
Department of Planning and Environment

Government response to the Regional Housing Taskforce

August 2022

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Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Deputy Premier's foreword

Regional NSW is a great place to live, work, play and invest. That's something those of us who live in the regions have known for a long time, and a growing number of people and businesses have come to realise this over the past few years. With record levels of investment from the NSW Government in growing our regional economies and a wave of migration from cities to the regions driven by the COVID-19 pandemic, demand for regional housing has grown significantly. Many communities have also been devastated by natural disasters, placing even more pressure on housing availability and affordability.

It's projected the population of regional NSW will only continue to grow, and an additional 127,000 new homes will be needed over the next decade. It's vital we have the right planning settings and programs to ensure residents in regional NSW have an adequate choice of homes now and into the future.

We know that adequate housing supply is a critical enabler of economic growth and regional service delivery, and with sufficient housing, regional NSW can achieve its full potential. That's why we established the Regional Housing Taskforce in July 2021. We wanted to better understand the critical housing issues facing regional communities.

The \$2.8 billion investment in housing as part of the 2022-23 budget demonstrates our commitment to addressing the housing challenge across NSW. This includes a new \$174 million program to provide housing for key workers in regional NSW – the teachers, police and health workers – who communities rely on to provide essential frontline services. We are also investing \$120 million in critical enabling infrastructure to unlock regional housing supply through the Accelerated Infrastructure Fund as well as funding more homes for our Aboriginal communities and upgrading our existing social housing stock. There is also targeted support to councils for planning and technical studies to assist with unlocking supply.

Our response to the Taskforce's findings and recommendations expands on the measures announced in the recent NSW Budget. It outlines a comprehensive plan of action to address regional housing issues and drive new supply through a multi-pronged approach. It confirms that we have listened to the advice given by the Taskforce and are taking decisive action to tackle immediate and long-term housing needs.

I would like to thank the Taskforce for their quick and incisive work in bringing their findings and recommendations to the NSW Government. I'd also like to thank the many stakeholders across regional communities, industry and local government who provided valuable input. I'm keen to now focus our efforts on implementing actions and driving great regional outcomes.



The Hon. Paul Toole MP
Deputy Premier
Minister for Regional New South Wales
Minister for Police

Minister's foreword

Everyone in NSW has the right to a home, regardless of where they live or how much they earn. As our regional populations grow, so does the demand for inclusive and sustainable housing. With the rising cost of living pressures, and in the wake of the floods in eastern NSW, we need to work together now to implement change that will last for the long haul.

I would like to thank the Regional Housing Taskforce for its thoughtful recommendations, and the community members and stakeholders across the regions for their important contributions. Since my appointment as Minister for Planning and Homes, I have been focussed on increasing diverse housing supply across the entire state and ensuring the planning system is equipped to give the people of NSW the certainty they need.

This is a big job and it's being backed with the right investment. Following an initial investment of \$30 million through the Regional Housing Fund to implement the Regional Housing Taskforce's recommendations, and a further \$33.8 million is being invested as part of this year's unprecedented \$2.8 billion housing package. These funds will go great lengths to helping councils fast track the supply of shovel ready land for more homes.

New homes need supporting infrastructure, so the housing package also invests \$120 million into accelerating the delivery of the roads, public transport, energy and open spaces our regional communities need to function. \$174 million also goes towards creating homes for the key workers – like teachers, nurses and police – who look after these growing areas.

This plan enables public and private stakeholders to work together through expanded urban development programs that will ensure there is enough housing land for the 127,000 homes needed over the next 10 years.

It also builds on some enormous milestones we have already achieved, including developing the NSW Housing Strategy, *Housing 2041*, which identifies the unique needs of each region and allows us to build homes in the right place at the right time; and the Planning Reform Action Plan, which has reduced assessment times and allowed more homes to be delivered faster. The Future Direction for Social Housing in NSW strategy is also creating more integrated homes, better experiences and reducing stigma for social housing tenants across the state.

I look forward to working with all levels of government, industry, and community housing providers to put these actions into place, because only together can we create a bright future for regional NSW.



The Hon. Anthony Roberts MP

Minister for Planning

Minister for Homes

The Regional Housing Taskforce

In July 2021 the NSW Government established the Regional Housing Taskforce to investigate regional housing issues and the planning barriers to new housing. The taskforce was established in response to the increasing pressures on housing supply and affordability in regional NSW. The area of investigation for the taskforce was defined as all 96 LGAs outside the former Greater Sydney Region.

The taskforce was asked to:

- consult with local government and experts from the development and housing sectors
- advise on the findings of consultation and its research
- provide recommendations on how to achieve better housing outcomes for regional NSW through the planning system.

The taskforce delivered a findings report in September 2021, which sets out the taskforce's understanding of the drivers of housing pressures in the regions. In October 2021, it released its recommendations report, which makes 15 recommendations to improve the effectiveness of the government's planning response to housing issues.

Overall, the taskforce found that there is generally sufficient residential zoned land to accommodate forecast housing demand in regional NSW. However, there are barriers to making this land suitable for housing development. For greenfield sites, barriers to development typically relate to unresolved site-specific constraints at and after the development assessment stage, such as environmental and biodiversity issues, the funding and delivery of enabling infrastructure, the cost and complexity of required technical studies, as well as development feasibility and market factors.

The taskforce found that regional NSW faces a critical lack of housing diversity, meaning housing of different sizes, types, and tenures to accommodate households of different sizes and needs. Existing housing in the regions, which is predominantly detached houses of three bedrooms or more, is not meeting the growing demand for smaller and more accessible dwellings that is being driven by an ageing population, growing numbers of smaller households, and a need for housing at different price points. Despite regional councils' efforts to boost the supply of more diverse housing, low development feasibility, a lack of precedence for developers in many regional markets, and uncondusive planning controls has limited housing supply.

The taskforce recommended that a whole-of-government response be developed to address barriers to development and ensure that housing supply is responsive and matched to community needs.

