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MEDIA RELEASE

Housing Affordability the Loser in Further Delays to Medium Density Housing Code

The NSW Government's decision to once again delay the introduction of the medium density housing code for the 45 current deferred councils until 1 July 2020 is a loss for housing affordability and consumers said David Bare, HIA Executive Director NSW.

The NSW Planning Department consulted extensively with industry and councils to develop the medium density code which was originally launched in April 2018 after nearly two years in development and negotiation with all stakeholders including Local Government representatives. It was then hurriedly and inappropriately retreated from under pressure from councils prior to the State Election. Now, following a review, the 45 councils have pocketed a further 8 month delay apparently because they are also dragging their feet on developing their strategic housing plans.

"This code only covers medium density construction up to two storeys high. The State Government needs to support this most basic form of medium density housing product which offers greater choice, more affordable options and will be more readily acceptable to many residents" Mr. Bare said. "Almost three years for what is quite a simple form of building is testament to the complexity of our planning laws in NSW and why it is so costly to bring even simple developments to market".

"This further delay is unfair on the industry who have developed product to satisfy the code and new home buyers who miss out on the benefits" said Mr. Bare.

The new code will help to alleviate the bottle neck of development applications created by our overly complex planning system. It will also reduce planning and administrative costs by up to \$15,000 for people building a duplex or townhouse.

"There is broad support for increased housing diversity across NSW. It simply makes sense. The Planning Minister must get serious about improving the efficiency of our planning system and ensure that all local government exemptions on use of the medium density housing code are lifted" concluded Mr Bare.

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