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# NSW Regional Housing Fund

## Guidelines

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February 2022

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# Acknowledgement of country

The NSW Department of Planning and Environment acknowledges that it stands on Country, which always was and always will be Aboriginal land. We acknowledge the Traditional Custodians of the land and waters, and we pay our respect to Elders past, present and emerging. We are committed to providing places in which Aboriginal people are included socially, culturally and economically through thoughtful and collaborative approaches to our work.

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# Introduction

On 9 November 2021, the NSW Government released the Regional Housing Taskforce's findings of its investigations into housing supply pressures in regional NSW. The taskforce identified 5 key recommendations to address housing supply through the NSW planning system. The recommendations were to:

- support measures that bring forward a supply of 'development-ready' land
- increase the availability of affordable and diverse housing across regional NSW
- provide more certainty about where, when and what types of homes will be built
- investigate planning levers to facilitate the delivery of housing that meets short-term needs
- improve monitoring of housing and policy outcomes and demand indicators.

As part of a broader response to the taskforce's recommendations, the NSW Government is launching the NSW Regional Housing Fund program.

The NSW Regional Housing Fund is a new \$30 million grant program to support large regional councils that were identified as experiencing high growth and/or under housing supply pressures.

The program provides an incentive for these councils to address the recommendations of the Regional Housing Taskforce by offering funding to deliver infrastructure and open space projects that directly support the delivery of new affordable and market housing supply.

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# About the NSW Regional Housing Fund program

The NSW Regional Housing Fund program will provide funding to eligible councils to deliver new infrastructure and open space projects in eligible local government areas in regional NSW that directly support delivery of new housing supply.

The objectives of the program are to:

- unblock and accelerate new housing capacity in regional NSW
- bring forward construction and the opportunity for jobs and economic activity in the short to medium term
- support investment in critical development infrastructure and high-quality public and open spaces projects.

## Structure of the program and eligibility

Funding is available to eligible councils that can demonstrate a commitment to address the recommendations of the Regional Housing Taskforce at a local level before 31 December 2022.

The funding is targeted at 21 councils categorised according to the Australian Bureau of Statistics classifications of local government and Office of Local Government groupings, which are based on broad demographic variables including population, location, size and economy.

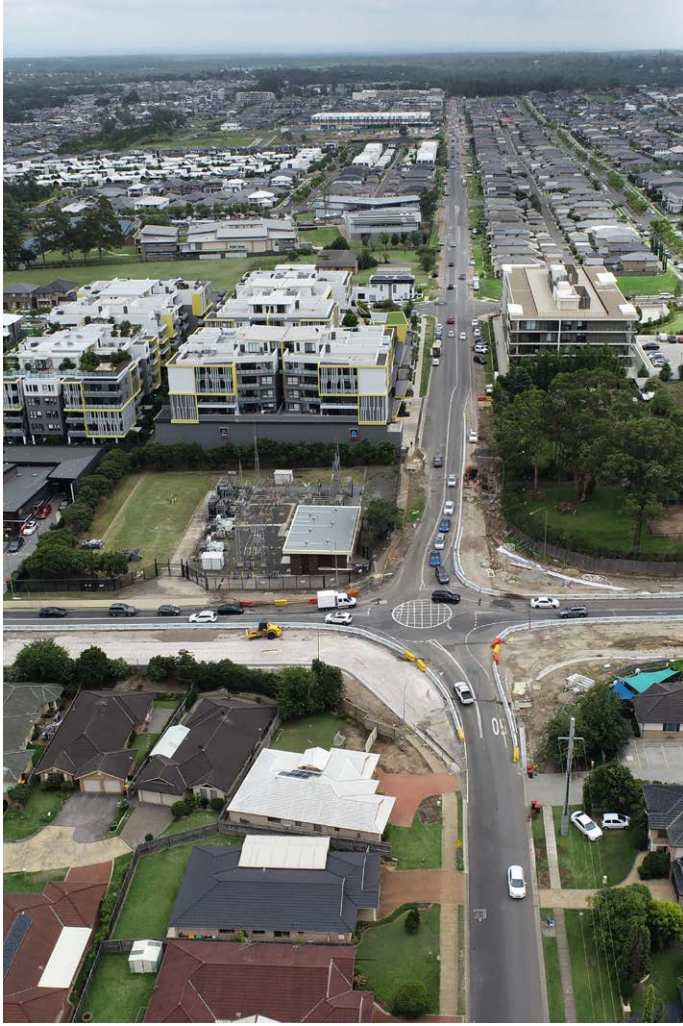
Eligible councils are those assessed as experiencing high levels of housing growth and/or under housing supply pressures. Due to their size, these councils are expected to have a significant role in providing new housing supply for the local government area and surrounding regions.

