

About UDIA National

The Urban Development Institute of Australia (UDIA) National is the housing development industry's most broadly representative peak body with over 2,000 member organisations – spanning top tier global enterprises, professionals, small to large-scale & institutional developers as well as local governments.

UDIA's members, deliver new homes across the continuum, including the majority of affordable housing.

The Development and Construction industry is 10.5% of GDP (\$269.7bn) & 9% of fulltime employment. Each housing dollar supports 40+ sectors and generates \$2.90 in the wider economy.

Overview

Given the broad remit of the Regulation Inquiry, we have focussed on the priority regulation issues that most critically impact housing.

In relation to your three areas of critical inquiry (noting your excluded topics), the priority areas are:

A. **Approval processes:**

Priority Federal constraints – Environmental approvals (that increase costs and delay housing by as much as 10–12 years).

Priority State/Territory constraints – State/Territory Environmental and Development Planning approval processes. Planning constraints in particular, can delay large projects for between 18 months & 10 yrs.

B. **Availability and use of land for housing:**

Priority Federal constraints – Under-utilisation of commonwealth land for housing (unlocking more supply with available resources).

Priority State/Territory constraints – Development approval restrictions, including, set backs, density, zoning, land release and land use. These hold back housing diversity & limit project viability.

C. **Processes and frameworks to deliver enabling infrastructure:**

Priority Federal constraints – Administration of funding for enabling infrastructure in a timely way at state & local levels to unlock housing. Tens of thousands of houses are held up by infrastructure constraints.

Priority State/Territory constraints – Coordinating planning, infrastructure and contributions models critical infrastructure projects go unfunded and housing delayed until contributions are provided.

The lack of land supply, slow environmental/planning approvals, uncoordinated planning/zoning/infrastructure, restrictive development controls and property development contribution models are choking new housing delivery.

The majority of problems with regulatory constraints are State, Territory & local Government issues.

The Federal Government however has a critical role in funding states & territories to:

1. **Deliver housing & enabling infrastructure** – direct federal funding or through the States & Territories.
2. **Incentivise State & Territory improvements** – including streamlined environmental/planning approvals and better land-use/density bonuses to boost housing supply.

This also includes ensuring funding is tied to pre-requisites that guarantee better housing and infrastructure delivery processes.

The UDIA recommends the **Commonwealth undertake the following regulatory streamlining reform:**

Recommendations Summary

Adopt Federal Environmental performance enhancing measures as part of reform/streamlining and clearing backlogged project approvals including:

1.
 - a. Coordinating State planned environmental outcomes in Federal environmental decision-making.
 - b. Eliminating misuse of requests for information (RFI's) – 2nd & further RFI's by applicant consent.
 - c. Providing process guidelines/practice notes on EPBC decision-making criteria to ensure consistency.
 - d. Adding reporting metrics & KPI's on assessment timeframes (including time for "stop the clock").
 - e. Implementing a practical and affordable offset fund and offset process (that drives faster approvals).
 - f. Fast-tracking and enhancing resources for the housing taskforce to resolve back-logged projects.

Adopt an enabling infrastructure funding mechanism to unlock housing and prioritise existing major infrastructure projects that support new greenfield & detached housing including:

2.
 - a. All government agencies impacting housing, adopt metrics and KPI's that include oversight on housing/infrastructure coordination, housing targets and affordability (among other things).
 - b. All governments provide (as a pre-requisite for funding), their infrastructure plan, identified projects with timing and cost/funding gap, available funding. Provide an infra needs heat map.
 - c. Agree a mechanism with each separate State and Territory that delivers Commonwealth funding:
 - i. By: grant (for any funding gap) or zero interest loan (paid back by incoming developer contributions).
 - ii. To: specifically identified projects for the funding gap, utilising any available developer contributions and government funding.
 - iii. For: highest delivery of housing in identified high needs areas across each state & Territory.
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Incentivise State & Territory Governments (using existing funding), to fast-track and streamline planning & State Environmental processes:

To drive any (or all) of the recommendations from the UDIA State sections (below) including:

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- a. Upfront part bonus for housing construction certificates so funding can be used for housing now.
- b. More code-based & State assessed planning pathways for small & large projects respectively.
- c. Expanded priority infrastructure areas and published timeframes for infrastructure delivery.
- d. Halving planning and/or environmental approval times – no applications >12mths & less than 2 Requests for information (RFIs).
- e. Increase Stamp duty thresholds/defer developer contributions – owner tax relief & more projects.

Increase density/height, reduce lot size/project size restrictions, accelerated land release.

Ensure there are housing pre-requisites for any Federal funding Contributions to states/Territories including:

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- a. Published housing and infrastructure plans identifying locations, costs and funds available.
- b. Published housing supply strategies coordinated with population/land-use heat maps.
- c. Published datasets on performance across planning/environmental approvals and infrastructure to unlock housing.
- d. Implemented metrics & KPI's on all government agencies impacting housing – they should include housing targets and affordability & measure approvals across planning, infrastructure & Environmental.

Below is detail on the Federal regulatory issues followed by State and Territory breakdowns of the key regulatory needs.

UDIA National: What the Commonwealth Needs

Regulation Impacts – The Federal Reforms

The industry acknowledges the hard work done by Government on key regulatory roadblocks that otherwise increase costs and delay housing supply.

We note that the Federal Government has started significant initiatives on industry's key regulatory issues:

1. **Reform Environment Protection and Biodiversity Act (EPBC)**, and clear the decks of delayed housing projects.
2. Working with States & Territories to **fast-track & streamline planning approvals for housing**.
3. **Increased funding for enabling Infrastructure to unlock housing** with the mechanism yet to be designed.

We refer to our [Pre-Budget Submission 2026-27 "Boosting Housing Productivity"](#) (**the Submission**), for issues and straightforward solutions to enhance those reform programs.

Importantly, there is more work that needs to be done to remove regulatory limitations and streamline these approaches.

A. Lack of critical data on housing performance nationwide

To be able to identify regulation bottlenecks now and in the future, we need accurate, consistent and timely data on housing performance nationwide.

After decades of housing shortfalls, Government & industry still have no reliable, whole of market data on the health of the industry, drivers and constraints on housing supply.

This is substantially impacting every Government's ability to resolve critical roadblocks & deliver housing. It inhibits our ability to identify and remove regulation bottlenecks.

Most housing data extrapolates predicted outcomes for delivery based on what has been planned, with coarse estimates of what will happen between approvals and delivery. This means that the data is inevitably tied to inaccurate forecasts. It is difficult to get the information on project progress unless you engage directly with the developers.

Every Government together with the Housing Supply and Affordability Council (HSAC), should augment their housing dataset with industry research, mapping housing performance, constraints & developer intentions.

This allows Government to understand actual supply, capacity, planning, environmental, infrastructure and market constraints. It also allows monitoring and management of initiatives. This includes:

1. **Integrate industry research platforms to map housing performance**, constraints & Developer intentions.
2. **Expand the ABS dwelling completions data** to include Land Lease and Retirement Living.

3. **Establish a performance framework to compare the performance of state & territory housing strategies** using metrics and KPIs across government agencies.
4. **Establish a completions certificate regime** to accurately track new housing supply.

B. Federal Environmental Protection & Biodiversity Conservation (EPBC) Reform

40% of all zoned and potential future zoned residential land is constrained and 28% of this pipeline is held up by environmental approval and assessment issues. Tens of thousands of housing approvals are delayed – up to 5 years.

Industry supports a new EPBC Act, with Ministerial delegation of approvals/assessment.

Proper application of the new, complex EPBC legislation requires well designed standards & guidelines and clearing backlogged project approvals. As noted in our Pre-budget Submission 2026-27, this includes:

1. Eliminating misuse of information requests (RFI's) – 2nd & subsequent RFI's by applicant consent.
2. Coordinating State planned environmental outcomes in Federal environmental decision-making.
3. Providing standards, guidelines/practice notes on EPBC decision-making criteria to ensure consistency.
4. Adding reporting metrics on EPBC assessments timeframes (including "stop the clock").
5. Implementing a practical and affordable offset fund and offset process (that drives faster approvals).

C. Federal Incentives and pre-conditions for funding for Fast-tracked & Streamlined Planning

It can take 18 months on average to get planning approval for moderately sized housing projects (75 units or 90 greenfield lots) and 7 & 10 years for Master Plan Communities. We need all Governments to drive faster planning.

The Commonwealth Government does not directly control the levers impacting planning, which sit at State/Territory and local Government levels. These are dealt with more specifically for each state and Territory below.

The Federal Government does however have an active role to play in developing better planning and processes through:

- a. Incentives to States & Territories for specific changes in their planning processes and streamlining.
- b. Ensuring funding is tied to States & Territories undertaking pre-requisite improvements to their housing delivery strategy.

This could include establishing a mechanisms to:

1. **Incentivise State & Territory Governments (using existing funding), to fast-track and streamline planning & State Environmental processes:**

To drive any (or all) of the recommendations from the UDIA State sections below including

- a. Upfront part bonus for housing construction certificates so funding can be used for housing now.
 - b. More code-based & State assessed planning pathways for small & large projects respectively.
 - c. Expanded priority infrastructure areas and published timeframes for infrastructure delivery.
 - d. Halving planning and/or environmental approval times - no applications >12mths & less than 2 Requests for information (RFIs).
 - e. Increase Stamp duty thresholds/defer developer contributions – owner tax relief & more projects.
 - f. Increase density/height, reduce lot size/project size restrictions, accelerated land release.
2. **Ensure there are housing pre-requisites for any Federal funding Contributions to states** including:
- a. Published housing and infrastructure plans identifying locations, costs and funds available.
 - b. Published housing supply strategies.
 - c. Published data on performance across planning/environmental approvals and infrastructure to unlock housing.
 - d. All government agencies impacting housing, adopting metrics and KPI's that include housing targets and affordability & measure approvals across planning, infrastructure & Environmental.

D. Federal funding mechanism for house enabling infrastructure.

UDIA data shows there is a need for around \$16bn in enabling infrastructure to unlock new housing. 40% of nationwide housing in capital cities & connected regions is held up by a lack of enabling infrastructure.

At a disaggregated state level, the greenfield enabling infrastructure hold ups are even more stark:

- a. **Greater Sydney Megaregion** – 34% of surveyed land supply has constrained housing.
- b. **South East Queensland** – 44% of surveyed land supply has constrained housing.
- c. **Greater Melbourne** – 24% of surveyed land supply has constrained housing.
- d. **Greater Perth** – 30% of surveyed land supply has constrained housing.
- e. **Greater Adelaide** – 32% of surveyed land supply has constrained housing.

With the significant financial constraints on regional communities and Local Government, we expect the problem is even more widespread outside of the greater regions.

Outside of existing funding, there is a need for standalone, dedicated funding to tackle the \$16bn shortfall and unlock more homes. This can then be repeated and scaled to deliver increased future infrastructure.

Across the States and Territories, there is a common thematic that the gradual uptake of contributions are simply not enough to fund a project on a time critical basis. Vital priority projects that could unlock homes, are shelved until funding is available.

The Federal Government can go a considerable way to front-ending these projects either through grants or with loans, repaid by the steady flow of developer contributions.

Critical to this process is a reliable funding mechanism that can quickly deliver funding to priority projects.

The Federal Government has a key role to provide funding using the most effective mechanism to minimise administrative cost and delay as well as catalysing enabling infrastructure, faster, nationwide.

This mechanism should include:

- a. Adopting metrics and KPI's across all government agencies impacting housing, that include oversight on housing targets and affordability (among other things).
- b. Provision by all governments (as a pre-requisite for funding), their infrastructure plan, identified projects with timing and cost/funding gap, available funding. Provide an infra needs heat map.
- c. Agreeing a mechanism with each separate State and Territory that delivers Commonwealth funding:
 - i. By grant (for any funding gap) or zero interest loan (paid back by incoming developer contributions).
 - ii. To specifically identified projects for the funding gap, utilising any available developer contributions and government funding.
 - iii. For highest delivery of housing in identified high needs areas across each state & Territory.

Regulation Impacts – State & Territory Reforms

UDIA operates across all major Australian jurisdictions including the Federal Sphere and it has enabled us to comprehensively catalogue the similarities and unique challenges in each State & Territory.

The Federal Government is able to take any or all issues within a state and tie them to Federal funding as:

1. **Pre-conditions** – where the issue is fundamental to proper functioning of the system (eg: publication of plans, strategies, funding gaps, metrics & KPI's, data transparency).

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2. **Funded incentives** – where the issue adds to housing supply by removing roadblocks, stripping complexity or boosting housing (eg: infrastructure funding mechanisms, fast-tracking planning).

Below is a comprehensive compendium of State issues provided by each of our UDIA State organisations in a format that best presents their individual States. They cover the three core themes of approval processes, Land use/planning and infrastructure frameworks.

UDIA NSW: New South Wales State Needs

Introduction

Urban Development Institute of Australia NSW (UDIA) is the state's leading development industry body. We represent the leading participants in the industry and have more than 500 members across the entire spectrum of the industry including developers, financiers, builders, suppliers, architects, contractors, engineers, consultants, academics and state and local government bodies.

UDIA NSW welcomes the opportunity to contribute to the Productivity Commission's inquiry into Housing Supply Regulation. This submission is provided from the perspective of the NSW planning and regulatory system and draws on UDIA NSW's recent research, member engagement and submissions to the NSW Government across planning reform, apartment feasibility, greenfield housing, development coordination, infrastructure funding, data transparency and housing delivery.

