

Regional Housing Strategic Planning Fund

This document answers frequently asked questions about round 2 of the Regional Housing Strategic Planning Fund, the NSW Government's fund to help regional councils plan for new housing.

What is the Regional Housing Strategic Planning Fund?

The NSW Regional Housing Strategic Planning Fund was established in 2022. It is a \$12 million competitive grants program that helps regional councils plan for new housing, including housing that is affordable, diverse and resilient to natural hazards. It does so by providing funding to enable and accelerate the delivery of strategic planning projects, technical studies and policies for housing.

Since the program's launch in August 2022, there have been 2 rounds of funding which have invested \$6.88 million in 36 projects across regional NSW.

How much funding was available in round 2?

A total of \$3 million in funding was available in round 2. Funding of \$20,000 to \$250,000 excluding GST was available for each project.

What are the program objectives for round 2?

The objectives of the fund are 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
- support new housing capacity in regional NSW and enable future development by resolving issues and constraints
- better align and coordinate housing and infrastructure delivery
- support more housing choice and the availability of affordable and diverse housing in regional NSW
- make housing in regional NSW more resilient to natural hazards and other potential shocks and stresses
- empower and support local councils to plan strategically for future housing supply.

Who was eligible to apply for Regional Housing Strategic Planning Fund round 2 funding?

All 95 regional NSW councils outside of Greater Sydney were eligible for funding. Refer to the program guidelines on the [program website](#) for a list of eligible councils.

Councils could apply both individually and in groups of 2 or more councils, as well as for projects delivered in partnership with other non-council organisations.

What types of projects were eligible for funding?

The Regional Housing Strategic Planning Fund targets a range of strategic planning projects, investigations and technical studies that are consistent with the aim and 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.

When was the application period for round 2?

Applications for round 2 opened on 8 August 2023 and closed on 29 September.

How were projects assessed and evaluated?

The Regional Housing Strategic Planning Fund has a competitive merit-based selection process, and all applications were assessed on their merits against the program criteria.

Projects were assessed in 3 stages. The first stage was an eligibility assessment by the department to ensure projects met all eligibility criteria. The department also conducted a strategic review and provided written advice to the assessment panel on projects' strategic alignment and impact.

The second stage was a multicriteria assessment. An expert panel made up of independent third-party panellists and a departmental subject matter expert assessed all eligible applications against the program objectives and assessment criteria. The expert assessment panel made recommendations to an interagency committee made up of NSW Government representatives, who reviewed and endorsed the assessment panel's recommendations.

The Minister for Planning and Public Spaces made the final decision to award funding based on the recommendations from the expert panel and interagency committee.

The assessment process was overseen by an independent probity advisor.

What were the assessment criteria?

Applications were assessed against the following criteria to give them a weighted score out of 100:

- program aims and objectives (20%)
- strategic alignment (20%)
- project impact (30%)
- project scoping requirements (20%)
 - project scope (5%)
 - delivery timeframe (5%)
 - capability to deliver (5%)
 - governance and risk management (5%)
- value for money (weighting 10%).

To ensure an equitable and geographic spread of program funding, councils that did not receive funding in round 1 could be prioritised for funding by the assessment panel.

How many projects are being funded through round 2?

16 projects have received \$2.93 million in funding through round 2. Funded projects include a range of projects to plan strategically for future housing supply, including local housing strategies, master and structure planning for new residential developments, and infrastructure servicing strategies. Round 2 projects will support the delivery of an estimated 23,769 homes.

You can find details of the funded projects on the [program website](#).

Could councils who received funding in round 1 apply again in round 2?

Councils could apply again for funding in round 2, regardless of whether they were successful or unsuccessful in round 1. Councils who received round 1 funding could only apply for funding for a new project and not for additional funding for their round 1 project.

2 councils that received funding in round 1 also received funding in round 2 – Clarence Valley Council and Bega Valley Shire Council.

What happens now that round 2 funding decisions have been announced?

The department has contacted successful applicants. We will issue successful applicants with a funding agreement that sets out:

- their obligations
- the schedule of project milestones based on the project plan in the application
- agreement on project governance arrangements
- mandatory progress and financial reporting to the department.

Successful applicants have to return the signed funding agreement and an invoice for the payment of the grant to the department. Following receipt of funding, successful applicants will have 12 months to deliver their projects.

Why were some applications unsuccessful in securing funding in round 2?

Round 2 of the Regional Housing Strategic Planning Fund generated a lot of interest and the selection process was highly competitive. We received 64 applications for funding that far exceeded the available funding.

Some projects were not selected because they:

- did not meet program eligibility criteria (for example, projects that were not an eligible project type or the applicant had exceeded the permissible number of applications per round)
- included an inadequate level of detail and only high-level responses to assessment criteria, and did not provide a clear justification of why the project is needed or how it would achieve the program objectives
- did not include an adequately detailed project plan or appropriate supporting documentation.

The Regional Housing Strategic Planning Fund team will contact all applicants directly with the assessment panel's comments on their applications. Unsuccessful applicants can contact the team to request further feedback on their applications.

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

The aim of the grant program is to support eligible strategic planning projects that enable and accelerate new housing capacity and deliver 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 and the best locations for housing will change.

Strategic planning is the process of planning for future development and creating the framework of rules that determine where, what and how development occurs.

Supporting regional councils to fully develop their strategic frameworks will help them plan for and better meet the needs of regional communities and 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 funding rounds?

\$6 million in funding remains for future rounds. We will make a further announcement regarding the next funding round in 2024.

What were the outcomes from round 1?

Round 1 of the Regional Housing Strategic Planning Fund closed in September 2022 and provided \$3.9 million to fund 20 projects across 19 regional councils. Projects funded in round 1 included a broad range of planning strategies, planning proposals, technical studies, design guidance and infrastructure contributions plans to help support and accelerate new housing supply. Visit the [program website](#) to view a list of projects.

What is the status of projects funded in round 1?

Round 1 projects are currently underway and will be completed in early 2024. Round 1 projects will support the delivery of approximately 40,000 homes. This includes new housing capacity that projects will create and existing capacity that projects will help unlock by addressing barriers to development.

How can I find out more information?

For more information, visit the [program website](#).

You can also contact the Regional Housing Strategic Planning Fund team at regional.housing@dpe.nsw.gov.au.