**Table 1. Funding Allocations**

OLG category	Council	Upper limit per council
Metropolitan fringe council	Central Coast	\$1.4M
Regional city council	Ballina, Bathurst Regional, Bega Valley, Broken Hill, Eurobodalla, Goulburn Mulwaree, Griffith, Kempsey, Lismore, Lithgow, Mid-Coast, Mid-Western Regional, Orange, Queanbeyan – Palerang, Richmond Valley, Singleton, Snowy Monaro, Tamworth Regional, Tweed Shire Council, Wagga Wagga	\$1.4M

To qualify for participation in the program, councils will need to demonstrate a commitment to land use and infrastructure planning initiatives that support new housing in their local government area.

We will invite participating councils to nominate projects for funding under the NSW Regional Housing Fund program. Councils will be eligible to receive up to \$1.4 million for development infrastructure projects that will directly support the delivery of new housing supply, or public and open space projects that enhance liveability in areas that are experiencing high rates of growth.



# Assessment Criteria – regional housing initiatives

As part of their application, councils must demonstrate their commitment to land use and infrastructure planning initiatives that deliver new housing and align with the recommendations of the Regional Housing Taskforce.

Councils must document relevant existing or new initiatives in a program outline plan. Program outline plans need to demonstrate how a council will contribute to the delivery of new housing supply and address local housing issues.

We will assess the initiatives on whether they address one or more of the following criteria:

- enable new housing supply
- improve monitoring and forward planning for future housing supply
- increase housing diversity
- increase the availability of affordable housing.

The program outline plan should set out a clear implementation plan for each initiative. It should identify:

- project name
- project description
- project deliverables and outcomes
- dwelling yield (if relevant)
- alignment to the Regional Housing Taskforce recommendations
- current status
- project timing and milestones
- risks/dependencies.

## How to apply

Councils wishing to apply for funding under the program should:

1. visit the [Regional Housing Fund website](#) to access resources to support the application
2. complete and submit application through SmartyGrants portal by 4 pm, 11 March 2022.

We will announce successful applications in April 2022.

## Your application

Councils must submit a program outline plan in their application that demonstrates how they will meet the 5 key recommendations of the Regional Housing Taskforce.

Nominations should include a brief description of a project or projects that can be delivered by 31 December 2023 and that will meet the assessment criteria - development infrastructure as outlined below.

Initiatives may include strategic planning and rezoning, policy, infrastructure, or service delivery projects. Table 2 gives a list of the types of projects that align to the Regional Housing Taskforce recommendations. We expect councils to address multiple recommendations through the initiatives in their program outline plan.

In addition to a list of projects, the program outline plan should identify relevant background information where available, including:

- current residential-zoned land supply and capacity in the local government area
- a list of key projects such as rezoning proposals or major development applications that will provide housing supply in the local government area. For each of the projects, council should provide expected outcomes such as dwelling mix and yield, details of staging, and key project milestones and risks or barriers to delivery

- a list of key planning and infrastructure barriers affecting new housing supply on zoned and/or serviced residential land in the local government area, including current strategies for addressing them
- details of any relevant council strategies and policies, either existing, under development or planned, including comments on currency and ongoing suitability, and any gaps in local strategies or policies.

