

Portfolio Committee No. 7 – Planning and Environment
Parliament of NSW
Via email: portfoliocommittee7@parliament.nsw.gov.au

Question on Notice: In terms of the transition from the SICs to this scheme, do you see any impact to your members that could be problematic or need to be managed? (asked by The Hon. Jacqui Munro)

CHIA NSW response:

Affordable housing and seniors housing delivered by social housing providers, which includes registered community housing providers (CHP), is exempt from most special infrastructure contributions (SICs) schemes. In this regard, the transition of implemented SICs to the new Housing and Productivity Contributions (HPC), or the timing thereof, is not expected to have a significant impact on CHPs.

This assumes affordable housing and seniors housing development will be exempted from paying HPCs. If the exemptions currently available to the sector are lost, this would impose significant additional costs on community housing projects. This would affect the development viability of new community housing projects, increase the subsidy needed to deliver schemes, and/or reduce the amount of social and affordable housing that can be delivered.

CHIA NSW notes that the Western Sydney Growths Areas SIC does not currently exempt affordable housing or seniors housing from paying contributions. Delays in transitioning this scheme to HPCs could impact CHPs financially if contributions from affordable housing or seniors housing continue to be required in this area. It is recommended that the Ministerial Determination for the Western Sydney growths Areas SIC is amended to exempt affordable housing or seniors housing.

CHIA NSW appreciates the opportunity to participate in the Inquiry. Please don't hesitate to get in touch with myself on [redacted] or at [redacted], if you require any further information or clarifications.

Kind regards.

Michael Carnuccio
Senior Policy officer