The taskforce made 5 overarching and 15 detailed recommendations. These are underpinned by 8 principles that set out the taskforce's rationale. The overarching recommendations are to:

1. support measures that bring forward a supply of 'development-ready' land
2. increase the availability of affordable and diverse housing across regional NSW

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3. provide more certainty about where, when and what types of homes will be built
 4. investigate planning levers to facilitate the delivery of housing that meets short-term needs
 5. improve monitoring of housing and policy outcomes and demand indicators.

The taskforce's principles for planning for housing in regional NSW

1. Invest in up-front, place-based strategic planning to improve decision-making, provide certainty and enable more efficient assessments.
2. Provide a more transparent and certain supply pipeline and activate latent supply by addressing infrastructure requirements and resolving site constraints.
3. Strengthen collaboration by the NSW Government with the Federal Government, local governments, and industry to improve the identification, funding, and delivery of infrastructure to support priority housing.
4. Ensure new housing is appropriately located, well-designed, fit for purpose, and better provides for the diversity of housing needs, including strengthening planning and approval pathways for innovative typologies and tenures.
5. Consider social and affordable housing as essential social and economic infrastructure.
6. Facilitate the delivery of diverse housing that meets demonstrated need through targeted use of government land.
7. Build the capacity of local government and local industries to plan and deliver housing in the regions.
8. Enhance monitoring and evaluation of policy and housing outcomes.

Government response to the Regional Housing Taskforce

The NSW Government is committed to improving housing affordability and resilience across NSW. It believes all people in NSW should have a roof over their head and more people should have the opportunity to own a home. The government thanks the taskforce for its investigation and acknowledges the important contributions made by the many NSW citizens and stakeholders who engaged with the taskforce.

Since the taskforce's reports were published, housing pressures have continued to rise across much of regional NSW, with the added challenge of rebuilding and recovering in the wake of recent floods in eastern parts of the state. Regional NSW is projected to grow at a faster rate than previously forecast and will need up to 127,000 new homes over the next 10 years. This makes it critical that the right planning settings and programs are in place to make sure that the regions have an adequate supply and choice of homes.

The NSW Government has accepted all the taskforce's recommendations and principles and has prepared this comprehensive government response to implement the recommendations.

The NSW Government has committed to actions that will help deliver improved housing supply and affordability in regional NSW to support the delivery of a 10-year pipeline of housing, with \$327.8 million in targeted regional funding and statewide housing programs including:

- \$174 million to deliver more than 270 homes for teachers, nurses and police in the regions
- Up to \$120 million to support the delivery of housing-enabling infrastructure in the regions such as water, sewer, electricity, local roads, stormwater infrastructure and public open space projects
- A \$33.8 million Regional Housing Development Program, with funding to support grants for up-front strategic planning, the expansion of the urban development program to improve housing delivery and coordination between governments, the development industry and infrastructure providers, and improved regional housing data and monitoring to actively manage the housing supply pipeline
- \$300 million to upgrade more than 15,800 social homes across the state, including in regional NSW, to improve the quality and extend the life of properties and ensure they are suitable for ageing and less-mobile residents
- \$217 million in funding to improve First Nations housing outcomes across NSW including through new and upgraded homes, support for Aboriginal homeownership and tenancies, and support for the Aboriginal Community Housing sector, the majority of which will be spent in the regions including remote areas such as Menindee, Broken Hill, Coonamble and Cobar
- \$780.4 million to help up to 6,000 single parents, older singles and key workers across NSW buy a home through a pilot 2-year shared equity scheme

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- \$162.6 million to address uncertainty and blockages in the planning system and unlock more housing sooner through faster planning assessments accelerated rezoning of key housing precincts and council-led rezonings in Sydney and the regions

This government response builds on momentum from significant work already completed and underway to speed up the delivery of homes through the planning system, deliver infrastructure to enable new housing and support the work of regional councils.

The government response reflects the NSW Government's broader 2022 housing package, Pathways to Homes, and aligns with the framework of the NSW Housing Strategy, *Housing 2041*. The plan introduces new measures and programs to better plan for and deliver new housing opportunities for our communities in regional NSW.

How the government response will be implemented

Addressing the full spectrum of housing needs and unique housing issues in regional NSW requires coordination and partnership between the various arms of government that contribute to housing outcomes, as well as ongoing engagement with the community and industry. Responsibility for implementing the initiatives in the government's response to the regional housing taskforce will be shared across a number of government agencies. A cross-agency committee with representatives from all responsible delivery agencies will be established to coordinate and monitor the implementation of the response to the Regional Housing Taskforce. The government will publicly report on the progress of key deliverables.

The government response aligns with the objectives of the NSW Housing Strategy, *Housing 2041*, and core initiatives from the response will be incorporated within the next *Housing 2041: 2023-27* Action Plan, to be developed later in 2022.

What we have already done to boost regional housing supply

NSW Housing Strategy: *Housing 2041*

Housing 2041, released in 2021 sets a long-term vision for better housing outcomes across NSW – housing in the right locations, housing that suits diverse needs and housing that feels like home. *Housing 2041* is NSW's first statewide, whole-of-government housing strategy that is centred around the four inter-related pillars of housing supply, affordability, diversity and resilience. *Housing 2041* is as much for regional NSW as it is for metropolitan Sydney with key commitments relevant for the regions including support for those most in need, making sure housing adapts to the changing needs of our ageing population, housing sustainability and housing affordability.

Housing 2041 recognises that each region will have separate, unique housing challenges and issues that are specific to that region, allowing for a targeted housing approach

An Expert Housing Advisory Panel has been established to oversee the delivery of *Housing 2041*. The Panel provides advice to the Minister for Planning and Minister for Homes as well as the department regarding the implementation of *Housing 2041* and its action plans.

Planning Reform Action Plan

The Planning Reform Action Plan outlines the NSW Government's ongoing planning reform agenda to ensure that NSW has a timely, certain and transparent planning system. The plan has been successful in meeting planning assessment timeframe reduction targets, helping to ensure that homes can be delivered sooner. Over the next 4 years, the NSW Government will continue its work to improve the planning system and enable good growth.