Participating councils must commit to meeting agreed milestones on actions outlined in their program outline plan by 31 December 2022.

**Table 2. Regional Housing Taskforce recommendations and council initiatives**

Regional Housing Taskforce recommendation	Projects that could be included in a program outline plan
<p><b>1 Support measures that bring forward a supply of development-ready land</b></p>	<p><b>Projects that:</b></p> <ul style="list-style-type: none"> <li>• identify, plan for, or deliver critical infrastructure to support new housing delivery</li> <li>• review local contributions plans and policies, or develop or review strategies for expending forecast revenue to sequence land release and unlock housing</li> </ul>
<p><b>2 Increase the availability of affordable and diverse housing across regional NSW</b></p>	<p><b>Projects that:</b></p> <ul style="list-style-type: none"> <li>• update or develop local plans and strategies (such as an LSPS, CSP, housing strategy, affordable housing strategy, LEP, DCP, or an affordable housing contributions scheme) to facilitate a range of social and affordable housing or to facilitate diverse housing, such as medium-density and infill housing or smaller dwellings</li> <li>• facilitate improved design outcomes for diverse and infill housing</li> <li>• further partnerships or opportunities to utilise council-owned land to increase the availability of diverse, affordable, or key worker housing</li> </ul>

Regional Housing Taskforce recommendation	Projects that could be included in a program outline plan
<p><b>3 Provide more certainty about where, when and what types of homes will be built</b></p>	<p><b>Projects that:</b></p> <ul style="list-style-type: none"> <li>• release or masterplan for significant housing lands, urban renewal or infill development in accordance with a regional or local strategic plan</li> <li>• identify solutions to broader strategic planning issues' impact on housing supply and affordability, such as studies to support new housing</li> <li>• identify mechanisms to facilitate the development of residential zoned land.</li> <li>• support improvements to council service delivery and performance to improve the assessment of housing proposals and development applications</li> <li>• identify any existing or planned introduction of mechanisms to promote the development of residential zoned land</li> </ul>
<p><b>4 Investigate planning levers to facilitate the delivery of housing that meets short-term needs</b></p>	<p><b>Projects that:</b></p> <ul style="list-style-type: none"> <li>• plan for or address the need for temporary or seasonal worker accommodation</li> <li>• plan for or address the need for temporary supportive accommodation for those in crisis</li> </ul>
<p><b>5 Improve monitoring of housing and policy outcomes and demand indicators</b></p>	<p><b>Projects that:</b></p> <ul style="list-style-type: none"> <li>• improve monitoring and forward planning for future housing supply</li> <li>• identify the future housing pipeline, demonstrating how future housing demand will be met and identifying site constraints that need to be resolved for supply to be realised. This may include the establishment of serviced land targets</li> <li>• identify unmet housing demand and how local planning controls will respond to encourage development that meets these needs</li> </ul>





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# Assessment Criteria – development infrastructure

## Projects eligible for funding

Funding will be provided for:

- projects that deliver development infrastructure that will service planned or proposed housing development
- social and recreational infrastructure that will improve the community's access to nature, parkland and recreation.

The program will support the design and delivery of:

- transport (public transport, roads and active travel), water, public and telecommunications assets, drainage, detention or landscaping
- community facilities, libraries, parks, playing fields, or early childhood centres
- regional and district open spaces and parklands including linear parklands
- trails and strategic open space linkages, including recreational improvements of riparian corridors and easements that contribute to the delivery of important corridors identified in regional plans or endorsed local strategic planning statements
- main street upgrades, civic plazas and high-quality active travel connections
- land acquisition for the purpose of creating new open space in areas where council has documented and published evidence of an existing deficiency in open space
- in-house project management or design services may also be funded subject to prior approval.

