supply, including housing that is affordable, diverse and is resilient to natural hazards.

Up to \$12 million in funding will be available over the 4 financial years from July 2022.

It was initially announced in August 2022 that up to \$3 million in funding would be available in round 1. Round 1 of the fund was increased to \$4 million following strong interest and a high volume of applications.

Up to \$9 million in funding is available for future rounds over the next 3 financial years.

What types of projects can receive funding?

Program funding will support strategic planning projects, investigations and technical studies that are consistent with the objectives of the fund.

This includes:

- **subregional and local planning strategies** such as local housing strategies or growth management strategies
- affordable housing strategies and affordable housing contributions schemes
- **technical studies** that help identify residential lands
- **structure plans or precinct master plans** for lands with a significant residential component
- **preparation of local environmental plan amendments** that facilitate a significant housing or affordable housing opportunity
- infrastructure needs analysis, servicing strategies or infrastructure contributions plans that will better align infrastructure and housing delivery
- **detailed planning and design guidelines** such as amendments to development control plans
- **projects that identify solutions to broader issues** that have implications for the location and delivery of future housing supply
- any other strategic planning, policy or technical study that addresses the broader program objectives.

The funding **cannot** be used for development assessments, regionally significant development applications, planning proposal assessment, infrastructure or other capital works.

Which councils are eligible for funding?

All regional councils, meaning all NSW councils outside of the Greater Sydney region as identified in the Greater Sydney Region Plan, are eligible for funding.

How much funding will be available to each council?

Funding of between \$20,000 and \$250,000 is available for each successful project.

For each round of funding, there will be a limit of one application and one project for each council, or one joint application and one joint project for group projects. A joint project is a project that council is undertaking with another organisation. This could include another council or councils, a groups of councils or Joint Organisation, or a non-government organisation such as a Community Housing Provider or Local Aboriginal Land Council

A council may apply for and receive funding for both an individual project and a joint project within a single funding round if the projects are clearly distinct and there is no duplication.

What can the funding be used for?

Funding may be used towards direct project costs such as:

- engagement of third-party professional services for the approved project
- procurements for the approved project, such as relevant data and evidence
- staff salaries directly for the approved project
- community consultation costs for the approved project
- reasonable project management costs for the approved project (no greater than 10% of total project value)
- any other costs the department determines to be eligible.

When was the application period for round 1?

Applications opened on 25 August 2022 and closed at 5pm on Friday 30 September 2022.

How many applications could each council submit in round 1?

In each funding round, a council can submit up to one (1) individual application and one (1) joint application for a project that council is delivering with in partnership with another organisation or organisations, providing that the applications are for distinct projects.

What was considered a joint project?

A joint project is a project that council is undertaking with another organisation. This could include another council or councils, a groups of councils or Joint Organisation, or a non-government organisation such as a Community Housing Provider or Local Aboriginal Land Council.

When applying for a joint application, applicants were required to provide detail on the nature of their partner organisations' contribution to the project including: any financial contributions, letters demonstrating their support for the application and detailing how the organisations will jointly oversee and govern the project.

How were applications assessed?

An independent panel assessed applications against the program objectives and assessment criteria (see below). The independent assessment panel made recommendations to an interagency committee made up of NSW Government representatives for endorsement. The Minister for Planning and Minister for Homes made the final decision to award the grant funding.

An independent probity advisor oversaw the program.

What was the assessment criteria?

Applications were assessed on the following criteria:

- program aims and objectives (weighting 20%)
- strategic alignment (weighting 20%)
- project impact (weighting 30%)
- project scoping requirements (weighting 20%)
- value for money (weighting 10%).

The guidelines state that funded projects will need to start by 31 January 2023. What will successful applicants have to do to demonstrate project commencement?

'Project commencement' will be defined as execution of the funding agreement by the Department of Planning and Environment. The tasks and milestones for commencing a project may differ for each council and could include preparatory work and project planning, for example, the development of detailed scoping documents or a statement of requirements to enable council to issue a request for tender to secure professional services to deliver the funded project

Council has received funding for a local housing strategy/growth management strategy/preparation of a planning proposal that in the future requires DPE endorsement. Will funded projects need to receive DPE endorsement in order for the grant to be successfully acquitted?

Projects that require DPE endorsement in the future will still need to go through normal assessment and review by DPE outside of the Regional Housing Strategic Planning Fund process. Councils are encouraged to reach out to the relevant regional DPE team to seek guidance and support on their projects as needed.

To successfully demonstrate project completion under the grant program, councils will need to show that they have completed the work and met their delivery milestones as per the funding agreement.

How will this funding help improve housing supply, affordability, diversity, and resilience in regional NSW?

The objective of the grant program is to support eligible strategic planning projects that enable and accelerate new housing capacity and the delivery of zoned and ‘development-ready’ residential land in regional NSW. Delivering the homes that regional NSW needs requires a long-term vision. As regional communities grow, change and face new challenges, including climate change, the types of housing they need will change.

Strategic planning is the process of planning for future development and the creation of the framework of rules that determine where, what and how development occurs. Supporting regional councils to fully develop their strategic frameworks will help regional councils to plan for and better meet the needs of regional communities and help to ensure that regional NSW has a pipeline of new housing that is well located, supported by appropriate infrastructure, and appropriate to the local community and its needs.

Will there be future fundings rounds?

Information about future funding rounds will be announced in 2023.

My application was not successful for funding under Round 1. Can I reapply under a future round?

Councils can apply again for funding in future funding rounds, regardless of whether they were successful or unsuccessful in round 1. As per the program guidelines, the funding criteria for future rounds will take into consideration councils that missed out on funding in previous rounds to ensure an equitable spread and even geographic distribution of funding across the life of the program. Successful councils will not be able to apply for additional funding for a project that has already received funding.

The department can provide feedback to all unsuccessful councils who applied to help them in preparing their applications for future funding rounds.

How do I find out more information?

For more information, visit the [program website](#) to view the program guidelines and fact sheet.

If you have any questions, please contact the Regional Housing Strategic Planning Fund team at regional.housing@planning.nsw.gov.au.