The NSW Government has undertaken significant planning reform in recent years. This includes the Low and Mid-Rise Housing Policy, Transport Oriented Development reforms, establishing the Housing Delivery Authority and Development Coordination Authority, reforming planning panels and the passage of The Planning System Reforms Act 2025.

The Planning System Reforms Act 2025 is a significant reform to The Environmental Planning and Assessment Act 1979. Key elements include the establishment of the Development Coordination Authority, the legislative embedding of the Housing Delivery Authority, expanded complying development pathways and the creation of a new Targeted Assessment Pathway for development that has already been subject to strategic planning and community consultation.

These reforms have the capacity to improve the productivity of the planning and land use system but their success will be measured by whether they turn planning capacity into feasible, approved, financed, commenced and completed homes.

The key questions in NSW are no longer only whether land has been rezoned, or whether more housing is theoretically permitted but whether the planning and regulatory system can convert that capacity into homes on the ground.

At the current delivery rate of new housing completions in NSW, UDIA analysis confirms NSW will fall 150,000 homes short of its assigned National Housing Accord target of 377,000 new homes in the five years to June 2029. This means NSW now requires an average delivery rate of 88,000 new homes per annum to offset this shortfall and deliver on our housing targets - which is 15,000 homes higher than our historical peak delivery.

UDIA NSW's position is that housing regulation should be assessed against a clear delivery test: does the system enable feasible housing projects to move from strategic planning, to approval, to construction, to occupation?

A planning system that rezones land but does not sequence infrastructure, imposes uncommercial built form controls, duplicates agency approvals, delays post-consent clearances, or brings forward

large costs before revenue is available will not deliver the homes required under the National Housing Accord.

Response to Question 1: Which regulatory reforms should governments prioritise to get more homes built more quickly?

1.1 Prioritise reforms that convert planning capacity into commencements

The highest priority should be reforms that improve project feasibility and remove the regulatory barriers between approval and construction. Recent NSW reforms have created additional housing capacity on paper, particularly through Transport Oriented Development, Low and Mid-Rise Housing and Housing Delivery Authority pathways. This is welcome. However, new planning capacity does not automatically translate into delivery.

A site may be rezoned for housing, or a planning pathway may technically allow more dwellings, but that does not mean a project will proceed. Developers still need to secure finance, meet pre-sale requirements, manage construction costs, pay taxes and contributions, obtain post-consent approvals, resolve servicing requirements and meet market demand. If these settings do not work together, the project will not commence.

In the current market elevated construction costs, higher interest rates, financing constraints, infrastructure delays, affordable housing requirements, development contributions and layered post-consent approvals are all affecting the capacity of projects to move from consent to construction.

UDIA NSW's Picking Up Speed report identified that overall construction costs have increased by close to 30 per cent since 2021. Cost escalation rates have moderated, but costs continue to rise annually. This is a key reason approvals are not translating into commencements, particularly for apartments and infill housing. Against that backdrop it is critical to assess reform by the number of homes that move into construction and completion, not the number of homes planned for or theoretically enabled.

UDIA NSW recommends that governments prioritise reforms that reduce upfront costs and improve project cash flow, remove duplication between strategic planning, development assessment and post-consent approvals, create predictable fast-track pathways for housing that is consistent with government policy, improve infrastructure sequencing and agency accountability, support developer-led infrastructure delivery, and improve the feasibility of apartment, mid-rise, greenfield and medium-density housing.

1.2 Create permanent fast-track pathways for housing that is consistent with government policy

Fast-track approval pathways should be embedded permanently where proposals align with adopted government housing policy. The NSW planning system currently uses a mix of local council assessment, regional planning panels, state significant development pathways, complying development pathways and special housing acceleration mechanisms. This can be difficult to

navigate, particularly where a project is consistent with government housing policy but still faces a highly discretionary assessment process.

Fast-track pathways should operate where strategic planning has already established that housing is appropriate, with assessment focusing on site-specific implementation rather than reopening the strategic question of whether housing growth should occur.

UDIA NSW recommends that governments move toward “expected development” pathways. Where land has been rezoned, structure planned, or identified for housing growth, the system should provide a clear approval pathway with reduced discretion, clear standards and enforceable timeframes.

UDIA NSW Recommends

State and Territory Governments create permanent fast-track pathways for housing where strategic planning has already been established.

1.3 Expand the NSW Targeted Assessment Pathway to all mid-rise housing

In NSW, the Low and Mid-Rise Housing Policy seeks to allow more terraces, townhouses, manor houses and mid-rise apartments in well-located areas, particularly near centres and transport. This reform is significant because it creates capacity for more diverse housing in established suburbs.

The *Planning System Reforms Act 2025* established the legislative framework for a new Targeted Assessment Pathway. This is intended to create a faster and more proportionate assessment pathway for development that does not qualify as complying development but has already satisfied clear upfront strategic planning requirements.

In practical terms, the Targeted Assessment Pathway sits between complying development and a full merit-based Development Application. It is intended to reduce the assessment burden where key strategic issues have already been resolved.

The NSW Government has stated the first proposed use of the Targeted Assessment Pathway will enable a new low-rise housing code for applications that do not meet the test for complying development but have met upfront strategic planning requirements. The Government has indicated these applications would be assessed within a target timeframe of 50 days, around half the existing average timeframe for a DA. The pathway is described as applying to low-rise housing such as single dwellings, terraces and townhouses.

UDIA NSW supports the creation of this pathway. However, at this stage the proposed application is too narrow. It should not be limited to low-rise housing or government pattern book designs. It should be expanded to apply to mid-rise apartment development up to eight storeys where projects meet clear state planning, design and amenity standards.

The NSW Housing Pattern Book already includes mid-rise apartment patterns, for three to six storey apartments across compact, corner and large lot sites. These mid-rise patterns currently require a

DA to be lodged with councils. This reinforces the case for using the Targeted Assessment Pathway more broadly for mid-rise housing.

Pattern book designs are useful, but they will not cover the full range of feasible mid-rise sites, ownership structures, market needs or design responses required across NSW. The system should also allow developer-led standardised designs, repeatable apartment models and other high-quality mid-rise proposals to access the pathway where they satisfy clear performance standards.

Mid-rise projects are highly sensitive to height limits, setbacks, car parking, minimum lot sizes, design controls and approval risk. A faster and more predictable assessment pathway would reduce risk, improve certainty and support more projects moving from planning capacity into construction.

UDIA NSW recommends that the NSW Government

- expand the Targeted Assessment Pathway to include mid-rise apartment development up to eight storeys;
- apply the pathway to projects that meet clear state-endorsed design, amenity and planning standards;
- retain approved pattern book and government architectural patterns as one pathway, but not the only pathway;
- allow developer-led standardised designs and repeatable housing models to qualify where they meet performance standards;
- establish clear statutory timeframes for assessment under the pathway;
- ensure local controls do not undermine state housing policy where projects meet the pathway criteria.

1.4 Reform apartment design controls to support feasibility and delivery

Apartment design controls should be updated where they reduce feasible yield without materially improving amenity. UDIA National's State of the Land 2026 identifies that new apartment market activity in Greater Sydney weakened further in 2025 with 13,825 new unit sales. This is down 23 per cent over the year and 55 per cent below the decade average. Also according to State of the Land reporting, multi-unit completions fell 41 per cent in 2025 to fewer than 10,000 dwellings, the lowest level in more than 15 years and around 70 per cent below the 2018 peak of 33,430 completions.

In NSW, the Apartment Design Guide is the key design framework used to assess apartment development. It deals with matters such as solar access, natural ventilation, building separation, apartment size, circulation, communal open space, vehicle access and building layout. It was introduced as a performance-based guide to support good design and residential amenity, but in practice it is often applied as a prescriptive compliance tool.

This can be challenging because apartment feasibility is highly sensitive to yield, floorplate efficiency and construction cost. Controls that appear minor at the design level can materially affect whether a project is financeable and whether it proceeds to construction.

Case study: Apartment Design Guide flexibility and mid-rise feasibility

UDIA NSW's recent work examining the barriers facing apartment delivery in NSW tested a typical inner-city Sydney infill apartment development to understand the effect of targeted Apartment Design Guide changes which have been supported by our architect members. The case study assumed an eight-storey Class 2 residential apartment building with 56 apartments, approximately seven apartments per floor, two basement levels and a unit mix weighted toward two-bedroom dwellings.

The modelling tested targeted changes to Apartment Design Guide controls relating to building separation, open space, vehicle access, circulation efficiency, solar access and apartment size. The findings are significant.

- total construction cost increased by approximately 3 to 8 per cent due to an enlarged building footprint, however unit yield increased by approximately 10 to 20 per cent to between 64 and 66 apartments;*
- cost per apartment reduced by approximately 5 to 10 per cent;*
- cost per bed reduced by approximately 5 to 15 per cent;*
- construction cost per apartment reduced from approximately \$670,000 to as low as \$588,000;*
- cost per bed reduced from approximately \$382,000 to as low as \$340,000;*
- the implied saving was between approximately \$26,000 and \$43,000 per bedroom.*

The strongest efficiency outcomes were generated through amendments relating to building separation, circulation efficiency and reduced apartment size controls. These changes enabled additional dwellings and improved floorplate efficiency, allowing fixed costs such as structure, façade, basement works, services and common areas to be spread across more homes.

The analysis does not come at a reduction in design quality or residential amenity. It demonstrates that more flexible, performance-based design controls can maintain amenity while improving housing yield, reducing cost per dwelling and increasing the likelihood that projects proceed.

The Productivity Commission should treat apartment design regulation as a housing supply issue, not only a design quality issue. Design controls should be tested against whether they materially improve amenity, or whether they reduce yield, increase cost and undermine feasible housing delivery.

The Productivity Commission should treat apartment design regulation as a housing supply issue, not only a design quality issue. Design controls should be tested against whether they materially improve amenity, or whether they reduce yield, increase cost and undermine feasible housing delivery.

UDIA NSW recommends that the NSW Government should

- update apartment design frameworks to strengthen their performance-based application;
- assess design controls against their effect on cost per dwelling, cost per bedroom and total housing yield;
- avoid rigid interpretation of controls where equivalent or better amenity outcomes can be achieved through alternative design solutions;
- provide clearer guidance to consent authorities on the intended performance-based operation of apartment design standards;
- audit design review, competitive design and design excellence processes to reduce duplication, redesign and delay.

The objective should be to maintain high-quality apartments while removing design rigidity that prevents feasible housing from being delivered.

1.5 Establish dedicated Transport Oriented Development delivery capability

Transport Oriented Development reforms are important, but rezoning land around transport nodes is not enough. In NSW, the Transport Oriented Development program seeks to increase housing capacity around selected train and metro stations. The policy objective is sound: more homes should be located near transport, jobs and services.

However, complex urban renewal precincts do not deliver themselves. Common barriers include fragmented ownership, site amalgamation, infrastructure sequencing, servicing constraints, inconsistent planning controls, staging complexity and changing market feasibility.

A planning control may permit additional density, but a site may still be unable to proceed if multiple owners cannot be assembled, if infrastructure is not available, if parking or design controls undermine yield, or if market conditions do not support finance.

UDIA NSW recommends

- The NSW Government establish a dedicated TOD Delivery Unit responsible for coordinating implementation from rezoning through to delivery. This function would monitor delivery, identify precinct-specific barriers, coordinate infrastructure, support site amalgamation and recommend policy adjustments where feasibility or implementation issues emerge.

1.6 Establish a public end-to-end housing pipeline dataset

Data transparency, consistency and quality as core features of a best-practice housing regulatory system.

UDIA NSW has already raised these issues directly with the NSW Government. In that correspondence, UDIA NSW identified four key data gaps: limited end-to-end timeframe measurement from Planning Proposal to DA, Construction Certificate and Occupation Certificate; no mechanism to track a project through the lifecycle using a persistent project identifier; no reliable public source of net newly completed dwellings at state or LGA level; and inconsistent data standards across development types, including the absence of land subdivision as a distinct typology in Council League Tables.

UDIA NSW recommends

- All jurisdictions collaborate to establish a centralised, publicly accessible housing performance dataset.

A system-wide accountability framework should include:

1. a centralised public housing performance dataset;
2. unique project IDs for tracking individual projects through rezonings, DAs, CDCs, SSDAs, CCs, OCs, subdivision certificates and completions;
3. public APIs for planning proposals, SSDAs, local DAs, CDCs and subdivisions;
4. consistent data standards across development type and housing classifications;
5. reporting of gross and net dwelling yield;
6. reinstated net dwelling completions monitoring at the LGA level;
7. subdivision included in council performance reporting;
8. referral and post-consent approval performance reporting;
9. In NSW, DCA performance reporting, including referral checking and agency response times.

What gets measured, gets managed. Without accurate, open and consistent housing data, governments cannot know whether reforms are working, where projects are being delayed, or which regulatory barriers are having the greatest impact on supply.

Response to Question 2: Which steps of the housing regulatory approvals process are the most onerous, time consuming and costly?

2.1 Measure and monitor post consent approvals and coordination

The most onerous approval burdens are not always found in the headline Development Application assessment itself, and often the greatest burden occurs outside the headline Development Application process.

A Development Application is the formal planning application lodged with a council or state consent authority seeking approval for a proposed development. It is often the most visible approval step. However, for housing delivery, the DA is only one part of a much longer pathway.

In many cases, the greatest cost and delay arise from uncertainty, repeated information requests, agency referrals, post-consent conditions, infrastructure approvals, subdivision approvals and utility servicing requirements.

A dwelling that is approved but cannot commence or cannot be occupied does not assist the housing crisis.