Councils must include in their Stage 2 application evidence of how the proposed infrastructure enables or supports new housing supply, as demonstrated by at least one of the following:

- the inclusion of the infrastructure in the council's approved contributions plan
- the inclusion of the infrastructure in a social infrastructure audit or similar publicly available study, commissioned to forecast the community infrastructure needs of an area experiencing significant local population and housing growth

- a business case or other evidence provided by the council to substantiate that the infrastructure enables new housing supply
- other evidence such as a development servicing plan, copy of an IPART assessment or details of any voluntary planning agreements.

Project nominations should also have strategic alignment to government strategies such as:

- local strategic planning statements or other strategic documents such as open space and recreation strategies, urban design plans, town centres or economic strategies, active travel and transport plans
- long-term open space network outcomes
- inclusive play spaces aligned with the Everyone Can Play guidelines.

We encourage councils to put forward projects that, ideally:

- include part-funding by the council
- acknowledge and incorporate Aboriginal culture and heritage in the design and delivery.

## Ineligible projects

The program will not supply funds for:

- projects outside of NSW
- ongoing personnel or staff positions
- events, marketing, branding, advertising or product promotion
- projects requiring ongoing funding for maintenance works from the NSW Government
- retrospective funding to cover any project component that is already complete/underway
- projects that are considered to be part of council's usual ongoing maintenance and management of a site (including ongoing reserve management, asset maintenance or replacement of existing infrastructure)
- public art pieces or signage as a singular project.

# Process

Applications will be assessed by an independent selection panel overseen by an inter-agency oversight committee made up of NSW Government representatives. A probity advisor will also oversee the program.



The panel will assess the program outline plan against the criteria. If the plan meets the requirements, the council will be eligible for funding and will be able to access this funding subject to entering a funding agreement with the Department of Planning and Environment.

We will confirm funding eligibility for development infrastructure and public open space projects against the assessment criteria for development infrastructure prior to funding being transferred.

We will review the achievement of milestones in the program outline plan to 31 December 2022 to confirm commitments have been reached prior to transferring the full funding allocation.

Prior to receiving the first grant payment under the program, the council must submit a project proposal that details the project's alignment with the assessment criteria and the council's capability to deliver the project including:

- evidence that the project will provide value for money and that the budget is realistic for the scale and impact of the project
- clear strategies for engagement of the community, participants and stakeholders
- a statement of technical ability and resources to effectively deliver the project (including a project budget and risk assessment)
- a schedule showing that the project will be complete by 31 December 2023.

## Timeframes

**Table 3: Timetable for the NSW Regional Housing Fund**

Activity	Date by
Stage 1 applications open	3 February 2022
Stage 1 applications close	11 March 2022
Participation agreements offered to eligible councils	8 April 2022
Participation agreements returned to department	22 April 2022
Participating councils announced.	26 April 2022
Stage 2 applications open	3 June 2022
Stage 2 applications close	1 August 2022
Funded projects announced	19 August 2022
Stage 2 funding agreements executed (first payment)	19 August 2022
Construction commences, from	19 August 2022
Councils complete commitments in Stage 1 before (second payment)	31 December 2022
Construction complete	31 December 2023

# Funding and payment milestones

**Table 4. Funding and payment milestones**

Stage	% of allocation	Date
On execution of funding agreement	50%	19 August 2022
Upon confirmation commitments in Stage 1 are complete	50%	Before 31 December 2022

# Program management

Successful applicants must enter into a funding agreement with the department. The funding agreement will set out the obligations of the recipient of the funding. This includes monitoring and reporting, project completion, milestones and payment.

## Project milestones

Funding recipients will be responsible for delivering and meeting the project milestones and delivering the project within the timeframe as per the funding agreement.

Funding recipients will need to supply a project plan to be included in the funding agreement that sets out the works and deliverables, costs and schedule, and must carry out the project in accordance with the terms of the agreement.

## Approvals

Councils must ensure they are aware of all approvals required and consult with relevant authorities in preparing the grant application.