Future Directions for Social Housing in NSW (2016–25)

Future Directions has a focus on supporting people's independence so that social housing helps break the cycle of disadvantage. It aims to deliver more homes, better places and a better experience for social housing tenants. This includes providing links to support services for those who are frail-aged, have a disability or a serious mental illness.

Future Directions has increased social housing and the community housing sector's capacity to develop and manage more social homes. The Social Housing Management Transfer program has transferred 14,000 homes and tenancies to community housing providers. The Social and Affordable Housing Fund has to date delivered more than 2,000 of 3,400 homes. The Communities Plus program is delivering small-scale social housing renewal and large-scale, mixed-tenure redevelopment of social housing estates.

As of March 2022, under the Millers Point Program 1,649 dwellings had been completed and 249 dwellings were under construction using the proceeds from sales of 419 properties. Twenty-year leases for homes owned by the NSW Land and Housing Corporation are facilitating greater access to finance by community housing providers. The Land and Housing Corporation is a self-funded public trading enterprise that owns and manages the government's housing assets.

Land and Housing Corporation Portfolio Strategy 2020

The Land and Housing Corporation Portfolio Strategy 2020 sets out the vision and priorities to grow and change the corporation's portfolio over the next 20 years. By growing and changing the portfolio, Land and Housing Corporation can house more vulnerable people and families in better quality homes and improve its financial sustainability as a self-funded housing owner. The portfolio strategy provides direction for the types of homes the corporation will own and build into the future. The homes will be planned and designed to meet changing needs. They will be quality homes that are fit for modern use and well maintained.

Strong Family, Strong Communities Aboriginal Housing Strategy (2018–28)

The Aboriginal Housing Office is mid-way through implementing a 10-year Strong Family, Strong Communities Aboriginal Community Housing Strategy (2018–28). The focus of the strategy is improving the social housing experience of Aboriginal people and families, including how the Aboriginal Housing Office asset portfolio is used. The Aboriginal Housing Office is also working with partners to strengthen and grow the Aboriginal community housing sector.

Flood response

Many parts of the state now face additional housing pressures due to the challenge of rebuilding and recovering in the wake of recent floods in eastern parts of the state.

NSW flood inquiry

In March 2022, the NSW Government established an independent flood inquiry to examine and report on the causes of, preparedness for, response to, and recovery from the 2022 catastrophic floods. The terms of reference for the inquiry include investigating the housing needs of communities following displacement from flood events and land-use planning policies applying to development in flood-prone locations. The inquiry has reported to the Premier and the Government response supports all 28 recommendations, either in full or in principle.

Land and Housing Corporation flood response

The Commonwealth and NSW Governments are investing a combined \$168 million over 3 years to enable the NSW Land and Housing Corporation to deliver:

- At least \$8 million to make repairs to flood affected social homes by covering insurance gaps, with repair costs of more social homes still to be advised by community housing providers
- \$150 million to fund up to 240 replacement, substitute and new social homes in areas including Lismore, Casino, Tweed Heads, Alstonville and Sawtell
- \$10 million to repair and reinstate up to 27 police homes and meet insurance gaps

Aboriginal Housing Office Flood Recovery Program

In partnership with the Commonwealth Government, Resilience NSW has announced a \$70m Flood Recovery package over 3 years to assist Aboriginal tenants in affected areas. This funding was awarded to the NSW Aboriginal Housing Office. The funding will be utilised to repair and, where necessary, rebuild impacted homes owned by the AHO or by Local Aboriginal Land Councils and Aboriginal Community Housing Providers.

Temporary Housing Support Package

In March 2022, the NSW Government announced a new \$285 million Temporary Housing Support Package to provide accommodation to flood victims who lost their homes. The housing support package can help around 25,000 households and is focused on allowing people to move out of emergency accommodation and find a more permanent place to call home. The package includes:

- a \$248 million rental support scheme providing 16 weeks rental support
- \$20 million to extend the temporary housing program to allow people to stay on their land in a temporary 'pod' dwelling while rebuilding
- \$10 million to supply temporary accommodation through mobile motor homes
- \$4.5 million to help the Housing Flood Recovery Service manage long-term housing needs and recovery
- \$2.5 million to provide temporary housing through hiring recreation camps in the Northern Rivers

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- \$150,000 for a housing brokerage service to enable the Australian Red Cross to work with private rental companies such as Airbnb and Stayz to help connect people with rental homes.

Northern Rivers Reconstruction Corporation

The Northern Rivers Reconstruction Corporation commenced operation on 1 July 2022 to manage the rebuilding of flood impacts communities by coordinating planning, rebuilding and construction work across multiple government agencies. It will set and implement reconstruction priorities in the region and work collaboratively to deliver those priorities. This includes working with the NSW Department of Planning and Environment to fast-track planning and environmental approvals to make it easier to rebuild and funding the delivery of infrastructure to enable resilient development.

Recommendation 1: Development-ready land

The NSW Government will implement measures to improve infrastructure planning, delivery, and coordination in the regions to help unblock housing supply.

The NSW Government has renewed the Accelerated Infrastructure Fund for a third round and extended the fund to be available to regional NSW to help address regional housing pressures. Up to \$120 million of the \$300 million fund will be available to help regional councils fund the gap between council revenues and the costs of projects that deliver infrastructure to support new homes and jobs, such as water, sewer, electricity, local roads, stormwater infrastructure and public open space projects.

As part of the \$33.8 million Regional Housing Development Program, the NSW Government will build on the success of current urban development programs, which support delivery of housing in new release areas. Urban development programs bring together private and public stakeholders responsible for delivering housing and infrastructure so they can work together to plan and sequence housing and infrastructure delivery. The government will expand urban development programs to cover more high-growth areas in regional NSW. As a first step, new urban development programs will be established in the Central Coast, the Upper Hunter and Mid-Coast (Dungog, Mid-Coast, Muswellbrook, Singleton, and Upper Hunter LGAs), and the Capital region (Goulburn, Queanbeyan-Palerang, and Yass LGAs).