UDIA NSW recommends

- Governments adopt housing approval performance measures that track projects from concept to completion, not only from DA lodgement to determination

2.2 Agency referrals and post-consent approvals are major supply constraints

Agency referrals occur where a consent authority seeks advice, concurrence or approval from another government agency or authority. In housing projects this can involve roads, water, flooding, biodiversity, bushfire, heritage, transport, utilities and other matters.

Agency input is often necessary. However, the referral system can become a major source of delay when referral triggers are unclear, duplicated, overly cautious or not linked to enforceable timeframes.

UDIA NSW strongly supports reform to reduce unnecessary and duplicative agency referrals. NSW's Development Coordination Authority (DCA) is a positive reform because it seeks to consolidate referral requirements, introduce an early two-business-day referral checking process and apply a 28-day statutory input timeframe for agency advice.

The DCA is intended to act as a central coordination point for state agency inputs. This is critical as developers and councils often need to deal with multiple agencies that have different processes, timeframes and expectations. However, there is an important limitation in the current model. The DCA can coordinate the nature and type of advice or referrals required during the assessment process, but it does not itself issue the separate statutory approvals, permits or certificates that may be needed after development consent is granted.

This means a housing project may receive development consent but still be delayed by post-consent approvals controlled by individual agencies, councils, utilities or infrastructure owners. This includes major post-consent approvals and permits such as Roads Act approvals, subdivision works and subdivision certificates, water, wastewater, stormwater and drainage approvals, utility connection approvals, permits for works affecting roads and transport corridors, and relevant environmental, heritage and bushfire-related approvals where required.

UDIA NSW has cautioned that this will need to be closely monitored. If post-consent agency approvals continue to delay housing projects, further reform may be required so the DCA has a stronger role beyond referral coordination. Over time, this may need to include authority to coordinate, escalate or approve certain post-consent matters where delays are preventing housing delivery and the relevant technical requirements have been met.

UDIA NSW recommends

The DCA operate under a framework that includes:

- clear statutory timeframes for agency inputs and post-consent approvals;
- transparent referral and approval criteria;
- performance reporting on agency response times;
- escalation pathways where agencies do not respond;
- deemed-response or deemed-approval mechanisms where appropriate;
- stronger procedural weight for central referral advice;
- written reasons where councils depart from referral checking advice;
- monitoring of post-consent approvals to identify where agency delays continue to frustrate delivery;
- consideration of expanded DCA powers over time if post-consent approvals remain a material barrier to housing delivery.

Where matters are capable of being addressed through standard planning controls or conditions, they should not trigger separate agency review. Where separate approvals are genuinely required, they should be subject to clear timeframes, escalation and accountability.

2.3 Reduce duplication between strategic planning and development assessment

The Planning approval system should adopt an “assess once” principle. Strategic planning includes planning proposals, rezonings, precinct plans, structure plans and other processes that determine whether land is suitable for housing and what broad controls should apply. Development assessment then considers a specific project against those controls.

Where issues have been resolved at strategic planning, rezoning or precinct planning stage, they should not be reopened from first principles at development assessment stage unless there is a genuine site-specific impact requiring further consideration.

This is particularly relevant for biodiversity, flooding, transport, infrastructure capacity, built form, land use suitability and local character. Strategic assessment should settle strategic matters. Later stages should focus on implementation.

2.4 Measure delays across the full delivery pathway

The regulatory burden of approvals cannot be properly assessed without better data. The NSW Planning Portal should evolve from a lodgement and application management tool into an active housing delivery management tool.

Governments should publish end-to-end timeframe data from planning proposal to rezoning, rezoning to DA lodgement, DA lodgement to determination, consent to Construction Certificate, Construction Certificate to commencement, commencement to Occupation Certificate and Occupation Certificate to net dwelling completion.

This should be reported by local government area, development type, housing typology and approval pathway. It should also track internal council referrals, external agency referrals, DCA referral checking, agency response times, post-consent approvals and subdivision timeframes.

Response to Question 3: Which recent reforms to approvals have been the most and least effective in increasing new housing supply?

3.1 Effective reforms have authority, timeframes and a feasibility lens

The most effective reforms are those that combine clear statutory authority, clear timeframes, whole-of-government coordination, transparency and a direct focus on feasible housing delivery.

Reforms that only create theoretical capacity, or only streamline one stage of the process, will have limited impact if projects remain blocked by infrastructure, post-consent conditions, agency referrals or uncommercial cost settings.

3.2 The NSW Housing Delivery Authority is positive, but must remain focused on feasibility

UDIA NSW supports the establishment of the Housing Delivery Authority. The HDA is a NSW Government pathway intended to identify and progress major housing projects that can contribute to supply. It recognises that major housing projects often require whole-of-government coordination, not just a planning assessment.

However, the HDA's effectiveness will depend on maintaining a primary focus on feasible housing delivery. UDIA NSW has raised concerns about settings that could reduce the effectiveness of the pathway, including:

1. exclusion of standalone subdivision projects, which are critical to greenfield housing supply;
2. increased affordable housing expectations where they affect feasibility;
3. uncertainty where criteria change after Expressions of Interest have already been lodged;
4. rigid land-based exclusions;
5. staging constraints that do not reflect the practical delivery of major projects.

Fast-track pathways should support feasible housing projects. They should not impose additional requirements that reduce the likelihood of delivery.

3.3 The DCA is promising, but must be monitored against delivery outcomes

The Development Coordination Authority is one of the more promising recent reforms because it directly targets fragmented and duplicative referrals. The proposed two-business-day referral

checking process and 28-day statutory input timeframe are important. However, the model will only succeed if it is properly resourced, transparent and if its advice carries practical weight.

As outlined in response to Question 2, the DCA can coordinate referral requirements and agency advice during assessment, but it does not itself issue all separate post-consent approvals required before construction, subdivision, servicing or occupation can occur.

DCA performance should therefore be measured not only by referral timeframes, but by whether it reduces time from lodgement to determination, commencement, subdivision registration and occupation.

If post-consent approvals remain a material source of delay, government should consider expanding the DCA's authority so it can coordinate, escalate or determine prescribed post-consent matters where technical requirements have been satisfied.

3.4 Transport Oriented Development and Low and Mid-Rise reforms are important but need delivery mechanisms

The TOD and Low and Mid-Rise Housing reforms are important because they create new housing capacity in well-located areas. However, their effectiveness will depend on whether controls, infrastructure, feasibility and assessment pathways support actual delivery.

These reforms need:

1. clearer implementation pathways;
2. infrastructure coordination;
3. more flexible built form controls;
4. predictable assessment pathways;
5. mechanisms to resolve land fragmentation;
6. a dedicated TOD delivery capability for complex precincts;
7. expansion of the Targeted Assessment Pathway to mid-rise housing up to eight storeys.

The success of these reforms should be measured by approvals, commencements and completions, not only theoretical capacity.

3.5 Digital tools and AI should support simpler rules, not automate complexity

UDIA NSW supports digital planning reform and the responsible use of AI-assisted tools.

However, digital tools will not solve the supply problem if the underlying rules remain too complex, discretionary or inconsistent. AI-assisted assessment cannot overcome excessive local variation, unclear referral triggers, unresolved infrastructure requirements or uncommercial planning controls.

Digital tools should be used to improve consistency, triage low-risk applications, monitor system performance, improve transparency and support better data collection. The priority remains

simplifying the rules, reducing duplication and creating clearer approval rights where projects align with housing policy.

Response to Question 4: Which specific zoning and land-use controls most limit the supply of new housing?

4.1 The most limiting controls are those that reduce feasible yield

The most restrictive zoning and land-use controls are those that reduce feasible housing yield below the level required for projects to proceed.

Zoning determines whether land can be used for housing and what type of housing is permitted. Land-use controls then determine matters such as height, density, setbacks, parking, open space, lot size, subdivision and built form. These controls can be individually reasonable but collectively unworkable.

The most restrictive controls include:

- height limits that do not align with feasible built form;
- floor space ratio controls that prevent viable density;
- minimum lot size requirements;
- subdivision restrictions;
- excessive parking minimums;
- excessive setbacks and height planes;
- rigid apartment design requirements;
- local character controls used to resist housing growth;
- broad heritage overlays;
- biodiversity constraints that are not strategically resolved;
- flooding and hazard controls that are not integrated with growth planning;
- employment and industrial land protections that prevent appropriate housing or mixed-use outcomes in suitable locations.

Height and floor space ratio controls should not be assessed in isolation. Feasible housing delivery depends on the interaction between height, FSR, setbacks, parking, open space, apartment design, affordable housing requirements, development contributions and infrastructure costs.

4.2 Planning controls should be feasibility tested

Governments should feasibility test planning controls before finalising major housing reforms, including Transport Oriented Development, Low and Mid-Rise Housing, precinct rezonings and greenfield structure plans.

Feasibility testing means assessing whether the controls allow a project that is likely to be financeable and commercially deliverable under realistic market assumptions, including construction costs, land costs, finance costs, contributions, affordable housing requirements, sales values, pre-sale requirements and required development margins.

Planning controls that create theoretical capacity but do not produce feasible development outcomes will not deliver the homes required.

4.3 Apartment design controls should support feasible yield

Apartment design controls are a material land-use constraint where they are applied rigidly or in a way that reduces feasible yield without materially improving amenity.

As outlined in response to Question 1, UDIA NSW's recent work examining the barriers facing apartment delivery in NSW found that targeted flexibility in the NSW Apartment Design Guide could increase unit yield by 10 to 20 per cent, reduce cost per apartment by 5 to 10 per cent and reduce cost per bed by 5 to 15 per cent in a tested mid-rise apartment case study.

The Productivity Commission should treat apartment design regulation as a housing supply issue, not only a design quality issue. Design controls should be tested against whether they materially improve amenity, or whether they reduce yield, increase cost and undermine feasible housing delivery.

Governments should update apartment design frameworks to strengthen their performance-based application, assess design controls against cost and yield impacts, and reduce duplication in design review, competitive design and design excellence processes.

4.4 Affordable housing requirements must be feasibility tested

UDIA NSW supports increasing affordable housing supply. However, affordable housing requirements must be calibrated to feasibility.

Affordable housing requirements can take different forms, including a requirement to dedicate dwellings, provide a monetary contribution, or deliver dwellings at discounted rent or sale. In some cases, requirements are imposed in perpetuity, meaning the affordable housing obligation continues permanently.

These requirements can be appropriate where they are supported by sufficient planning uplift and properly tested. However, if affordable housing contributions are set too high, imposed without adequate offset, layered on top of other contributions, or required in perpetuity without regard to project economics, they can prevent projects from proceeding. This reduces both market housing and affordable housing delivery.

Affordable housing requirements should be feasibility tested, transparent, offset by meaningful uplift, staged where appropriate, flexible where market conditions change and not duplicated with

other contribution schemes. The objective should be to increase affordable housing supply, not impose requirements that stop projects.

4.5 Industrial land protections should be targeted and evidence based

Industrial and urban services land plays an important economic role. It supports freight, logistics, manufacturing, repair services, last-mile distribution and other employment functions.

However, broad industrial land protections can prevent appropriate housing or mixed-use outcomes in well-located areas. Controls should be based on clear evidence of strategic need, infrastructure function and employment outcomes. They should not rely on blanket mapping that locks up land without regard to housing demand, site context or changing economic conditions.

UDIA NSW supports a more nuanced approach that protects genuinely strategic industrial land while allowing review, transition or mixed-use outcomes where land is no longer required for its mapped industrial function or where housing benefits outweigh retention.

4.6 Biodiversity and environmental controls need strategic resolution

Biodiversity protection is essential, but the current system too often creates delay, uncertainty and cost through repeated site-by-site assessment.

In major growth areas, biodiversity matters should be resolved strategically and early.

Conservation outcomes should be planned at landscape scale, with clear and durable pathways for development land. UDIA NSW's Picking Up Speed report identified biodiversity as a material constraint on projects expected to commence during the Accord period. Drawing on UDIA's 2024 National Housing Pipeline survey, the report found that nearly one in five projects due for commencement within the Accord period reported biodiversity approvals as a constraint. This supports the need for strategic conservation planning, improved bio-certification and an "avoid once" principle.

Governments should expand strategic conservation planning, improve bio-certification pathways, maintain appropriate Growth Centres bio-certification settings and enshrine an "avoid once" principle so that avoidance, minimisation and offset requirements are not repeatedly reopened through subsequent approval stages.

Governments should also improve offset market settings, including credit supply, pricing transparency and market confidence, so that biodiversity requirements do not become a late-stage barrier to housing delivery.

Response to Question 5: How important are land release arrangements, including subdivision and titling, in limiting housing supply?

5.0 Land release is critical, but only where land is serviced and capable of delivery

Land release arrangements are highly important, particularly in greenfield and emerging growth areas. However, land release should not be measured by hectares rezoned or theoretical dwelling capacity. The relevant measure is whether land is serviced, titled, financeable and capable of supporting housing construction.

Land that is zoned but lacks water, wastewater, roads, stormwater, electricity, biodiversity resolution, or subdivision approval is not immediate housing supply. It is theoretical capacity.

Governments should distinguish between land identified in strategic plans, land rezoned for residential use, land with infrastructure commitments, land with biodiversity resolved, land with subdivision approval, land with subdivision works certificates, titled lots, homes under construction and completed dwellings.

This distinction is critical to understanding the real housing pipeline.

5.1 Greenfield housing remains essential to meeting the Accord target

Greenfield housing has historically been the engine room of housing supply in NSW. Detached homes, semi-detached dwellings, townhouses and row housing continue to provide housing choice, affordability, family housing and new community formation. Across the last 25 years, detached homes and medium density dwellings have contributed on average 67% of total new residential completions in NSW, peaking as high as 79%.

