The Hon Paul Scully MP
Minister for Planning and Public Spaces

Ref: IRF24/1443

Cr Philip Ruddock
Mayor
The Council of the Shire of Hornsby
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Dear Mayor

As you are aware, the NSW Government is taking immediate action to meet our commitment under the National Housing Accord to build 377,000 new well-located homes by June 2029 to help address the housing crisis.

Local government are a critical enabler of housing, assessing about 85 per cent of housing development applications (DA) in NSW. However, over the past two years, average council DA timeframes have increased by 37 per cent, from 83 in FY21/22 to 114 days in FY23/24, which is contributing to the delays in housing completions and costing the NSW economy at least $89 million each year.

In line with the beginning of the National Housing Accord, and our shared commitment to addressing the housing crisis, I am providing an updated Ministerial Statement of Expectations Order planning.nsw.gov.au/statement-of-expectations-order.

This new Statement of Expectations sets out expectations for council performance in the areas of development assessment, planning proposals and strategic planning. The performance of councils in meeting this Statement of Expectations will be monitored and reported publicly, as will the Department of Planning, Housing and Infrastructure's timeframes for approval of planning proposals and state significant development.

Addressing the housing crisis is a shared responsibility, and all levels of government must do more.

The Government is also developing a program to support councils achieve local housing targets, reduce average DA timeframes and deliver more homes. We have started this through initiatives funding cadetships for planners in councils and opening a new TAFE course for para-planning. We've completed substantial work on the NSW Planning Portal and are introducing artificial intelligence to support further efficiencies in the local DA process and timely decision-making.

The attached document outlines the key performance metrics within the Statement of Expectations and the associated infrastructure grant funding program. Additional initiatives to support councils achieve faster assessments will be announced in the coming months to help local and State government deliver approvals and particularly homes more effectively.

With these measures, I am confident that councils in NSW can achieve a significant reduction in average DA timeframes and meet our Housing Accord commitments.

I appreciate your leadership and support for this critical work in the spirit of shared responsibility that underpins the National Housing Accord and I look forward to working with you and all councils across New South Wales to deliver more housing for our communities.

Yours sincerely

Paul Scully MP
Minister for Planning and Public Spaces

03/07/2024

Attachment A

This Attachment provides an overview of the initial programs the NSW Government is proposing to support councils in determining more housing-related planning matters during the period of the National Housing Accord. More details of these programs and initiatives will be released in the coming months.

Updated Statement of Ministerial Expectations

- The Ministerial Statement of Expectations establishes the planning-related expectations of the Minister for Planning and Public Spaces in terms of planning assessment performance. The updated Statement includes the expectation for councils to:
    - lodge DAs as soon as practical and within an average of:
        - 14 days from submission, from 1 July 2024 to 30 June 2025
        - 7 days from submission, from 1 July 2025 onwards
    - determine DAs as soon as practical and whichever is the lesser of council's previous financial year average, or an average of:
        - 115 days from lodgement, from 1 July 2024 to 30 June 2025
        - 105 days from lodgement, from 1 July 2025 to 30 June 2026
        - 95 days from lodgement, from 1 July 2026 to 30 June 2027
        - 85 days from lodgement, from 1 July 2027 onwards
    - assess Regionally Significant DAs and refer them to the relevant planning panel for determination as soon as practical and within an average of 250 days from lodgement.

Department of Planning, Housing and Infrastructure Performance

- To assist with delivering major housing projects, the Department will be required to determine State Significant DAs for infill affordable housing and housing in transport-oriented development precincts within an average of 275 days from lodgement.
- As per the LEP Making Guidelines (August 2023) the Department must collaborate with councils to finalise planning proposals in 140 business days for basic proposals, 225 business days for standard proposals, 300 business days for complex proposals, and 380 business days for principal proposals.

Resourcing and financial incentives

- The Department will establish a new $200 million grant program that provides milestone payments to councils based on their performance in meeting the Statement of Expectations. These grants will be for use in improving critical local infrastructure.

- The Department has made $5.6 million worth of funding for grants to councils to integrate AI and other digital solutions into the development assessment process.
- The Department is working with industry, local government and the private sector to support a skilled planning workforce through the Strong Start mentoring program as well as a new TAFE pathway into the planning profession.