As part of the expansion of the urban development program, the NSW Government will immediately begin work to establish a consistent Housing Pipeline Assessment methodology to audit the amount of development ready land in NSW, meaning land that is free of constraints to development in the short term, and identify infrastructure gaps, environmental constraints, and other barriers to development. Audits will be rolled out in partnership with local government across priority areas such as regional cities and high growth areas in addition to UDP expansion areas. Audits and the expansion of UDP will provide consistent and comparable data for state and local decision-makers and enable evidence-based and proactive planning where housing land shortfalls and critical barriers to delivery are identified.

The government is committed to continuously improving the UDP programs and expanding the scope over time to address infill development, and social, affordable, and diverse housing, as well as how UDP recommendations are considered by government. New digital program dashboards will also be developed to provide accessible and transparent data on housing and land supply in urban development program areas.

To provide greater certainty around how infrastructure is funded and delivered to support new and existing communities, the NSW Government is working to deliver infrastructure contributions reform. The government has exhibited a package of reforms in response to the NSW Productivity Commissioner's review of the infrastructure contributions system in NSW and is working to finalise the reform package in collaboration with stakeholders.

What we've already done

Infrastructure contributions reforms

A series of system improvements were introduced to the Environmental Planning and Assessment Regulation in early 2021. These improvements streamline the process of reviewing contribution plans by external parties such as IPART, speeding up the time taken and delivering final plans earlier. Further improvements will occur as the reforms to the contributions system progress, including with the introduction of an Infrastructure Contributions Digital Platform.

Housing Acceleration Fund

Since 2012, the Housing Acceleration Fund has allocated \$278.6 million in grant funding for 23 regional infrastructure projects that support the delivery of housing. Projects funded cover transport, water, wastewater, drainage and community infrastructure.

Regional Housing Fund

In February 2022 as a direct response to the Regional Housing Taskforce's findings, the NSW Government launched the \$30 million Regional Housing Fund grant program to help 21 large regional councils deliver new infrastructure, infrastructure upgrades and public open space projects that directly support the delivery of new housing supply. Planning for up to 33,000 new homes could be fast-tracked across regional NSW, thanks to the \$30 million program aimed at supporting high growth areas.

NSW Public Spaces Legacy Program

The NSW Public Spaces Legacy Program is a \$250 million investment in new and improved public and open space projects across NSW. Some 31 regional councils implemented programs to accelerate the assessment of development applications and rezoning proposals to meet future demand for housing and employment. There are 56 public and open space projects underway across regional NSW.

Low Cost Loans Initiative

The NSW Government has invested approximately \$21.1 million to kick start nearly \$571 million worth of essential infrastructure across the state through the Low Cost Loans Initiative. The program helps councils bring forward the delivery of infrastructure that enables new housing supply and supports growing communities.

Infrastructure to enable social housing

Some \$100 million in housing-enabling infrastructure funding was secured by Land and Housing Corporation through an inaugural agreement in mid-2020 to use the National Housing Infrastructure Facility. This funding, which includes a component of federal grants, is used to accelerate the delivery of new supply projects.

Recommendation 2: Housing affordability and diversity

The NSW Government is working to make sure that the regions have enough diverse and affordable homes to meet the needs of communities.

The NSW Land and Housing Corporation and Department of Regional NSW will work in partnership to develop housing programs for key frontline workers in the regions (teachers, police, and health workers). This includes investment of \$174 million in around 270 new and refurbished homes to support regional service delivery in high-need regional areas.

Landcom, the NSW Government's land and property development organisation, will deliver more projects in the regions to help meet the regions' supply needs. Housing will be delivered through Landcom and in partnership with NSW Land and Housing Corporation and the community housing and private sectors.

The NSW Government is also continuing to proactively identify opportunities for using government land to deliver housing in the regions, including social and affordable housing and homes for frontline and key workers. The NSW Department of Planning and Environment – Crown Lands will identify opportunities to use suitable Crown land for social and affordable housing development in regional NSW. Aligned with priorities outlined in Crown land 2031: State Strategic Plan for Crown land, this work will build on the success of the Memorandum of Understanding between Crown Lands and the NSW Land and Housing Corporation to explore opportunities for partnerships with Aboriginal people, other areas of government and local communities to support the use of Crown land for residential housing.

The NSW Land and Housing Corporation will invest \$300 million in capital maintenance works for more than 15,800 NSW Land and Housing Corporation owned social housing properties across NSW over the next 3 years to improve the condition and quality of homes, reducing future maintenance costs and addressing cost of living. The funding will extend the life of around 455 homes and support around 900 construction services jobs.

The NSW Government will continue its work to meet the National Agreement on Closing the Gap's housing target through a \$149.8 million Aboriginal Housing Office Closing the Gap – Housing Solutions program. This program will deliver 200 new homes, refurbish 260 existing homes and undertake energy upgrades to 4,440 from FY 2022-23 to FY 2025-26. Around 80% of the program funding will be spent in remote and regional NSW.

The NSW Government will invest in the continuation of the Strong Family, Strong Communities program to help improve Aboriginal housing outcomes. It will invest \$67.2 million from FY 2022-23 to FY 2025-26 to support the wellbeing of NSW Aboriginal families and communities through housing. This includes a home ownership program through the Aboriginal Housing Office Home Buyer Saver scheme which provides eligible Aboriginal people with grants towards realising their homeownership dream. The program also includes providing specialist housing support through ongoing tertiary accommodation grants, transitional housing programs and support for sustaining Aboriginal tenancies. The program also strengthens the viability of the Aboriginal community

housing sector through workforce training for Aboriginal Community Housing Providers and resourcing for maintenance and operational activities.

The Department of Planning and Environment will continue its planned review of state diverse and affordable housing policies to ensure that they are effective in various regional contexts and that the right planning incentives and controls are in place to increase the supply of affordable and diverse housing types in the regions. The department has already made some changes to the Housing State Environmental Planning Policy which came into effect on 1 July 2022 in response to the taskforce's recommendations, including to provide more opportunities for infill affordable housing and boarding houses in the regions to help meet the demand for affordable rental homes and to make it easier for the NSW Aboriginal Housing Office to deliver small scale Aboriginal housing.