Greenfield housing is not a competing alternative to infill, apartments or Transport Oriented Development policy. It is a necessary complement.

NSW cannot meet its housing targets through apartment supply alone, particularly given current apartment feasibility constraints. Every part of the housing system must be working.

Where land is serviced and approvals are clear, greenfield housing can deliver relatively quick supply. UDIA NSW's greenfield housing work identifies that, in those circumstances, greenfield housing can move to delivery in approximately 14 to 18 months. This speed-to-market makes greenfield supply a critical complement to infill, mid-rise and TOD reforms during the Accord period.

5.2 Create a complying development pathway for land subdivision

Subdivision is a critical step between zoned land and actual housing delivery. In greenfield areas, subdivision is often the step that turns broad planning capacity into individual lots that can be sold, financed, serviced and built on.

Even after land is rezoned, projects can be delayed by subdivision approvals, subdivision works certificates, servicing approvals, road approvals, utility connections and title registration.

UDIA NSW recommends a complying development pathway for routine land subdivision in appropriate growth areas. Where land is zoned, structure planned and capable of being serviced, routine subdivision should not require a fully discretionary assessment pathway.

UDIA NSW's greenfield work also points to the original South West Growth Centres model as a useful precedent. NSW has previously used coordinated growth centre planning to rezone large areas of land and create a visible development pipeline. A modernised Greenfield 2.0 approach should build on that precedent, but with stronger subdivision pathways, clearer infrastructure sequencing, higher-density diversity and better data on whether released land is moving to titled lots and completed homes.

Governments should also introduce statutory timeframes for subdivision works certificates, subdivision certificates, utility approvals and related post-consent steps.

5.3 Establish a State significant pathway for major land subdivisions

Major subdivisions that will deliver significant housing supply should have access to a State significant development assessment pathway.

In NSW, State Significant Development pathways are used for projects of state importance, usually because of their scale, complexity or economic significance. Major housing subdivisions that can deliver large numbers of homes should be treated in the same way where appropriate. This would allow large-scale housing projects to be assessed with appropriate state oversight, stronger agency coordination and clearer accountability.

Major housing supply projects should not be left to navigate fragmented and sequential approval pathways where unresolved agency issues can delay delivery after strategic planning has already identified the land for housing.

UDIA NSW recommends

- The creation of State significant pathway for major subdivisions above an appropriate threshold, such as 250 lots.

5.4 Adopt a Greenfield 2.0 approach

Governments should support a Greenfield 2.0 approach that increases housing diversity and density in emerging growth areas.

UDIA NSW has previously advanced Greenfield 2.0 as a practical reform agenda to modernise the traditional growth area model. The core proposition is that greenfield delivery should not be limited to conventional detached housing on larger lots. Greenfield areas can and should support a

broader range of housing typologies, including smaller lots, townhouses, terraces, row housing, low-rise apartments and more efficient use of existing and planned infrastructure.

Greenfield 2.0 is not a retreat from infill, apartment or Transport Oriented Development policy. It is a complement to it. Established growth areas should not be treated as static detached housing estates. With appropriate planning, infrastructure and transport investment, the detached housing of today can become the TODs of tomorrow.

UDIA NSW's greenfield work identifies a practical package of reforms to unlock supply in existing and emerging growth areas. This includes faster subdivision pathways, clearer infrastructure commitments, improved works-in-kind settings, strategic biodiversity solutions, more feasible contribution and charging arrangements, and stronger data on land release, servicing, approvals, commencements and completions.

A Greenfield 2.0 framework should include model subdivision controls, standard infrastructure assumptions, clearer density and housing diversity expectations, updated dwelling and density caps, consistent minimum lot size settings, greater use of smaller lots and low-rise apartment typologies, infrastructure delivery plans linked to rezonings, repeatable biodiversity pathways and transparent reporting on land release, servicing, subdivision, approvals, commencements and completions.

The objective should be to move from a fragmented, sequential and reactive greenfield system to one that is strategic, infrastructure-ready, feasible and delivery-focused.

Response to Question 6: How do development contributions and contributions frameworks affect project feasibility and new housing supply?

6.1 Contributions timing is now a material feasibility issue

Development contributions frameworks in NSW are having a direct and increasingly material impact on project feasibility, which is constraining new housing supply.

In NSW, development contributions include local infrastructure contributions, collected by councils for local roads, drainage, open space and community facilities, and the Housing and Productivity Contribution, a state charge applied to development in parts of NSW to help fund regional infrastructure that supports housing and economic growth.

UDIA NSW supports appropriate infrastructure funding. New housing needs infrastructure. The issue is not whether contributions should exist. The issue is when they are paid, whether the cumulative charge is feasible, and whether contributions are actually being converted into enabling infrastructure when housing needs it.

Requiring local infrastructure contributions and Housing and Productivity Contributions to be paid before or during construction creates unnecessary financing costs and worsens project cash flow. These payments are often debt-funded and carried through the construction period, increasing

financing exposure, reducing returns and elevating project risk at the point where feasibility is most sensitive.

Recent work undertaken by UDIA examined an inner-city apartment case study of approximately 830 dwellings and identified a total of \$69.1 million of development contributions payable. Those contributions generated an estimated \$22.87 million in financing costs, or around \$27,500 per dwelling. This is not a cost associated with infrastructure delivery itself. It is a financing cost created by the timing of the contribution payment.

In a market where many projects are already marginal, this timing effect can determine whether a project proceeds or becomes unviable. It reduces feasibility margins, constrains access to capital and limits the ability of proponents to recycle equity into new projects.

This is fundamentally a timing issue, not a revenue reduction. Aligning contributions with project completion, through Occupation Certificate, Subdivision Certificate or agreed staged delivery milestones, would improve cash flow and reduce reliance on development finance without reducing the total revenue available for infrastructure delivery.

More broadly, contributions frameworks have increasingly shifted the burden of enabling infrastructure onto new housing supply in a way that is becoming unsustainable in a constrained feasibility environment. Developer contributions remain an important component of infrastructure funding, but there are practical limits to how much can be recovered from new development before supply is materially impacted.

This is compounded where enabling infrastructure is not delivered in time to support housing outcomes. In these circumstances, development can carry both the financial burden of contributions and the timing risk of delayed infrastructure delivery. That erodes feasibility and slows the conversion of approved housing into commencements and completed dwellings.

There is also a spatial dimension to this issue. In many greenfield areas, infrastructure can be delivered efficiently through master planning and scaled delivery, but without timely government investment in enabling infrastructure these areas cannot be brought to market at the scale required to meet housing demand.

Ultimately, the current system reflects a structural imbalance between infrastructure expectations, funding timing and delivery capacity. It is contributing to a cycle where costs are increasing, feasibility is eroding and housing delivery is being delayed.

UDIA NSW recommends

- amend Local and State developer contribution policies to allow payments later in the project lifecycle, aligned with Occupation Certificate, Subdivision Certificate or agreed staged delivery milestones;
- develop clear guidelines and practice notes to support staged or deferred contribution arrangements;
- ensure deferred contribution arrangements do not delay the issuing of final Occupation Certificates or Subdivision Certificates (or equivalent);
- freeze increases to development contribution rates during the Housing Accord period to provide investment certainty and prevent further erosion of feasibility.

Response to Question 7: What other regulations relating to housing-enabling infrastructure should be a priority for reform to increase new housing supply?

7.1 Plan and fund infrastructure alongside housing growth and rezoning

Infrastructure planning, funding and delivery must be integrated into strategic planning and rezoning decisions from the outset. Too often, governments identify new housing capacity or rezone land without concurrently resolving the infrastructure required to support that growth, the cost of delivering it, the available funding sources or the agencies responsible for delivery. Contributions plans and detailed infrastructure programs are then prepared after the strategic planning decision has been made. This can expose substantial funding gaps, undermine project feasibility and delay the infrastructure needed for development to proceed

Infrastructure should instead be treated as a core input into strategic planning. Significant rezonings and strategic housing growth decisions should be accompanied by an infrastructure funding and delivery plan that identifies:

- the infrastructure required to support the proposed housing growth;
- estimated infrastructure costs and proposed contribution rates;
- any residual funding gap and the party responsible for meeting it;
- the sequencing of infrastructure against anticipated housing delivery;
- the agencies or entities responsible for delivery; and
- the forward funding or financing arrangements required to deliver enabling infrastructure ahead of contribution collection.

This information should be used to test whether the proposed housing capacity, infrastructure requirements and contributions burden are financially sustainable. Where the analysis identifies an

excessive per-dwelling infrastructure cost or an unallocated funding gap, governments should reconsider the infrastructure scope, increase development capacity, provide supplementary funding or revise the sequencing of development before finalising the rezoning.

Infrastructure delivery plans should operate as active delivery programs rather than static strategic documents. They should identify defined projects, delivery responsibilities, funding sources, key milestones and transparent reporting against the anticipated housing pipeline.

A planning system that rezones land without resolving the associated infrastructure requirements creates housing capacity on paper but does not necessarily create deliverable housing. Integrating infrastructure funding and delivery planning into strategic planning would provide greater certainty to governments, councils, developers and communities and reduce the risk that infrastructure constraints emerge only after land has been rezoned.

7.2 Housing-enabling infrastructure must be delivered ahead of demand

Once infrastructure requirements, funding responsibilities and delivery programs have been established through the strategic planning process, governments must ensure that enabling infrastructure is delivered in time to support the planned housing pipeline.

The current system too often identifies housing growth without providing the upfront infrastructure needed to unlock it. In many high-growth areas, infrastructure is required before staged development can commence, while contributions revenue is collected progressively only after development proceeds. This creates a structural mismatch between when infrastructure expenditure is required and when the revenue intended to fund it becomes available.

UDIA NSW's Building Blocks research demonstrates the scale of the opportunity. In Western Sydney, UDIA NSW identified that \$868 million across 18 enabling infrastructure projects that could unlock approximately 33,000 homes. Across the Central Coast, Lower Hunter and Illawarra-Shoalhaven, \$800 million across 41 enabling infrastructure projects could unlock approximately 44,600 homes. This reinforces that targeted funding for enabling infrastructure is one of the highest-impact levers available to government during the Accord period.

7.3 Forward fund infrastructure rather than waiting for contributions to accumulate

A key priority is the forward funding of enabling infrastructure at both State and local levels. The current reliance on accumulating development contributions before infrastructure can be delivered is not working effectively. Housing-enabling infrastructure is often required before homes can proceed, but contribution revenue is collected progressively as development occurs. This means infrastructure can be delayed until after it is needed, constraining the very housing supply that would generate the contribution revenue.

This issue is particularly relevant to the Housing and Productivity Contribution framework. Where revenues are below forecast or have not yet translated into commensurate infrastructure delivery, priority infrastructure can be delayed and housing projects can stall.

Forward funding would allow infrastructure to be delivered when it is needed, with contributions collected over time used to replenish funding pools. This is not a question of increasing the overall charge on development. It is a question of improving timing, coordination and delivery efficiency.

At the local level, the accumulation of unspent local developer contributions also points to a delivery problem. Funds intended for infrastructure delivery need to be converted into physical infrastructure that unlocks housing supply. A self-replenishing infrastructure fund could provide councils with bridging finance against IPART-approved contributions plans, allowing infrastructure to be delivered ahead of full contribution collection and repaid over time as development proceeds.

A system that accumulates infrastructure funds while housing delivery is delayed is not achieving its intended purpose. Reform should focus on enabling infrastructure to be delivered earlier, unlocking housing supply and improving overall system performance.

7.4 Enable developer-led infrastructure delivery

Governments should also support no-cost-to-taxpayer, developer-led infrastructure delivery through an expanded and uncapped works-in-kind framework. Works-in-kind arrangements allow developers to deliver infrastructure directly, rather than paying a contribution and waiting for government or a council to deliver the infrastructure later. This can be critical where a road, drainage basin, water connection, open space item or other enabling infrastructure is needed before homes can be delivered.

Where developers are willing and able to deliver enabling infrastructure earlier than government or agencies can, the regulatory system should facilitate that delivery. This is particularly important in major growth areas where water, wastewater, roads, stormwater and local infrastructure are holding back otherwise deliverable housing.

Governments should also establish clearer frameworks for private capital investment in housing-enabling infrastructure, including water, wastewater, stormwater and local transport infrastructure. Private capital should not replace government responsibility, but it can supplement public investment and bring forward housing supply where the market is otherwise ready to proceed.

7.5 Improve councils' delivery capacity

These reforms should be complemented by greater flexibility in local government borrowing settings and more consistent infrastructure planning and delivery frameworks across councils.

Councils often face constraints in using accumulated contributions quickly, including sequencing issues, delivery capacity, borrowing limits and approval requirements. Reform should focus on enabling infrastructure to be delivered earlier, while preserving appropriate financial safeguards.

Greater flexibility in local government borrowing settings, including amending the Office of Local Government debt cover ratio, would support councils to bring forward infrastructure delivery where they have a clear contributions-backed funding source but insufficient upfront cash flow to deliver infrastructure at the time housing needs it.

Collectively, these reforms would help shift the system from one that waits for funding to accumulate before infrastructure is delivered, to one that brings forward enabling infrastructure and recovers costs over time as development proceeds.

