



New Housing Delivery Authority - What do we currently know?

Overview

On 15 November 2024, the NSW Government announced an early 2025 reform to establish “a new state-led approval pathway for major residential projects” as well as a new “fast track rezoning pathway” to bypass the existing local council approval process for Development Applications.

What is the new pathway for DA approval?

The new approval pathway will only be made available for new major residential housing projects, with the aim of reducing approval timelines.

The new Housing Delivery Authority (HDA) will “oversee” the pathway, in what appears to be an administrative capacity, where the Minister for Planning and Public Spaces will retain final consent authority for DAs. The HDA will be established under the Department of Planning, Housing and Infrastructure, and will include the Secretary of the Premier’s Department, the Secretary of the Department of Planning, and the Chief

Executive Officer of Infrastructure NSW. At this stage, the NSW Government has not published any information regarding the legal authority used to establish the HDA.

The new pathway is intended to apply to the following projects:

- In Greater Sydney, an estimated development cost of \$60 million (“on average 100 or more homes)
- In regional NSW, an estimated development cost of \$30 million (“on average 40 or more homes)

However, satisfying either of the above criteria does not automatically permit the pathway to be applied. Proposals under this scheme will be selected through an Expression of Interest (EOI) process with “established criteria” that are currently unspecified. The Premier, Minister for Planning and Public Spaces, contends that these proposals will be assessed “on merit with a flexible approach to planning controls,” also including “any incremental zoning changes required to pursue a development application.”

Importantly, it is currently ambiguous as to how the proposed reform will function in practice, and how (and to what frequency) EOIs will be invited by the HDA. While the Government asserts that the current approval timeline may “potentially be reduced by years,” the precise effects of the reform alongside established processes remain unclear without further information.

How does the rezoning process operate?

The Government has also introduced a new pathway to allow “selected projects” which would deliver significant housing uplift, but require more significant rezonings, to go through a department-led fast track rezoning pathway. This process is claimed to benefit proponents “by allowing new projects to go through rezoning and development assessment at the same time.” However, this benefit may be futile in practice if developers are hesitant to expend resources to finalise DAs for submission without first receiving confirmation on zoning approval.

The projects to undergo this new rezoning process will similarly be selected through an EOI process by submitting rezoning proposals to the HDA for consideration. Proposals will be selected according to a set of criteria that are “consistent with NSW housing priorities,” but are currently unspecified and under consideration by the HDA.

The bottom line

At this stage, it is largely guesswork as to how the new Housing Delivery Authority will operate, and what practical benefits will ensue for developers to successfully tackle the major housing crisis in NSW. While the Government has promised that this reform has great potential to shave off years from current approval timelines, further information regarding selection criteria and EOI processes is required to ascertain whether the HDA approval pathway lives up to its boasted potential.

More information

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