As outlined within the NSW Housing Strategy, the NSW government is investigating innovative initiatives to support affordable home ownership for first home buyers across NSW. The government is introducing a \$780.4 million 2 year shared-equity trial to help up to 6,000 single parents, older singles and first home buyer teachers, nurses and police purchase their own home. A rent-to-buy program supporting eligible low-income earners will be explored by the NSW Land and Housing Corporation in partnership with community housing providers to provide alternative pathways to homeownership.

The NSW Government will also explore new funding models for social and affordable housing in collaboration with the community, the Aboriginal housing sector and the private sector.

What we've already done

Around \$1 billion for new and upgraded social housing across NSW

Through the NSW Land and Housing Corporation, the NSW Government is actively growing and managing social housing in metropolitan and regional NSW. Some 22% of Land and Housing Corporation properties are in regional areas (excluding Newcastle and Wollongong), providing social housing to vulnerable people and families. .

Land and Housing Corporation is developing new tools to support its long-term view of its property portfolio. Place-based strategies such as local and regional area analyses help the corporation better understand what stock it has, where the stock is located, its condition, and what opportunities are available for redevelopment, sale or long-term retention. To date, the corporation has released analyses for 11 regional LGAs.

Crown land to support regional growth

In 2022, the NSW Government partnered with the NSW Aboriginal Land Council and Merrimans Local Aboriginal Land Council to identify Crown land in Cooma that could be used for housing. This land will be repurposed to deliver up to 200 homes, including social, affordable, and key-worker housing. The project was supported by a historic agreement between the Crown Lands branch of NSW Department of Planning and Environment and the NSW Land and Housing Corporation to explore how Crown land can be used to provide much-needed housing through partnerships with Aboriginal people, other areas of government and local communities. While Cooma is the first community to benefit from such a partnership, work is underway to identify opportunities in other areas across NSW.

Community Housing Innovation Fund

The Community Housing Innovation Fund is a \$150 million program delivering social and affordable housing in partnership with community housing providers across NSW. The fund is based on a co-contribution model that leverages additional resources that housing providers can contribute to projects, including debt, capital, land, tax concessions and philanthropy.

So far, the fund has seen 224 new homes created in regional NSW, including homes for single, older women, women with children, people with a disability and Aboriginal people.

Supporting regional economies

Around 99% of the maintenance work on Land and Housing Corporation-owned properties in regional NSW is done by local area subcontractors. This provides work for regionally based plumbers, painters, electricians, carpenters, groundskeepers, cleaners, tilers, carpet layers and other local businesses.

Strengthening the community housing sector

The community housing providers sector manages around 31,500 Land and Housing Corporation properties, equating to about 25% of the portfolio. The Social Housing Management Transfer Program completed in September 2019 was the largest property management transfer in Australia, resulting in an increase of around 14,000 properties being community managed for the NSW Government and \$1 billion of Commonwealth rental assistance to NSW over 20 years, funding that was otherwise unavailable to the state.

To further strengthen the sector, Land and Housing Corporation is providing longer leases to some community housing providers. This will give providers secure long-term revenue streams to allow them to grow their portfolios. Land and Housing Corporation also has pathways to manage community housing providers' direct dealings and redevelopment proposals to fast-track delivery and enable more money to go into social housing.

New Housing SEPP

The new Housing State Environmental Planning Policy (Housing SEPP) was introduced in 2021. It combined and streamlined 5 housing-related policies and introduced new provisions supporting the development of more diverse housing types such as co-living housing, independent living units, boarding houses, build-to-rent housing, and seniors housing. Further changes made in early 2022 expanded the Land and Housing Corporation's self-assessment powers to help it deliver social and affordable housing.

Investment in housing for Aboriginal communities

The AHO owns more than 6,000 properties and provides support to a sustainable housing sector through accessible, culturally appropriate and affordable housing. The AHO has grown its dwellings portfolio by 20% since 2011, from 4,949 to more than 6,000 homes in 2022. During this period, the AHO had also delivered approximately 4,000 capital upgrades, as well as climate resilience upgrades to 3,931 families.

As part of the 10-year National Partnership Agreement on Remote Indigenous Housing program, the AHO met all milestones by 30 June 2020 and delivered 282 new supply homes and a further 108 Employment Related Accommodation (ERA) properties, 3 Safe House and 2,563 refurbishments of existing properties.

Since 2018, as part of the AHO's Strong Family, Strong Communities 4-year strategy, over 200 new homes have been built and 2,279 refurbished, there have been 100 home ownership grants awarded to Aboriginal families, and 1,500 AHO homes have been transferred to Aboriginal providers.

\$75 million for housing for regional healthcare workers

In 2021, the NSW Government announced a combined \$75 million to support housing for local and visiting frontline health workers. This included \$45.3 million to deliver modern, sustainable accommodation for health workers close to health facilities in the Murrumbidgee, Southern NSW and Far West local health districts and \$30 million for health worker housing for the Hunter New England and Western NSW local health districts.

Recommendation 3: Increase planning certainty

The NSW Government is committed to delivering a strategy-led planning system that provides communities with certainty about future housing development in the regions.

As part of the \$33.8 million Regional Housing Development Program, the NSW Government is launching a new targeted, competitive grants program with up to \$12 million in funding to help regional councils deliver strategic plans, housing policies and technical studies that support increased housing supply, affordability, diversity and resilience and fill in gaps in the strategic framework that slow down the delivery of new homes. The NSW Department of Planning and Environment will administer the grant fund, which will invest in projects such as housing strategies, affordable housing strategies, master plans, rezonings to support housing, infrastructure planning, and technical studies that provide greater certainty about where future housing development can occur, such as flooding, bushfire, infrastructure and biodiversity studies.

The department will also address uncertainty in the planning system, reduce delays, and clear the backlog of assessments through continuing to improve planning processes for rezoning and development assessment across the state. As part of the 2022 Housing Package, the NSW Government has committed \$89 million to unlock more housing sooner through faster planning assessments, \$69.8 million to accelerate rezoning of key housing precincts in Sydney and the regions, and \$3.8 million to accelerate council-led rezonings through a 'call-in' team.