UDIA NSW recommends

- Infrastructure funding and delivery plans to be prepared and exhibited alongside significant rezonings and strategic housing growth decisions, including infrastructure requirements and costs, proposed contribution rates, identified funding gaps, delivery responsibilities, sequencing and forward-funding arrangements.
- The Commonwealth bring forward Housing Accord incentive payments to capitalise a self-replenishing infrastructure fund for housing-enabling infrastructure;
- Forward funding mechanisms are established for priority state infrastructure projects supported by future state developer contributions revenue;
- Self-replenishing infrastructure funds are established to support councils with bridging finance against IPART-approved or similar contributions plans;
- expand and uncap works-in-kind pathways to enable developer-led delivery of housing-enabling infrastructure;
- establish clearer frameworks for private capital investment in water, wastewater, stormwater and local transport infrastructure;
- provide greater flexibility for councils' borrowing capacity, including in NSW through changes to the Office of Local Government debt cover ratio.

Follow-up

If you require further information or clarification on the regulatory barriers for housing supply in NSW, please, contact UDIA NSW's Executive Director of Policy and Strategy, Gavin Melvin on [Redacted]

UDIA QLD: Queensland State Needs

Response to Question 1: Which regulatory reforms should governments prioritise to get more homes built more quickly?

Approval processes

1. Which steps of the housing regulatory approvals process are the most onerous, time consuming and costly? Why? How could the burden be reduced without compromising regulatory objectives?
2. Which recent reforms to approvals (for example, fast-track pathways, coordination bodies, AI-assistance) have been the most and least effective in increasing new housing supply?

Utilities delays

The performance of utility providers including Unitywater, Urban Utilities, and Energy Queensland Limited is frequently referenced as a pain point and a 'project risk'.

In particular, Energex (part of Energy Queensland Limited) is referenced as a key source of project risk, with both builders and developers citing extraordinary delays on project connections. Industry participants commonly note that on most occasions, Energex delays run between 6-12 months.

Examples provided to the Institute include project delays because of:

- No presence of or adherence to statutory timeframes and poor customer service.
- The establishment of processes which make determining the most appropriate site-specific solution difficult, confusing, and time consuming. Often, these processes have been established in lieu of applicants being able to directly speak to a utility representative.
- Lengthy and duplicate requests for information (RFI), resulting in multiple variations, often to arrive back at the original submitted design.
- Difficulty obtaining clear, upfront advice via pre-lodgement services which can be relied upon during the assessment process.
- Bringing payment of infrastructure charges forward, with little appreciation of the impacts of such a decision on cashflow, financing arrangements, and, ultimately, the financial sustainability of the project and developer.
- An overtly risk-averse approach which fails to facilitate pathways for innovation or the resolution of a site-specific outcome.
- High staff turnover, making it very difficult for consultants and developers to be able to identify the correct person within the provider to be able to deal with directly and with confidence throughout the project.

A range of projects across Queensland are currently feeling the effects of these problems.

Energy Queensland Limited's "Office of Powering Development" and Urban Utilities' Dashboard are current initiatives which boost transparency and better customer service which expedite development approvals.

EPBC approvals

A laser-like focus on resolving the SEQ application backlog is of critical importance and should be prioritised in discussions with the Department of Climate Change, Energy the Environment and Water (DCCEEW).

Lack of coordination and overlapping with State and Local government environmental matters, assessments, shifting and unconsulted mapping and species change, and offset requirements are an ongoing concern, that has not been resolved.

In response to significant member dissatisfaction, the Institute has undertaken research, finding that:

- As of 27 May 2026, in Southeast Queensland 91,473 lots were under assessment by DCCEEW
- Of those lots, 5,244 could be brought to market within the next two years if approval was granted imminently
- On average, applications have been under assessment for over 48 months, with six projects (totalling more than 46,000 lots) under assessment for more than 5 years
- Projects are located in major growth corridors, with more than 73,000 lots located in PDAs.

Concerningly, project proponents have no clarity on likely assessment decision timeframes, nor, as a result, final project cost and impact on new homebuyers. Currently, members are reporting a dramatic increase in offset requirements by the Department which is unsupported by data or calculator outputs. Project proponents are needing to source thousands of hectares of offsets, at roughly a value of \$45,000/ha resulting in significant end costs for new home buyers.

The inconsistency in controlled action threshold certainty, methodology application, relevant timeframes and their achievement, offset delivery requirements, and the inability of officers to identify and determine key issues is debilitating and effectively resulting in the sterilisation of large tracts of greenfield land – the very land that is critically important to boosting housing supply and improving housing affordability for Queensland communities.

Lack of coordination and overlapping with State and Local government environmental matters, assessments, shifting and unconsulted mapping and species change, and offset requirements are an ongoing concern, that has not been resolved.

Former Strategic EPBC planning is not being delivered in South East Queensland and now, with likely less than fit for purpose in an urban context, bioregional planning and guidance.

UDIA QLD recommends

- Resolving the SEQ application backlog and prioritised in discussions with the Department of Climate Change, Energy the Environment and Water (DCCEEW).
- Resolving the lack of coordination and overlapping State and Local government environmental matters, assessments, shifting and unconsulted mapping and species change, and offset requirements.

Self certification for operational works

Operational Works approvals (OPW) (i.e. roadworks, drainage, earthworks, stormwater quality, and erosion and sediment control) are a mandatory requirement to commencing construction on most development projects.

State-wide data compiled for Queensland confirms that the average decision time for OPW applications across Queensland councils sits at approximately 47 business days, with some councils significantly exceeding this figure.

Each additional month of holding time on a development site accrues interest, land holding tax, and opportunity costs. For a typical residential development project, holding costs can represent \$500–\$600 per week per dwelling in direct additional costs to the developer; costs that are ultimately passed on to home buyers. With construction times in Queensland already around 55 weeks longer than pre-COVID conditions, unnecessary approval delays compound an already serious affordability challenge.

A self-certification model for OPW is an established, risk-managed approach that transfers primary assessment responsibility to accredited, suitably qualified professional consultants, while Council retains decision-making authority and oversight through post-approval auditing. This model has been demonstrated successfully by the City of Moreton Bay, which offers a proven pathway to a more efficient, accountable, and mutually beneficial approval process.

The most immediate benefit of a self-certification model for OPW is the reduction of OPW approval timeframes from months to five (5) business days. Given that OPW approvals sit on the critical path of every land development project, this compression translates directly into faster project delivery, earlier lot settlements, and reduced risk.

UDIA QLD recommends

- Promote the use of a self-certification model for OPW as an established, risk-managed approach that transfers primary assessment responsibility to accredited, suitably qualified professional consultants, while Councils retain decision-making authority and oversight through post-approval auditing.

State Government reforms

The Queensland Government is in the process of reviewing the State Planning Policy and State interests framework so that it is contemporary, efficient and fit for purpose. The review intends to streamline State interests and has a renewed focus on matters that relate to housing supply, economic growth and infrastructure, and provides the opportunity to consider essential and non-essential State interests, improve clarity, simplify the framework, and to reduce duplication across multiple State interest topics.

The Queensland Government is reviewing State Assessment and Referral Agency (SARA) referral triggers to streamline and provide clear and easy to use policies and triggers, which is intended to reduce time and costs for applicants.

UDIA QLD recommends

- UDIA has previously called for a pause on the wide sweep of legislative and regulative changes currently in train so that industry can get on with urgently delivering existing and upcoming projects.

Availability and use of land for housing

3. Which specific zoning and land-use controls most limit the supply of new housing? What are the benefits to consider of specific land-use controls? How does this vary across particular Australian jurisdictions or areas?
4. How important are land release arrangements (including subdivision and titling) in limiting housing supply in an area, relative to other zoning and land-use controls?

Streamlined/simplified planning schemes

Several councils are drafting and releasing new planning schemes. It will be important that these planning schemes have a focus on revising and/or relaxing controls that limit project feasibility, such as car parking, building height, deep planting/landscaping, site coverage, setbacks etc.

For example, relaxed car parking rates for multiple dwellings with a focus on co-location near high-frequency public transport, where meeting the requirements, as shown in our work with the Grattan Institute costs between \$62,000 and \$140,000 per dwelling.

Brisbane City Council has announced a range of new initiatives aimed at boosting housing supply:

- The launch of a [Housing Tracker website](#), which displays the number of additional homes created since the end of 2016 and number of homes and lots approved by Council since 2021.
- Progression of proposed change to low-medium density residential areas to the State Government requesting approval for adoption.

- Relaxation of carparking rates for multiple dwellings across the city, with a focus on areas located close to high-frequency public transport.
- Progression of several precinct plans that increase density and building height nearby public transport nodes.

UDIA QLD recommends

- New Council planning schemes must focus on revising and/or relaxing controls that limit project feasibility, such as car parking, building height, deep planting/landscaping, site coverage, setbacks etc.

Impact of current framework on feasibility and supply

There has been a recent monumental shift in the type and scale of challenges facing the apartment sector, with labour shortages and wage escalation now the key drivers. There is unmet demand for sub-contractors to deliver the proposed pipeline of public and private work which, when coupled with prevailing subcontractor risk, increases construction costs and risk; throwing the first major obstacle in the way of apartment projects going ahead. According to the ABS, construction costs have gone up 35% over the past five years. Industry considers this a conservative estimate as it does not fully account for cost increases and delays arising from supply chain shocks resulting from the Middle East conflict.

To achieve a margin acceptable to banks and finance providers, an average apartment needs to attract revenue at a rate of \$16,500/m², which is also consistent with anecdotal industry feedback. The flow on impact of these revenues, places apartment prices well above what the market is able to pay, on sites which are not considered to be premium. More realistic and market facing revenues generally result in nil or negative margins, forcing feasibility failure.

Without significant changes and increased levels of intra and inter-government coordination that actually shift the dial on apartment project feasibility assessment, the contribution of apartments to housing supply in Queensland will be so minimal as to not have material impact on current housing shortages, and the only apartment stock produced in volumes will be high-end owner occupier stock. Industry anticipates this will be the case until after the completion of the 2032 Olympic and Paralympic Games.

This has placed increased pressure on the greenfield land supply market, which is currently constrained by an urban footprint and lack of council and utility infrastructure planning and delivery. A significant amount of new greenfield land supply will be needed to cater for new housing growth for the foreseeable future.

UDIA QLD recommends

- Promote significant changes and increased levels of intra and inter-government coordination to shift the dial on apartment project feasibility assessment.

Regional Plans

The Queensland Government is reviewing all of Queensland's regional plans in this term of government. The South East Queensland Regional Plan review has commenced and includes consideration of new growth areas with a view to expand the urban footprint. The review also includes integration of infrastructure plans with the regional plans centred around transport, energy, water, digital, social and community infrastructure to ensure infrastructure provision supports increased housing supply. It will be important that councils and utility providers expand their planned infrastructure areas (i.e. Priority Infrastructure Areas (PIA) and Netserv areas) in accordance with the new urban footprint to provide certainty of cost and requirements for industry.

UDIA QLD recommends

- Ensure Councils and utility providers expand their planned infrastructure areas (i.e. Priority Infrastructure Areas (PIA) and Netserv areas), in accordance with the new urban footprint to provide certainty of cost and requirements for industry.

Processes and frameworks to deliver new and utilise existing housing-enabling infrastructure

5. How do development contributions and contributions frameworks affect project feasibility and new housing supply?
6. What other regulations relating to housing-enabling infrastructure should be a priority for reform to increase new housing supply?

Infrastructure charges

A recent UDIA Queensland survey has revealed that the cost of providing infrastructure in new broadacre development is borne heavily by the property industry which is then passed onto the homebuyer. In summary, the survey demonstrates that on average, the developer is required to bear the cost of around \$60,000 per lot to provide the infrastructure. This cost includes monetary contributions plus the cost of undertaking any 'works in kind' but does not include external works needed (e.g. sewer outside the site; road intersection upgrades etc.).

Although well above the state cap, time limitations require developers to accept and move on due to substantive holding costs of sites potentially sitting dormant. One member reported that they are currently under Infrastructure Agreement (IA) negotiation in one of the largest growth fronts in SEQ where the overall investment of what is considered trunk infrastructure is more realistically in the vicinity of \$104,000 per lot.

UDIA QLD recommends

- Infrastructure charges need to be re-calibrated for more appropriate cost sharing to avoid heavy cost burdens on developers, increasing the price of homes.

Infrastructure planning

There is currently a significant disconnect between the operation of Local Government Infrastructure Plans (LGIPs), netserv planning and more broadly, the planning and delivery of State controlled road and electrical infrastructure. This disconnect results in poor coordination between land use planning and infrastructure planning. When these processes are misaligned inefficiencies and delays are created, which ultimately drives up the cost of housing.

The current PIAs which are intended to guide infrastructure investment and development sequencing, are not aligned with actual demand, prevailing market realities, regional dwelling targets, and affordability aspirations in many cases. Although the PIA is reflected in both an LGIP and netserv plan, significant levels of development are occurring outside the designated PIA, requiring a developer to negotiate IAs, adding substantial cost, uncertainty, and delays to the delivery of new housing. This indicates that the current planning framework does not adequately respond to market-driven growth patterns or community need.

UDIA QLD recommends

- Ensure alignment of current PIAs (to guide infrastructure investment and development sequencing), with actual demand, prevailing market realities, regional dwelling targets, and affordability aspirations.

Infrastructure agreements

A strong contributing factor to the high costs of delivering infrastructure for sites outside the Council's planned PIAs and water utilities' planned netserv areas is the need for IAs. An Institute survey highlighted that it took an average of 27 months to negotiate an IA, with some not being able to be negotiated at all, causing delays to project delivery, resulting in a further escalation of costs to new homeowners.