## Other funding

Applicants must disclose whether any aspect of the proposal for this funding program has either:

- received funding through another NSW Government funding program

or

- applied for funding through another NSW Government funding program that may currently be in consideration.
- We will review applications to ensure that the applicant is not seeking or receiving multiple sources of funding for the same works.
- Consultation with the community and other key stakeholders
- The recipient will be required to demonstrate that it has undertaken community and stakeholder engagement on the project or that it intends to do so.

## Monitoring, reporting and evaluation

Grant recipients must:

- provide high-quality 'before' and 'after' images
- provide 'before' and 'after' reporting on core indicators requested by the department
- provide regular project milestone reports and a final acquittal report via SmartyGrants at the completion of project.

## Project opening event and promotion

We will give grant recipients a communication pack with approved key messages, branding, logos and multimedia to help promote the project and acknowledge the funding contribution.

Councils must comply with [NSW Government Funding Acknowledgement Guidelines](#) in all communications and media for the project.

The grant recipient can decide whether or not to hold an opening event. If holding a formal launch event, the recipient must:

- invite the Minister for Planning and Homes or a departmental representative on the minister's behalf to attend any formal launch event (including opening and completion ceremonies, consulting beforehand on available dates where practicable
- provide no less than 30 business days' notice before any formal event.

To make the invitation, the recipient should access the minister's [web form](#).

Recipients should consult with us on a preferred date for a launch event. If the minister or departmental representative accept the invitation to attend the event, a departmental media officer will work with the recipient on the arrangements and media protocols.

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## Payment of grants

Payment of funding is conditional on the funding being used only for the project in accordance with the terms and conditions of the funding agreement.

We will make the funding available in accordance with the milestones and payment schedule set out in the funding agreement. Payments will be subject to recipients complying with their obligations. A final acquittal and project report must be submitted following completion of the project.

## Project responsibility

The recipient must acknowledge and agree that it is solely responsible for delivering and completing the project in accordance with the terms and conditions of the funding agreement. They will not be relieved of that responsibility because of any involvement with a third party (for example, subcontractors or partners).

## Insurance requirements

Recipients must maintain a minimum public liability insurance cover of \$20 million, workers compensation insurance for people involved in delivery of the project, and insurance over assets used in connection with the project.

## Advice

For more resources to support your application, visit the [Regional Housing Fund website](#). The site has answers to frequently asked questions to help you address the program guidelines.

If you are having difficulty with your application on the SmartyGrants system, check out the [help guide for applicants on the SmartyGrants website](#).

To contact SmartyGrants:

- email [service@smartygrants.com.au](mailto:service@smartygrants.com.au)
- telephone 03 9320 6888 (support desk hours are 9:00 am to 5:00 pm AEST, Mon to Fri)
- visit [www.help.smartygrants.com.au](http://www.help.smartygrants.com.au)

**When you attach files to support the application, we strongly recommend you keep files under 5 megabytes and use concise and descriptive file names.**

The department can provide information to potential applicants on how to interpret these guidelines, including the types of projects eligible for funding. Please contact the team by email at [regionalhousingfund@planning.nsw.gov.au](mailto:regionalhousingfund@planning.nsw.gov.au)

## Complaints procedure

Any complaints about a grant process must be made in writing.

If you have questions about grant decisions for this grant opportunity, please send them to [regionalhousingfund@planning.nsw.gov.au](mailto:regionalhousingfund@planning.nsw.gov.au)

If you do not agree with how the department has handled your complaint, you may raise this with the NSW Ombudsman. The Ombudsman will not usually look into a complaint unless the matter has first been raised directly with the relevant department. Visit the NSW Ombudsman at [www.ombo.nsw.gov.au](http://www.ombo.nsw.gov.au).

## Privacy policy

The department is required to comply with the *Privacy and Personal Information Protection Act 1988*. The department collects the minimum personal information you voluntarily provide to enable it to contact an organisation and to assess the merits of an application.

Any information provided by you will be stored on a database that will only be accessed by authorised personnel and is subject to privacy restrictions. The information will only be used for the purpose for which it was collected. Applicants must ensure that people whose personal details are supplied with applications are aware that the department is being supplied with this information and how this information will be used.