In March 2022, the NSW Government established the regional housing flying squad to help regional councils address the shortage of planners in the regions and assess the backlog of development applications. The \$1.35 million program provide councils with the opportunity to outsource development application assessments to a panel of planning consultants that is coordinated by the department.

The department will also work alongside local government to improve assessment timeframes for new housing through a Faster Local Assessment Grant program. Under the program grants of up to \$350,000 will be available to eligible regional and metro councils that have not previously received department assistance, and which have potential to improve assessment timeframes through resource support and process improvements.

The department will also investigate the role of market factors in housing delivery, including consideration of whether it is appropriate to introduce mechanisms that ensure land zoned for housing is brought to market in a timely manner.

The department will continue to work in partnership with Aboriginal communities to identify opportunities for Aboriginal land owners to overcome roadblocks in delivering housing for community. It will also work to better align strategic planning with Aboriginal community aspirations to both progress Aboriginal self-determination and boost housing supply. The department will deliver a range of initiatives to enable Aboriginal people to achieve their aspirations for their land and help to progress opportunities for housing through the development pipeline.

What we've already done

Regional plans

The next generation of 9 regional plans is in the process of being delivered, with the Illawarra Shoalhaven Regional Plan 2041 delivered in 2021 and the Central Coast, Central West and Orana, Hunter and New England North West draft regional plans completing exhibition in February and March 2022.

These updated plans will provide a clear vision and direction for future housing supply and will directly inform local-level plans such as local strategic planning statements and local environmental plans.

City Region of Six Cities

The development of both Regional Plans (led by DPE) and City Plans (led by GCC) will provide a coordinated and strategic approach to supporting housing delivery efforts in key regional cities surrounding Greater Sydney.

The remit of the Greater Sydney Commission has expanded under the new Greater Cities Commission (GCC) to include the Lower Hunter and Greater Newcastle City, Central Coast City and Illawarra-Shoalhaven City with the Eastern Harbour, Central River and Western Parklands Cities of Sydney. Strategic planning guided by the GCC will provide a coordinated strategic approach to support housing delivery efforts across Greater Sydney and the surrounding regional cities.

Regional housing delivery plans

In October 2021, the NSW Government announced a \$200 million Regional Recovery Package to support recovery from COVID-19. This included \$5 million for regional housing delivery plans that will identify specific place-based solutions and identify local constraints to housing supply for targeted functional economic regions. Constraints may include key skilled worker and industry shortages, lack of council resources, infrastructure backlogs or planning barriers. The first tranche of 10 plans will be completed by the end of 2022.

Regional housing flying squad

In March 2022, the NSW Government established the regional housing flying squad to help regional councils address the shortage of planners in the regions and assess the backlog of development applications. The \$1 million program provides councils with the opportunity to outsource development application assessments to a panel of planning consultants that is coordinated by the Department of Planning and Environment.

Recommendation 4: Meeting short-term housing needs

The NSW Government will introduce new provisions in the planning system to support the delivery of housing that meets short-term housing needs.

To assist in addressing delivery of transitional and crisis accommodation to meet short-term needs, the NSW Government is looking at ways the planning system can be used to activate underused land and buildings for temporary supportive accommodation.

In developing this policy, the NSW Government will consult broadly with the community and stakeholders to ensure that temporary supportive accommodation is well managed and fit for purpose.

The NSW Government will also investigate the introduction of standardised planning pathways for certain types of temporary accommodation to address spikes in regional housing demand stemming from seasonal and temporary workers, increasing the responsiveness of the planning system to changes in housing demand.

What we've already done

Social impact assessment to better manage housing impacts of major developments

In October 2021, a new Social Impact Assessment Guideline came into effect requiring all state-significant projects to have a clear and consistent approach to assessing social impacts, including housing impacts. This helps ensure that the housing impacts of major proposals, including the impacts of the potential influx of short-term workers, are properly considered in their assessment.

Housing Recovery Taskforce

A whole of government taskforce continues to deliver temporary supportive accommodation for Northern NSW flood victims by leveraging underutilised government land.

New self-approval powers for temporary emergency accommodation

In response to floods in early 2022, a new planning pathway was introduced in April 2022 to facilitate the establishment of temporary emergency accommodation at new temporary caravan parks and planning grounds. This planning pathway will remain available to help in response to all future natural disasters.

Recommendation 5: Improved monitoring and forward planning

The NSW Government is working to ensure that there is greater transparency and accountability in the delivery of new homes and to better quantify and understand regional housing pressures so that clear benchmarks and targets can be set.

The NSW Government acknowledges that there is shared responsibility between government, the private sector, and the not-for-profit sector for delivering new housing that meets community needs. The government will establish housing supply benchmarks and targets for high-growth regional areas, including targets for diverse and affordable housing, to ensure that new homes meet local needs.

The NSW Government is also delivering a range of improvements to existing tools and developing new digital tools to improve the way housing data is collected and used. These tools will support evidence-based planning decisions to deliver housing and accelerate the review of housing-related planning policies to ensure they are meeting their objectives and are optimised.

The Housing Evidence Centre is a centralised location for housing data and projections, an online portal that supports evidence-based decisions across government by providing open access to housing data. The Housing Evidence Centre will be expanded to complement existing analytic tools and introduce new digital functionality, data and analysis that will directly support decision-making and help state agencies and local councils develop high-quality strategic plans outlining how future housing needs will be met.

Department of Planning and Environment will lead a series of research partnerships to fill data gaps and provide insights where there is currently limited evidence. Data will be coordinated and shared via the Housing Evidence Centre. The research program will be undertaken in partnership across government and the housing sector to ensure data products and analysis produced are aligned with stakeholder needs and will directly inform policy improvements.

A new Regional Housing Dashboard and Regional Housing Supply Monitor will provide housing data and insights for regional NSW and enable better monitoring of housing trends across the regions. In combination with data and reporting improvements from the Housing Evidence Centre and urban development programs, these new tools will be used to inform housing supply targets.