Infrastructure funding government grants

Queensland Residential Activation Fund (RAF) has played a critical role in funding urgently needed catalytic infrastructure. The fund has alleviated pressure points across Queensland where there was a funding deadlock – with local governments citing budget limitations and threats to financial sustainability and the property industry acutely aware that homeowners were simply unable to afford to pay more during an acute affordability crisis. It is important that the RAF be maintained in its current form for the foreseeable future – until a more comprehensive review of the Queensland infrastructure charging framework has been undertaken.

The Federal Government has made a \$2.4 billion deal between the Albanese and Crisafulli Governments to deliver more than 51,000 homes in Queensland, including 20,000 homes exclusively for first home buyers. The funding will provide for enabling infrastructure, such as road and sewerage upgrades through grants and zero-interest concessional loans. While this funding will contribute to housing supply, grants (as opposed to loans) is the most critical initiative to enable the delivery of housing and more funding is needed.

UDIA QLD recommends

- Expand funding through grants for Infrastructure to unlock housing supply.

Queensland Productivity Commission recommendations

The Queensland Government is currently responding to a large body of reforms recommended through the [Queensland Productivity Commission's Opportunities to Improve Productivity of the Construction Industry report](#).

These reforms include (along with many others) undertaking review to assess the process for infrastructure

planning, funding, charging, coordination and delivery; and reviewing the utilities to deliver better outcomes for all stakeholders.

UDIA QLD recommends

- Ensure a primary aim of the review of the infrastructure charges framework is a fair and equitable cost-sharing solution for both industry and local governments so that new home buyers do not bear the full brunt of the new infrastructure charges.

Follow-up

If you require further information or clarification on the regulatory barriers for housing supply in Queensland, please, contact UDIA QLD's CEO, Kirsty Chessher-Brown [Redacted]

UDIA VIC: Victorian State Needs

Introduction

Housing delivery is shaped by a sequence of regulatory steps, including land availability, planning controls, development approvals, infrastructure requirements and post approval processes. The most significant issue is that delays and costs build up across this entire process. Housing is often held back not by a single rule, but by the combined effect of slow planning decisions, lengthy rezoning processes, fragmented approvals, infrastructure that is not delivered in time, unclear or rising charges, and delays in subdivision and title registration.

Australia's housing challenge is also becoming one of mismatch as well as shortage. Demand is changing. Smaller households, older renters and lower income households are growing, but the system continues to produce a large share of housing that does not meet these needs. This highlights the importance of a planning and regulatory system that supports a broader range of housing types, including apartments, medium density housing and affordable rental housing in appropriate locations.

The reforms governments should prioritise are therefore clear. They should introduce faster and more proportionate approval pathways, measure land supply based on what can actually be delivered rather than what is theoretically available, better align infrastructure delivery with housing growth, ensure contributions are fair and transparent, and remove unnecessary delays after permits are issued. These changes would increase supply, improve project feasibility and support delivery of the housing types that are increasingly needed.

Housing delivery should be viewed as a complete pipeline. A project can be supported in principle but still delayed for years due to gaps between planning, infrastructure and approvals. Improving one part of the system will not deliver meaningful change if other parts remain slow or uncertain.

This full pipeline view is also important for housing diversity. The system should not only be judged on how many homes it produces, but whether it enables housing that is suitable, accessible and affordable for a changing population.

Response to Question 1: Which regulatory reforms should governments prioritise to get more homes built more quickly? What evidence (case studies and data) can you provide to support your answer?

UDIA VIC recommends

- Government should introduce planning approval pathways that are proportionate to the scale and complexity of a proposal. Straightforward, low risk projects should move through the system quickly. Clear timeframes, transparent performance reporting and consequences where decisions are delayed would significantly improve certainty without lowering standards or the quality of community outcomes.

This is important because slow and uncertain approvals add cost at every stage of a project. In some parts of Victoria, rezonings and related approvals take years. This not only adds to the cost of delivering housing to the market, but the uncertainty makes it harder to secure investment for project financing.

UDIA VIC recommends

- Better alignment between housing growth and infrastructure delivery. In many cases, housing is planned without a clear and funded pathway for the infrastructure needed to support it. This includes transport, water, drainage and community infrastructure. A more effective system would clearly identify what infrastructure is required, who is responsible for delivering it and when it will be in place.

The effects of this misalignment are visible in regional Victoria, but the same broader pattern is also evident in metropolitan growth areas and established urban precincts where planning support does not necessarily translate into timely housing delivery. In Greater Geelong, the Geelong Growth Area Transport Infrastructure Strategy was expected to be finalised alongside the Northern and Western Geelong Growth Areas Framework Plan in 2020, but remains incomplete. This has left key transport projects unfunded while growth planning has continued. The result is that land use planning has moved ahead without the same progress in transport planning and investment, creating uncertainty about whether new communities will have the infrastructure they need when housing is delivered.

This is not just a transport issue. Evidence presented to the regional housing inquiry in Victoria showed broad concern that housing developments are too often approved without adequate access to water, sewerage, roads, public transport, energy or social services. The problem is especially acute in fast growing regional centres such as Geelong, Ballarat and Bendigo, where fragmented infrastructure planning and uncertain funding are making it harder to bring forward new housing.

UDIA VIC recommends

- Another priority is to remove unnecessary delays after planning approval. Processes such as subdivision certification and title registration are critical to getting homes to market, yet they are often slow, rigid and difficult to navigate. Improving these processes would have a direct and immediate impact on housing delivery.

Recent examples show how these post approval processes can delay housing even after the major planning decisions have already been made. In one case in Clyde North, a minor error in a levy notice could not be corrected through a simple adjustment, which instead triggered a refund and reissue process and delayed multiple subdivision plans. In another example involving three related

subdivision plans in the same masterplanned community, requisitions were issued one after another rather than together, preventing all issues from being resolved at once and delaying plan registration and settlements.

Fees also matter. Subdivision and title registration costs are paid upfront, often before revenue is received, and even modest increases in those charges can affect staging and timing. The same is true of rigid administrative processes that make it hard to resolve small issues quickly. These are not minor technical matters. They directly affect when lots can settle, when homes can be built and when buyers can move in.

Taken together, these examples show that the most effective reforms are not abstract. They are practical measures that improve the flow of housing through the whole system: better land supply reporting, simpler and faster approval pathways, infrastructure planning that keeps pace with growth, and more efficient post approval processes.

Response to Question 2: Which steps of the housing regulatory approvals process are the most onerous, time consuming and costly? Why? How could the burden be reduced without compromising regulatory objectives?

The most time consuming and costly parts of the approvals process are largely the same as those described in response to Information Request 1. Delay compound across the process, from early planning and rezoning to referrals between agencies and responsible authorities, to the final steps needed before lots can settle and homes can be occupied.

Structure planning and statutory planning approvals are especially onerous because they can delay projects for years. During that time, markets can change, holding costs continue, and there is often no clear answer about when the land will actually be ready for housing. This uncertainty affects investment decisions and slows the pipeline long before a planning permit is even granted.

Referral authority processes are another major source of delay because they often involve several agencies and referral authorities working to different timeframes, with limited coordination between them. A proponent is often beholden to utilities, water authorities, transport agencies or environmental regulators, and there is often no simple way to escalate a stalled decision. Even where the housing outcome is supported in principle, these separate steps can add months or years of delay.

In some areas, further processes such as cultural heritage approvals and post precinct planning requirements add another layer of complexity. These introduce difficulties because they often run separately from the main statutory approvals pathway and can create duplication, rework or delay if they are not well coordinated. In addition, inconsistency in the application of rules and requirements between entities introduces uncertainty. For instance, Registered Aboriginal Parties (RAPs) often have vastly different approaches to the preparation and procedures as part of Cultural Heritage Management Plans (CHMPs) under the same universal framework.

Delays also continue after a permit is issued. As noted in response to Information Request 1, even small administrative issues at subdivision and title stage can delay settlements and slow when approved housing reaches the market.

UDIA VIC recommends

The approvals burden can be reduced without lowering standards by matching the process to the task:

- Early planning and rezoning need clearer pathways and firmer timeframes.
- Referral processes need statutory time limits, better coordination and simple escalation mechanisms where decisions stall.
- Post permit stages need more flexible administration so related issues can be resolved together rather than one at a time.

These changes would improve speed and certainty while still preserving proper oversight.

Response to Question 3: Which recent reforms to approvals (for example, fast-track pathways, coordination bodies, AI-assistance) have been the most and least effective in increasing new housing supply?

Recent reforms have generally focused on making the approvals system faster and more efficient. Measures such as streamlined assessment pathways and the Development Facilitation Program are steps in the right direction where they help clear straightforward matters more quickly.

However, these reforms have had limited effect where structural bottlenecks remain. In regional Victoria, housing supply is still being held back by slow strategic planning, servicing gaps and overlapping approval requirements. This means faster permit pathways alone are not enough if land is not ready and infrastructure is not in place.

The best example is that some facilitated projects have progressed more quickly at the permit stage, but broader supply problems remain across both regional and metropolitan Victoria, including in places such as Geelong, Ballarat and Bendigo, because rezoning, transport planning and servicing have not kept pace. This shows that faster pathways can help, but only as part of a wider reform program.

This highlights the need for a broader approach that improves the full development pathway, from early planning through to final delivery.

There has been little measurable improvement from AI assistance to date, although the potential is significant in routine administrative tasks.

One example is the Statement of Compliance process in Victoria, which is the final council sign-off before a plan of subdivision can be lodged for registration and new titles can be created. This stage is largely administrative. It usually involves checking whether standard conditions have been met, whether the required documents and authority clearances have been provided, and whether any outstanding works have been completed or properly secured.

Because these checks are repeatable and rules based, they are well suited to automation. Digital tools could assist with document checks, referral tracking and condition matching, where officials still review exceptions or unusual cases.

UDIA VIC recommends

- Promoting digital tools to potentially assist with document checks, referral tracking and condition matching, where officials still review exceptions or unusual cases.

Response to Question 4: Which specific zoning and land-use controls most limit the supply of new housing? What are the benefits to consider of specific land-use controls? How does this vary across particular Australian jurisdictions or areas?

The planning controls that most limit housing supply are those that restrict land availability or limit the types of housing that can be delivered, without properly considering what is feasible in practice. The most significant issues are slow rezoning processes, planning assumptions that overstate what can actually be built, overlays based on outdated or overly prescriptive provisions, and density controls that do not reflect how people want to live.

Slow rezoning is a major constraint on supply. In many areas, it takes years to move land from being identified for future housing to being ready for development. This delays projects, increases costs and reduces the amount of land that can be brought to market. In regional areas, these delays are often made worse by limited resourcing and long approval pathways. A more effective approach would allow rezoning and structure planning to occur together in appropriate locations and reduce unnecessary process steps where land has already been identified for housing growth.

This is particularly evident in Victoria's major regional centres. In Bendigo, concerns have been raised for some time that the rezoning pipeline has not kept pace with housing demand, despite headline land supply figures suggesting a more comfortable position. In Geelong, uncertainty around long-term growth planning and the timing of future growth fronts has also held back confidence in bringing forward new supply.

Planning controls can also limit supply when they do not support a mix of housing types. Demand is changing, with more smaller households, older renters and lower income households. However, in many locations the planning system still favours larger housing formats or creates barriers to medium density and apartment development. This leads to a mismatch between what is built and what is needed. Planning systems should support a wider range of housing options in well located areas, particularly where there is access to jobs, services and infrastructure.

This issue can look different from place to place. In metropolitan areas, the main problem is often that well-located sites face barriers to higher density housing even where there is strong demand and access to transport. In regional areas, the challenge is more often slow rezoning, uncertain growth boundaries and a limited pipeline of serviced land.

It is also important to recognise that zoning alone does not determine whether housing is delivered. Increasing density in a planning scheme does not guarantee new housing if infrastructure capacity, funding and project feasibility are not addressed at the same time. Planning decisions should therefore be made alongside a clear understanding of infrastructure requirements and delivery timing.

Overlays and technical controls can also limit supply where they are not based on current or proportionate evidence. For example, flood and bushfire protection overlays, and similar controls can restrict development even where the underlying risk is uncertain or overstated. These controls play an important role in managing safety and environmental outcomes, but they should be regularly updated and carefully applied so they do not unnecessarily prevent housing in suitable locations.

UDIA VIC recommends

- Ensure planning systems should support a wider range of housing options in well located areas, particularly where there is access to jobs, services and infrastructure.
- Planning decision methodologies must take into account infrastructure requirements and delivery timing.
- Allowing rezoning and structure planning to occur together in appropriate locations and reduce unnecessary process steps where land has already been identified for housing growth.
- Institute protocols to ensure overlays and technical controls are regularly updated and carefully applied so they do not unnecessarily prevent housing in suitable locations.

Response to Question 5: How important are land release arrangements (including subdivision and titling) in limiting housing supply in an area, relative to other zoning and land-use controls?

Land release arrangements are highly important in limiting housing supply.

As outlined in response to Request 1, the problem is not just whether land has been identified or zoned for housing, but whether it can actually be brought to market in a timely way.

For this reason, land supply should be understood as a sequence, from identified land, to zoned land, to serviced land, to development-ready land, and finally to lots that can be delivered in the near term. If these stages are not clearly tracked, governments can overstate supply and delay action to bring forward new growth areas.

Subdivision and titling are central to this issue. These processes occur at the end of the development pipeline but have a direct impact on when housing is delivered. Costs are often incurred upfront, well before revenue is received, and even small increases in fees or changes in requirements can affect whether projects proceed, how they are staged, and how quickly homes are delivered.

Delays in subdivision approval and title registration can also disrupt settlements and slow the release of housing to the market. In many cases, these delays are caused by rigid administrative processes, sequential decision making and limited flexibility to resolve minor issues quickly. Improving these processes would have a direct impact on housing delivery without changing planning policy settings.

