

About the Regional Housing Strategic Planning Fund – Round 2

The NSW Government has opened round 2 of the Regional Housing Strategic Planning Fund, a \$12-million grant program to help regional councils plan for new housing supply in regional NSW.

The fund will support councils to plan future housing in regional areas, including diverse and affordable housing that is resilient to natural hazards. We encourage councils and groups of councils to apply by 29 September 2023 for these competitive grants, which will help deliver the strategies, plans and studies needed to support the delivery of housing that meets community needs.

The NSW Department of Planning and Environment is administering the fund.

Funding available to regional councils

- Up to \$3 million in funding will be available in round 2.
- Funding of up to \$250,000, excluding GST, is available for each application.
- The minimum grant amount is \$20,000.

Objective of the program

The objective of the grant program is to support eligible strategic planning projects that:

- enable and accelerate new housing capacity and the delivery of zoned and ‘development-ready’ residential land in regional NSW
- 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.

How to apply

Councils wishing to apply for funding under the program should:

1. visit the program website for resources to support the application
2. complete and submit their application through the [SmartyGrants portal](#) by the deadline of **12 pm noon Friday 29 September 2023**.

We will not accept late applications unless we consider the circumstances to be exceptional.

Projects must be scoped appropriately and supported by enough detail. This includes:

- giving all information requested
- addressing all eligibility and assessment criteria
- giving all necessary attachments and evidence to support the application, such as quotes for any consultant work

We will announce successful applications by December 2023.

Assessment process

An expert panel made up of independent third-party panellists and a departmental subject matter expert will assess all eligible applications against the program objectives and assessment criteria. To ensure an equitable and geographic spread of program funding, councils which have not already received funding under the program may be prioritised by the assessment panel. The panel will make recommendations to an interagency committee made up of NSW Government representatives.

The Minister for Planning and Public Spaces will make the final decision on the recommendation from the expert panel and interagency committee to award the grant funding. An independent probity adviser will oversee the program.

Round 2 timeframes

Table 1. Timetable for the Regional Housing Strategic Planning Fund (round 2)

| Activity | Date |
|---|------------------------------|
| Applications open | 8 August 2023 |
| Applications close | 12 pm noon 29 September 2023 |
| Independent panel assesses grant applications | by November 2023 |
| Department announces successful applicants | by December 2023 |
| Department issues funding agreements | by December 2023 |
| Councils return signed funding agreements to department | by 31 January 2024 |
| Department pays grant funding | by 14 February 2024 |

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|----------------------------------|--|
| Project must start | 15 February 2024 upon receipt of funding |
| Project must be completed | 15 February 2025 |

Project eligibility

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

Eligible projects include:

- **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.
- **Other projects** which show alignment with the program aims and objectives

Projects that are not eligible for funding include:

- projects outside of NSW (except for cross-border planning projects)
- capital works projects
- projects related to the preparation and assessment of development applications
- projects that have already received development consent
- otherwise eligible projects that have received funding under another program, unless the application can demonstrate how additional funding will complement and/or expand the scope or outcome of the project to increase the project's impact.

Limits on projects

For each round of funding, there is a limit of one application and one project for each council or one joint application and one joint project for group projects. A council may apply for and receive funding for both an individual project and a joint project within a single funding round if the projects are clearly distinct and there is no duplication.

A project can only receive funding once under this program.

Project start date for round 2

To be eligible for round 2 funding, projects must begin on 15 February 2024 upon receipt of funding. The funding agreement will identify the project starting activities. Projects must be completed within 12 months from the project start date.

Eligible project costs

Funding may be used towards the direct project costs such as:

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

Funding may not be used for:

- costs incurred before the approved project start date
- staff training or education
- statutory fees and charges
- legal advice
- financial advice
- administrative or operational advice
- ongoing council costs such as administration, operation and maintenance
- remuneration of employees for work not directly on the approved project
- overhead charges for internal council costs
- infrastructure or other capital works
- any other costs the department determines to be ineligible.

The above lists identify examples of eligible and ineligible project costs and are not meant to be comprehensive. If you have any questions about eligible project costs, please contact us at regional.housing@dpe.nsw.gov.au.

We encourage councils to co-fund projects. During the assessment, we will consider the extent to which projects demonstrate good value for money in the context of the available funding.

Outcomes from round 1 funding

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. Visit the [program website](#) to view a full list of these projects.

The projects covered a broad range of planning strategies, planning proposals, technical studies, design guidance and infrastructure contributions plans to help support and accelerate new housing supply. Round 1 projects will be completed by 31 January 2024 and support the delivery of approximately 40,000 homes. This includes new housing capacity that the projects will create and existing capacity that the projects will help unlock by addressing barriers to development.

More information

For more information, visit the [program website](#) to view the program guidelines and answers to frequently asked questions.

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