The Department of Planning and Environment will continue to monitor and review the impact of other planning policy reforms, such as those around infrastructure contributions, as well as the range of new initiatives that are part of the government's response to the taskforce. It will evaluate the impact of reforms on a broad range of housing outcomes.

What we've already done

Housing Evidence Centre

Phase 1 of the Housing Evidence Centre was launched in September 2021 to make it easier for users inside and outside of government to access the key housing data and information needed for evidence-based decision-making. This first phase focused on curating, listing, and communicating key NSW Government housing data and evidence, making it easy to find via a single webpage.

Regional Housing Supply Monitor

In 2022, Department of Planning and Environment launched the Regional Housing Supply Monitor. The monitor provides comprehensive data on housing stock and new completions across regional NSW in a standardised and automated way.

Aboriginal Housing Office Dashboard

In response to Closing the Gap's priority reform to share access to data and information at a regional level, the Aboriginal Housing Office has introduced a publicly available interactive dashboard providing information on all dwellings it owns. The Aboriginal Housing Office has also developed a housing demand model to forecast demand for Aboriginal housing to 2031 to guide decision-making and priority setting.

Land iQ - Strategic Land Use Evaluation Tool

The NSW Government is on the path to a modern whole-of-government approach to land use evaluation where decisions are based on standardised, data driven, shared information with optimised public benefits as the objective. LandIQ is a whole of government strategic land use evaluation tool that will be initially available for state government with potential for broader application in future.

Government response to the Regional Housing Taskforce: summary of initiatives

Recommendation 1: Support measures that bring forward a supply of ‘development-ready’ land

Action			
1.1	Expand the urban development program areas to improve the coordination and delivery of new housing. The urban development program should focus on setting serviced land targets, identifying infrastructure requirements, aligning infrastructure plans, and auditing residential zoned land to identify other barriers to development (including environmental constraints and biodiversity offset costs) to establish a clearer housing supply pipeline.		
		Timing	Responsibility
1.1.1	Establish urban development programs in the Central Coast, Upper Hunter and Capital region and launch additional regional urban development program locations subject to further investigation	2022–24	Department of Planning and Environment (Planning)
1.1.2	Establish a methodology for undertaking comprehensive Housing Pipeline Assessments to audit residential land supply and roll out in regional cities and growth areas	2022 and ongoing	Department of Planning and Environment (Planning)
1.2	Support the delivery of critical enabling infrastructure through introducing reforms to infrastructure contributions and implementing complementary initiatives to prioritise infrastructure contributions plans, targeted grant programs and low-cost loan schemes.		
1.2.1	Establish a new round of the Accelerated Infrastructure Fund to unblock and accelerate new housing capacity across NSW	2022–24	Department of Planning and Environment (Planning)
1.2.2	Deliver the Regional Housing Fund to support investment in critical development infrastructure and open space in regional NSW.	Commenced February 2022	Department of Planning and Environment (Planning)

Recommendation 2: Increase the availability of affordable and diverse housing across regional NSW

Action			
2.1	Facilitate the strategic use of government-owned land to provide improved housing outcomes through the delivery of affordable, diverse housing, and key-worker housing. This includes identifying priority sites for housing, the removal of policy obstacles that prevent utilisation of existing government land and property assets for housing, and the maturation of the Government Property Index.		
		Timing	Responsibility
2.1.1	Activate Crown land in regional NSW to contribute to social and affordable housing supply through partnerships with Aboriginal people, other areas of government and local communities.	Ongoing	Department of Planning and Environment (Crown Land and Local Government)
2.1.2	Establish a streamlined pathway for investment proposals and housing delivery on NSW Government land	2022	Department of Planning and Environment (Property and Development Group)
2.1.3	Deliver additional housing for critical frontline workers, including health, police, and teachers	2022–26	Department of Regional NSW Land and Housing Corporation
2.2	Establish an ongoing program to deliver new and renewed social and affordable rental housing in the regions through partnership between government housing providers such as the Land and Housing Corporation and Landcom, local government, and the community housing sector.		
2.2.1	Continue to grow and change regional social housing stock to house more vulnerable people and families in better quality, modern homes in line with the Land and Housing Corporation's and Aboriginal Housing Office portfolio strategy	Ongoing	Land and Housing Corporation Aboriginal Housing Office
2.2.2	Explore new funding and funding models for social and affordable housing in partnership with the community housing and private sectors	Ongoing	Land and Housing Corporation
2.2.3	Increase Landcom's delivery of housing in the regions	Ongoing	Landcom
2.2.4	Deliver new and upgraded supply of housing for Aboriginal communities to contribute to the achievement of the Closing the Gap housing target through the AHO's Closing the Gap Housing Solutions program	2022-2025	Aboriginal Housing Office
2.2.5	Deliver programs and funding to improve housing outcomes for Aboriginal people and	2022–26	Aboriginal Housing Office

	support the growth of the Aboriginal community housing providers sector through phase 2 of the Strong Families, Strong Communities program		
2.3	Review incentives and planning controls for affordable and social housing to ensure that these settings are effective in encouraging social and affordable housing supply in regional contexts.		
2.3.1	Review the Housing SEPP , including reviewing planning provisions for: • in-fill affordable housing • group homes • caravan parks and manufactured home estates • seniors housing • affordable housing contribution schemes	2022–23	Department of Planning and Environment (Planning)
2.4	Reduce barriers to public–private partnerships that deliver social, affordable, and key-worker housing. This includes reviewing legal and administrative barriers, providing guidance and support to local government, and reducing the financial performance requirements for government-owned corporations to enable them to deliver housing for broader community benefits.		
2.4.1	Review parameters for direct dealing with the community housing sector	2022	Land and Housing Corporation
2.5	Prioritise diverse and affordable housing through regional and local strategic plans , minimum density and housing mix requirements for new development, place-based in-fill housing targets, reviewing planning instruments to ensure they enable in-fill housing, and introducing model controls that help councils facilitate good in-fill design outcomes.		
2.5.1	Address diverse and affordable housing and in-fill housing as part of the regional planning program through targeted strategies and actions	Ongoing	Department of Planning and Environment (Planning)
2.5.2	Prepare best practice guidance for diverse infill and affordable housing types to support good design outcomes and affordability	2022–24	Department of Planning and Environment (Government Architect)
2.6	Consider alternative approval avenues for social and affordable housing projects to reduce barriers within assessment processes and de-politicise decision-making. This includes introducing self-assessment powers for low-impact developments for groups such as the Aboriginal Housing Office.		
2.6.1	Review and expand self-approval powers for low-impact social and affordable housing projects for Land and Housing Corporation and other government agencies such as the Aboriginal Housing Office	Implemented 1 July 2022	Department of Planning and Environment (Planning)
2.6.2	Investigate alternative planning pathways for social and affordable housing	Ongoing	Department of Planning and Environment (Planning)