UDIA VIC recommends

- Land release should be implemented as a continuous process from strategic planning through to title registration to ensure all delays and constraints are identified – not simply zoning risks.

Response to Question 6: How do development contributions and contributions frameworks affect project feasibility and new housing supply?

Development contributions affect housing supply because they directly influence whether projects are financially viable.

The same broader point made in response to Information Request 1 applies here: when costs are uncertain or poorly timed, they slow delivery and can prevent projects from proceeding.

The impact of contributions depends not only on their size, but also on how they are structured and at what point in a development lifecycle payment is required. Charges that are high, uncertain, or required too early in the development process can increase risk and delay projects. Where costs are unclear or change over time, it becomes more difficult to plan, finance and deliver new housing.

A well-functioning system should be clear, predictable and fair. Contributions should be linked to the infrastructure needed to support new housing, such as local roads, drainage and open space. However, they should not be used to fund infrastructure that serves a much wider area or provides broader public benefits. Where this occurs, the cost of that infrastructure is effectively shifted onto new housing, which can reduce feasibility and increase prices.

In practice, developers often face multiple overlapping charges, including different types of infrastructure contributions, permit conditions, works requirements and other obligations. This layering can result in duplication and a lack of clarity about what is being funded and by whom. It also makes it harder to assess project feasibility and can delay investment decisions.

In Ballarat West, development contribution charges increased sharply after the original funding model proved insufficient, with clear consequences for project feasibility and affordability. In Geelong's Creamery Road precinct, developers were expected to fund a large share of major road infrastructure even though the broader network would serve a much wider area. These kinds of settings increase costs, create uncertainty and can delay new housing.

These issues are particularly impactful for housing types that operate with tighter margins, such as apartments, medium density housing and affordable rental housing. Where costs are uncertain or too high, these types of projects are often the first to be delayed or not proceed at all. Improving the certainty and proportionality of contributions would support both overall supply and a better mix of housing.

UDIA VIC recommends

Government must provide methodologies to ensure Contributions:

- are only levied for infrastructure needed to support new housing, such as local roads, drainage and open space.
- costs are proportional to housing projects and have certainty to support supply and a better mix of housing.

Response to Question 7: What other regulations relating to housing-enabling infrastructure should be a priority for reform to increase new housing supply?

The infrastructure related regulations that should be prioritised are closely connected to the issues already outlined in response to Information Request 1, particularly the gap between housing growth and the timely delivery of supporting infrastructure.

The central problem is that land is often identified or rezoned for housing before there is a clear plan for how essential infrastructure will be funded and delivered. This includes transport, water, sewerage, drainage and community infrastructure. Without this coordination, housing cannot proceed even where planning approvals are in place.

A more effective approach would involve clear, publicly available infrastructure pipelines that set out what infrastructure is required, who is responsible for delivering it, when it will be delivered and what housing it will enable. This would improve transparency, reduce uncertainty and support better coordination between government agencies and industry.

Coordination is important across Victoria, but the consequences are often especially visible in regional growth areas. Housing delivery often depends on multiple agencies, including councils, utilities and state authorities, each with their own processes and priorities. Where these are not aligned, relatively small issues can delay projects for extended periods. More coordinated, place-based servicing plans would help address this by identifying key dependencies early and sequencing delivery more effectively.

Greater Geelong provides a practical example. Growth planning has moved ahead, but key transport planning has lagged, leaving uncertainty about when supporting road infrastructure will be delivered. When that happens, housing supply is slowed not because land has not been identified, but because the infrastructure needed to support development has not kept pace.

Technical requirements can also create unnecessary delays where they are not consistent or up to date. For example, outdated flood mapping or inconsistent application of technical standards can lead to rework, duplication and extended approval timeframes. Regular updates and greater consistency in how these controls are applied would improve both certainty and efficiency.

Flood mapping is one example. Where mapping is outdated or applied inconsistently, projects can be delayed by additional studies, redesign and repeated assessment. This does not mean those controls should be removed. It means they should be accurate, current and applied consistently so they protect communities without creating unnecessary delay.

Finally, subdivision and title processes should be recognised as part of the broader infrastructure system. Delays at these stages can disrupt settlements and slow the delivery of completed housing, even where all other approvals have been obtained. Improvements in service standards, communication and process flexibility would help reduce these delays.

UDIA VIC recommends

Government must:

- provide clear, publicly available infrastructure pipeline plans that set out what infrastructure is required, who is responsible for delivering it, when it will be delivered and what housing it will enable as a pre-requisite to identifying and zoning new housing.
- provide place-based servicing plans, coordinated with agencies, including councils, utilities and state authorities that identify key dependencies early and sequence delivery more effectively.
- provide regularly updated technical standards including flood mapping to ensure greater consistency in how these controls are efficiently applied.
- Incorporate subdivision and title processes as part of the broader infrastructure system to improve service standards, communication and process flexibility for reduced settlement delays.

Follow-up

If you require further information or clarification on the regulatory barriers for housing supply in Victoria, please, contact UDIA VIC's CEO, Linda Alison [\[Redacted\]](#).

UDIA WA: Western Australian State Needs

Introduction

The Urban Development Institute of Australia WA (UDIA WA) is the peak body representing the property development industry in WA, with over 250 members representing 5,500 industry professionals working across all facets of the housing continuum.

UDIA WA's response to the Productivity Commission's inquiry into Housing Supply Regulation is provided from the perspective of the WA planning and environmental regulatory system and draws on UDIA WA data, member engagement and submissions to the WA Government on relevant reform priorities that will assist in supporting the private sector to deliver more homes, faster.

In WA, strong demand side factors are running up against persistently low supply levels. Based on UDIA's State of the Land Report 2025, we are facing a 24,000 dwelling shortfall for Greater Perth by 2029, against the National Housing Accord Target (and at a similar scale to meet the needs of our growing population).

Lack of development-ready land, lagging infrastructure planning, funding and delivery, counter-productive taxation, increased costs of construction, labour and workforce challenges, as well as optimality and efficiency of the planning and environmental systems in supporting balanced outcomes are all impacting housing delivery.

The WA Government has progressed important initiatives to facilitate housing delivery, such as implementing several recommendations of the Vogel-McFerran Review into Environmental Assessment and Approvals, comprehensive planning reforms and establishment of the Housing Enabling Infrastructure Fund and Infrastructure Development Fund. Despite these initiatives, it has been and continues to be extremely challenging to make infill developments, particularly higher density apartment projects, stack up in Perth's current market conditions.

For housing choice and affordability for buyers and renters, we need a balanced approach to housing supply in new and existing areas across Perth and Peel, and in regional centres. Greenfield areas are accommodating a large share of population growth in Perth and Peel, as they enable housing delivery at greater pace and scale and typically attract and cater for the needs of a broad demographic (including through delivering housing options at or below median house prices).

In WA, a sustainable pipeline of housing supply is being constrained by the cumulative impact of inefficient and costly regulation, constrained construction sector capacity and a culture within regulatory agencies of saying no rather than getting to yes.

A systemic, whole of government approach is critical to resolve the fragmented and disconnected approach to regulatory assessment and approvals and leverage the significant government investment made by both the Commonwealth and the State Government into increasing housing supply.

Response to Question 1: Which regulatory reforms should governments prioritise to get more homes built more quickly?

UDIA WA recommends

- First, do no harm. Avoid further layering of regulation, policy, taxes or charges that adversely impact feasibility and the affordability of the supply of new housing, rightsizing to release capacity, and investment to increase rental availability.
- Facilitate housing choice through supporting a development ready supply pipeline and implementing measures to boost project viability, across the housing continuum.
- Ensure a planning-led, collaborative, and integrated design and approvals framework.
- Shift from a 'just in time' to an 'at the right time' approach to infrastructure planning, coordination, and funding and prioritise infrastructure funding commitments to those areas and items which will deliver the highest dwelling yields.
- Ensure a collaborative and outcome-focussed culture with supporting governance and procedural frameworks that facilitate cross-Government commitment and accountability.

Response to Question 2: Which steps of the housing regulatory approvals process are the most onerous, time consuming and costly? How could the burden be reduced?

2.1 Environmental approvals

From a Western Australian perspective, approvals processes for housing delivery are being slowed by duplication and fragmentation across multiple regulatory layers, particularly in environmental assessment. Projects are subject to overlapping requirements under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (EPBC Act), the Environmental Protection Act 1986 (WA), and Local Government planning schemes, often at multiple stages of the WA planning process.

Where these assessments do not run concurrently, proponents can face repeated review, delay, rework and differing conditions, making coordination between private developers and key regulatory agencies more difficult.

The opportunity in WA is to establish a planning-led environmental decision-making framework that is recognised by both the State and Commonwealth and designed to support fast, repeatable housing approvals without reducing environmental standards. That includes recognising environmental avoidance, mitigation and offset outcomes achieved through rezoning, District Structure Planning and other planning-stage decisions; enabling a single accredited pathway for both assessment and approvals where possible; and progressing a more strategic approach to offsets that reduces project-by-project delay, uncertainty and cost. There is also a need to work closely with the Federal Government to ensure any State-based pathway, offsets model or bilateral agreement is practical, acceptable for Commonwealth purposes and capable of delivering real time savings for housing supply.

UDIA WA recommends

- Establishing a planning-led environmental decision-making framework that recognises environmental outcomes achieved through the State planning system and carries them forward through later approval stages.
- Progress a practical bilateral framework that moves beyond assessment-only settings and delivers a single, accredited pathway for urban development approvals wherever possible.
- Progress a strategic approach to environmental assessment and offsets, including scalable and regionally coordinated solutions that improve certainty, reduce duplication and support timely housing delivery.

2.2 Planning approvals

Acknowledging the efforts to date of the WA Government in a number of planning reform initiatives, the cumulative impact of an overly complex, duplicative and sequential approvals process is further hindered by poor inter-agency coordination and empowerment that prevents efficient decision making.

Onerous and lengthy processes around regional planning scheme amendments, structure plans and subdivision applications and the associated referral agency inputs, community consultation and technical report requirements result in unacceptable delays to the delivery of housing supply.

Examples:

Lodged in December 2023, the District Structure Plan for Jandakot/North Treeby aims to deliver roughly 4,800 dwellings, yet advertising was delayed by over 18 months due to internal “resourcing and staffing issues.”

Local Development Plan approval for a project in Beaconsfield delivering 206 homes involved a lengthy 11-month approval journey with multiple layers of review and no delegated authority at the city level.

Subdivision Application approval for 215 homes took 133 days for determination due to poor coordination and management of referral agencies.

UDIA WA recommends

- Commit to improving consistency, accountability, communication and timeliness across referral agencies, including clearer service standards, proportionate risk-based regulation and more transparent pre-lodgement engagement.
- Review subdivision timeframes, processes and condition removal, including opportunities to streamline statutory approvals and earlier issue resolution.
- Enforce decision-making where local government or referral agencies delay advice and do not meet statutory timeframes.
- Provide draft subdivision conditions earlier in the process, including setting internal targets (e.g. avoiding late-stage drafting).
- Develop a structure plan pre lodgement / pre application model to support fast fail / fast go decisions and review structure plan delegations, including scenarios where local governments do not support a structure plan.
- Revisit sequencing of regional scheme amendments and EPA assessments, including feasibility of MRS amendments earlier in the process.
- Improve concurrency of processes (e.g. zoning and district structure planning) and consider fast track approval pathways, introduce triaging based on scale and risk.
- Establish meaningful KPIs and reporting, particularly for structure plans, MRS amendments and pre-lodgement stages.

Response to Question 3: Which recent reforms to approvals have been the most and least effective in increasing new housing supply?

The WA Government has progressed important initiatives prioritising the delivery of crucially needed housing, including comprehensive planning reforms that are having a positive impact on increasing new supply including:

- Reform of the Western Australian Planning Commission, particularly changes to the structure and composition, and enhanced transparency of meeting agendas and public items for statutory planning proposals;
- The temporary Part 17 and now Part 11B Significant Development Pathway, and the State Development Assessment Unit (SDAU) within Department of Planning, Lands & Heritage;
- The Development Assessment Panel reforms in 2024 to ensure a fair, consistent and professional decision-making process for development applications for proposals valued over \$2 million;
- Greater involvement of the Environmental Protection Authority (EPA) and EPA services in strategic planning outside of statutory processes through working collaboratively with WAPC to

provide environmental advice earlier in the land use planning process, at District Structure Plan stage. This is important to inform WAPC's decisions and a strategic approach to the recognition of environmental assets and the avoid, mitigate or offset framework, as well as ensuring better integration of DPLH and DWER functions for united government view to industry.

Response to Question 4: Which specific zoning and land-use controls most limit supply of new housing?

There is a need to look holistically across land use, infrastructure and environmental considerations and align agencies and service authorities to prioritise planning, streamline approvals, seek to ensure appropriately balanced outcomes and enable greater certainty.

The WA Government is currently reviewing the Residential Design Codes to maximise housing supply outcomes and provide greater flexibility.

UDIA WA recommends

- Establishing a dedicated procurement and fast-track approvals pathway for private sector projects (including developer-led with Community Housing Providers) that deliver mixed tenure social or affordable housing and provide density bonuses for additional floor space and height, and reduced lot size.
- WAPC/DPLH to work with industry and local government to undertake market analysis to identify key infill areas that could feasibly deliver increased density and initiate improvement plans and schemes to facilitate this. This should include upcoding, particularly when lots are of a suitable size to deliver medium and higher density homes.
- Implement legislative changes to allow for concurrent amendment of planning instruments, subdivision and/or development approvals to speed up rezoning of land for the creation of new homes.
- Grant extensions of existing subdivision, development application and structure plan approvals for two years to reduce unnecessary rework, freeing up resources to ensure approval authorities and consultants can deal with new approvals.

Response to Question 5: How important are land release arrangements in limiting housing supply in an area, relative to other zoning and land-use controls?

There is a persistent perception that land zoned for residential development is also development-ready. In practice, this is not the case. Residential land supply in WA is constrained by a wide range of factors. UDIA's 2025 National Housing Pipeline® (NHP) shows that for Greater Perth and Peel there are currently 8,202 hectares of unconstrained, undeveloped residentially zoned land in the region.

At the same time, 35% of all undeveloped residentially zoned land is development-constrained, with an estimated yield impact of ~90,000 dwellings. The NHP also shows there are only ~6 years of

unconstrained zoned residential land supply remaining at the National Housing Accord target take-up rate of 21,000 dwellings per year. In addition, 15% of potential future urban land, including land in planning investigation areas and land zoned urban deferred, is fundamentally constrained, while a further 23% is affected by other constraints, making new housing delivery in Western Australia more difficult.

The opportunity for WA is to adopt a more accurate, coordinated and delivery-focused approach to land and housing supply planning. That includes stronger monitoring and forecasting of land and housing supply, better alignment between strategic planning, infrastructure servicing and development pipeline intentions, and a clearer understanding of where constraints are occurring and how they can be addressed early. It also requires close engagement with the Federal Government where national policy settings, funding pathways or approval frameworks influence the speed at which land can move toward being genuinely development-ready.

UDIA WA recommends

- A comprehensive review of DPLH's land supply forecasting methodology and the Urban Growth Monitor, informed by UDIA WA's National Housing Pipeline® analysis, to provide a more accurate and transparent view of the forward land and housing supply pipeline.
- Better align strategic land use planning, servicing and infrastructure investment with development pipeline intentions for undeveloped urban zoned land and potential future urban land.
- Commit to working collaboratively with industry to identify and address key constraints earlier, including land fragmentation, environmental barriers and infrastructure limitations, to unlock land for new homes.
- Empower the Housing Supply Unit within the Department of Treasury to drive whole-of-government action to deliver on Perth & Peel @ 3.5m and growth in our regional centres. This should be informed by an end-to-end process and capability review and include driving the identification of the planning, environment, and infrastructure requirements for each corridor to achieve it.
- Establish and adopt key performance indicators and metrics for approval and service agencies relating to culture and service delivery aligned with facilitating housing supply, to measure and monitor the respective contributions to addressing the housing crisis.

Response to Question 6: How do development contributions and contributions frameworks affect project feasibility and new housing supply?

Greenfields

A key constraint to the delivery and utilisation of housing-enabling infrastructure is the absence of a coherent, forward-funded infrastructure model. Enabling costs are often unclear when planning decisions are made, contributing to a reactive, project-by-project approach and less efficient allocation of resources. This challenge is reinforced by short-term planning horizons, particularly

five-year capital works programs, which do not align with long-term growth strategies. Without stronger coordination, agencies have limited incentive to prepare infrastructure for future growth areas in advance, affecting the timely servicing of land identified for housing.

A key funding coordination failure is exemplified through a Mundijong development project. Prior to the commitment of funding for a wastewater pump station and associated mains, development activity in the area was unable to proceed due to the absence of adequate sewer infrastructure. Once funding was committed, it acted as a catalyst for development, enabling multiple developers to begin site works and progress planning approvals. While the infrastructure itself is scheduled for completion over a multi-year timeframe (with construction anticipated to commence in 2026 and finish in 2027), development activity has been able to start earlier, with civil works and housing construction progressing in parallel. This sequencing allows for a significant number of homes to be completed or nearing completion by the time the infrastructure becomes operational, followed by a rapid increase in housing delivery as servicing constraints are removed.

The same structural issues are evident in other identified growth areas, including North Ellenbrook, East Wanneroo, Karnup and North East Baldivis. In these locations, the provision of enabling infrastructure is expected to unlock substantial residential development, while delays in funding risk interrupting or deferring housing delivery.

A live example of the feasibility impacts of greenfield developer contributions is in East Wanneroo, a State-led District Structure Plan to deliver 10,000 homes over the next 10 years. Total developer contributions, state-based taxes and regulatory charges sit at \$85,000 per lot.

Through WA State Planning Policy 3.6 for Infrastructure Contributions, community infrastructure contributions are capped at \$5,000 per lot and is supported. Common issues arise around DCP inclusions not meeting the 'need and nexus' threshold, 'gold-plating' infrastructure therefore unnecessarily increasing costs and local governments solely relying on developer contributions to fully fund road and community infrastructure rather than DCPs supplementing federal, state and local government investment.

The WA Government's Housing Enabling Infrastructure Fund was announced in response to UDIA WA's advocacy and Growth Areas Infrastructure Requirements Report. Whilst this funding is welcome and provides utilities with upfront investment to proceed with planning and delivery of power, water and sewer infrastructure, the majority of the funds will be recouped from developers via increased headworks charges and special infrastructure contributions.

Infill

In Western Australia, addressing unresolved policy matters such as contributions for Public Open Space, Public Art and school sites is critical. The application of these requirements in an infill context is often inappropriate and inconsistent with the intent of urban consolidation policy.

These additional charges significantly increase development costs, complexity and approval timeframes. Current feasibility models for apartment and mixed-use projects must now account for these cumulative imposts, which directly reduce the level of built form that can viably commence and, in turn, undermines the affordability and deliverability of this housing typology.

Expansion of the WA Government's Infrastructure Development Fund (IDF) for water and power headworks costs has had limited impact with the per dwelling funding of \$10,000 not being fully

utilised due to the constrained applicability. UDIA WA advocates for an increase to \$20,000 per dwelling and including a broader range of statutory fees and charges to minimise the impact on much-needed infill product.

Response to Question 7: What other regulations relating to housing-enabling infrastructure should be a priority for reform to increase new housing supply?

Better alignment between strategic infrastructure planning, land use planning and development pipeline intentions would improve certainty, enable earlier planning of residential projects, and help unlock diverse and affordable housing supply in key growth areas. This requires a more coordinated whole-of-government approach and, where relevant, engagement with the Federal Government to better position strategically important infrastructure for support.

UDIA WA recommends

- Strengthen strategic infrastructure and land use coordination across Government, with proactive engagement with industry to identify priority enabling infrastructure and deliver it 'at the right time'.
- Continued investment in enabling infrastructure to unlock land in key growth corridors, strategically prioritising funding commitments to those areas and items that will deliver the greatest dwelling yields.
- Implement a centrally controlled mechanism / body, with a clear mandate to coordinate and facilitate the planning and delivery of strategically important infrastructure priorities focused on enabling housing supply, to ensure appropriate multi-agency resourcing, prioritisation, and funding.

Follow-up

If you require further information or clarification on the regulatory barriers for housing supply in Western Australia, please, contact UDIA WA's CEO, Tanya Steinbeck [Redacted]

UDIA SA: South Australian State Needs

Introduction

As the peak body representing the development industry in South Australia, UDIA SA supports the intent of this inquiry to identify practical regulatory reforms that will enable more homes to be delivered more efficiently. The focus on approval processes, land supply, and infrastructure frameworks is well targeted to address several of the most critical constraints on housing delivery and by extension housing affordability.

At present, South Australia presents a relatively constrained development environment, where regulatory settings have a direct and measurable impact on housing supply outcomes. While recent reforms have improved aspects of the planning system, there remain a number of structural and regulatory issues that continue to limit the speed, certainty and feasibility of new housing delivery.

At a high level, UDIA SA considers that the most significant barriers to housing supply in South Australia fall into three key areas: the frameworks that underpin the delivery of housing-enabling infrastructure, the efficiency and consistency of approval processes, and the regulatory settings governing land use and development capacity.

Response to Question 1: Which regulatory reforms should governments prioritise to get more homes built more quickly?

Planning Approvals

Approval processes remain one of the most significant contributors to delay and uncertainty in bringing new housing to market. While appropriate assessment is critical to ensuring safety and quality, the current system often results in extended timeframes due to fragmented agency involvement, inconsistent interpretation of planning policy, and repeated information requests throughout the assessment process.

These factors can result in material holding costs for development projects and, in some cases, deter investment altogether. The Productivity Commission has observed that long and complex approval processes can create cascading delays and reduce housing supply responsiveness, which is consistent with the experience in South Australia.

In practice, some of the most burdensome aspects of the approvals pathway include referral agency inputs, post-application information requests, and the need to satisfy multiple layers of approval conditions.

These processes are often sequential rather than coordinated and simultaneous, further extending delivery timeframes. Frustratingly, all too often separate Government agencies will express a view in direct contradiction of another agency's opinion. To illustrate, I can cite the example of Heritage submitting that a new apartment building should integrate with neighbouring heritage properties and incorporate a podium design that provides a sympathetic interface with neighbouring buildings. Meanwhile the Government Architect would submit that the new building should have a

consistent streamlined design consistent with a modern apartment building. As, in practice, the State Commission Assessment Panel defers to these agency opinions as essentially a veto, it is the proponent's job to waste months working with agencies with competing opinions on achieving resolution rather than Government determining a single consistent position across its agencies. This is but one example of the inherent contradictions that arise from the multitude of referrals and repeat requests for information that frustrate applications and add time and cost to projects.

UDIA SA recommends

Streamline approval pathways by:

- enabling greater use of automated, code-based assessment.
- enabling greater use of complying deemed to satisfy pathways.
- introducing stronger statutory timeframes, and improving coordination between agencies.

Land Use/Zoning

The availability and use of land for housing is also significantly influenced by regulatory settings in South Australia. While the planning framework provides a degree of zoned capacity, the practical ability to deliver housing is often constrained by a combination of density controls and built form requirements. As noted by the Commission, such controls can limit the number and type of dwellings that can be delivered, particularly in areas where demand is strongest.

In South Australia, these constraints are particularly evident in established urban areas, where opportunities for infill development are often restricted by a layering of controls that reduce feasible yield outcomes.

While these controls serve legitimate objectives, their cumulative effect can significantly limit housing supply and reduce the ability of the market to respond to demand.

In this context, there is merit in reviewing these settings to ensure they strike an appropriate balance between amenity outcomes and the need to increase housing supply.

UDIA SA recommends

- Review density controls and built form requirements and their layering that reduces feasible yield outcomes.

Enabling Infrastructure

Land release arrangements also play a role, although in South Australia the more significant constraint is often not zoning itself but the timely servicing of land. The sequencing of land release is closely tied to infrastructure provision, and where infrastructure delivery is uncertain or delayed, land that is zoned for housing may not be practically available for development.

This highlights the importance of infrastructure provision frameworks, which represent a critical constraint on housing supply in the state. The delivery of essential services such as water, sewer, and stormwater management works is fundamental to unlocking both greenfield and infill development opportunities.

South Australia is experiencing persistent challenges in the timely delivery of water infrastructure, with SA Water processes increasingly acting as a constraint on development and housing supply. Industry feedback consistently highlights delays in securing approvals, limited transparency around infrastructure capacity and augmentation timing, and inconsistent communication from SA Water, all of which create uncertainty for developers and slow the release of serviced land.

In particular, response times and engagement have been identified as inadequate, contributing to project delays and cost escalation across the sector. Without clearer timeframes and improved coordination, water servicing risks continuing to act as a bottleneck to achieving South Australia's housing and growth objectives.

Further, another key constraint on the efficient delivery of water infrastructure in South Australia is the lack of contestability in the current system, with SA Water largely operating as the sole infrastructure provider. This limited competition reduces incentives for innovation, efficiency and timely delivery, and restricts the sector's ability to respond flexibly to growth demands. UDIA SA has consistently advocated for regulatory frameworks that afford greater contestability to expand capacity and deliver serviced land and accelerate housing supply, noting that introducing alternative delivery models would improve performance, enhance accountability, and reduce bottlenecks in enabling infrastructure.

One growth front in Greater Adelaide that stands out for its ability to consistently deliver new housing supply over the past decade is Mount Barker. This is notable because SA Water has not been present as a sewer provider in this area. Instead a council system and a private operator have operated in competition to provide services to local communities. This has resulted in a competitive market that has helped to keep prices in check and has supported timely provision of services.

UDIA SA recommends

- Clearer timeframes and improved coordination, water servicing.
- Introduce regulatory frameworks that afford greater contestability to expand capacity and deliver serviced land and accelerate housing supply in a timely and cost effective way.

Conclusion

Across these three areas, there are clear and practical opportunities for reform that would support increased housing supply in South Australia.

Importantly, these reforms do not require a reduction in regulatory standards, but rather a more efficient and coordinated approach to achieving policy objectives. The Commission has highlighted that regulation serves an important purpose, but that the cumulative burden of regulation can be reduced without compromising outcomes.

Improving the performance of housing-related regulatory systems in South Australia will contribute directly to national objectives to increase housing supply and improve affordability. As the inquiry recognises, boosting supply in areas where people want to live is critical to addressing Australia's housing challenges.

Follow-up

If you require further information or clarification on the regulatory barriers for housing supply in Western Australia, please, contact UDIA SA's CEO, Liam Golding [Redacted]

Conclusion

UDIA is keen to discuss these Federal State and Territory issues with you at your earliest convenience.

Please call Andrew Mihno, Head of Policy and Government Relations UDIA National [Redacted] to arrange our meeting.

Yours sincerely

Oscar Stanley
UDIA National President



E udia@udia.com.au
GPO Box 2279 Brisbane QLD 4001
www.udia.com.au