Recommendation 3: Provide more certainty about where, when and what types of homes will be built

Action			
3.1	Support the preparation of local and sub-regional housing strategies with clear implementation plans that are backed by up-to-date technical studies. Implementation plans should clearly address how constraints can be managed, the planned sequence of land release, the use of government and local Aboriginal land council-owned land to provide housing, and assessment timeframe targets. Consideration should be given to how government-owned land can be used to help meet the biodiversity offset requirements of new development.		
		Timing	Responsibility
3.1.1	Establish a strategic planning grant fund for regional councils to support strategic plans, policies, and technical studies that will improve housing supply, affordability, diversity, and resilience.	2022–26	Department of Planning and Environment (Planning)
3.1.2	Prepare regional housing delivery plans for targeted functional economic regions that identify local housing pressures	2022–23	Department of Regional NSW
3.1.3	Continue to work in partnership with Local Aboriginal Land Councils to support Aboriginal self-determination and the provision of housing on land council-owned land through initiatives that support Local Aboriginal Land Councils to progress their land through the development pipeline and through aligning the strategic planning framework with the aspirations of Aboriginal communities	Ongoing	Department of Planning and Environment (Planning)
3.1.4	Implement the Biodiversity Credits Supply Fund and investigate other opportunities to improve the supply of biodiversity credits, including using public land, to enable new housing	2022 and ongoing	Department of Planning and Environment (Planning branch, Environment and Heritage branch, and Property and Development Group)
3.2	Deploy the Department of Planning and Environment's Planning Delivery Unit in regional NSW to support regional councils and industry to resolve planning barriers affecting new housing supply on zoned and serviced residential land, including with regard to biodiversity.		
3.2.1	Launch a 'regional housing flying squad' to supplement councils' development assessment capacity	Launched March 2022	Department of Planning and Environment (Planning Delivery Unit)

3.2.2	Utilise the dedicated regional stream within the Planning Delivery Unit to actively manage and resolve blockages in rezoning and development assessment	2022	Department of Planning and Environment (Planning Delivery Unit)
3.2.3	Implement initiatives to address the shortage of planners in regional NSW such as enabling shared resources and access to metropolitan talent pools	Ongoing	Department of Planning and Environment (Planning Delivery Unit)
3.2.4	Implement a Faster Local Assessments Grant program to assist councils to improve assessment timeframes through resource support and process improvements	Launched July 2022	Department of Planning and Environment (Planning)
3.3	Investigate mechanisms to incentivise the development of residential zoned land to address land banking and assist the timely release of new housing supply.		
3.3.1	Undertake an investigation into mechanisms to activate current and future residential land supply to support timely development	2023	Department of Planning and Environment (Planning)

Recommendation 4: Investigate planning levers to facilitate the delivery of housing that meets short-term needs

Action			
4.1	Introduce standard planning pathways for temporary worker accommodation and investigate planning pathways for innovative housing options for a variety of needs, such as temporary supportive accommodation for those in crisis and housing for seasonal workers.		
		Timing	Responsibility
4.1.1	Investigate options to enable to delivery of temporary supportive accommodation, addressing those who are most vulnerable	2022	Department of Planning and Environment (Planning)
4.1.2	Investigate planning pathways for temporary and seasonal worker housing	2023	Department of Planning and Environment (Planning)
4.2	Implement early and regular assessment of and mechanisms to address additional housing demand associated with state-significant development in regional NSW across construction and operational stages.		
4.2.1	Update the Social Impact Assessment Guidelines for State Significant Development to better address associated housing market impacts	Completed 2021	Department of Planning and Environment (Planning)

Recommendation 5: Improve monitoring of housing and policy outcomes and demand indicators

Action			
5.1	Establish long-term benchmarks that ensure housing in regional NSW meets the needs of regional communities and improve monitoring and forward planning for housing by accelerating the next phases of the Housing Evidence Centre. This will provide an open-access and accurate evidence base for housing-related data with indicators of performance against benchmarks.		
		Timing	Responsibility
5.1.1	Develop housing targets for regional areas that reflect housing needs, including diverse and affordable housing , to establish a 10-year regional housing pipeline	2023–25	Department of Planning and Environment (Planning)
5.1.2	Deliver the next phase of the Housing Evidence Centre to improve the quality and availability of regional housing market data, including reporting against measures of supply, affordability, diversity, and resilience	2023	Department of Planning and Environment (Planning)
5.1.3	Deliver enhanced urban development program dashboards with coverage across all regional programs	2023	Department of Planning and Environment (Planning)
5.1.4	Deliver the Regional Housing Monitor to enable comprehensive and regular monitoring of new housing supply	2022	Department of Planning and Environment (Planning)
5.2	Review the short- and longer-term impacts on regional housing outcomes of recent and planned reforms , such as the Housing SEPP, Design and Place SEPP, infrastructure contributions reform and the regulation of short-term rental accommodation.		
5.2.1	Ongoing review of the Housing SEPP to evaluate its effectiveness in the regional housing market and development contexts, including relating to short-term rental accommodation provisions	2022–23	Department of Planning and Environment (Planning)