



Housing Support Program – Local Infrastructure Fund Factsheet

The Government is investing \$2 billion in a new stream of the Housing Support Program – the Local Infrastructure Fund (Local Infrastructure Fund) which will be available to local governments and state-owned utilities to build the critical ‘last mile’ infrastructure needed to support new housing developments.

This targeted funding will help unlock development ready land, by fast tracking enabling infrastructure such as water, sewer and electricity connections. Funding will be available in two rounds of \$1 billion with a minimum of \$500 million (in total) reserved for regional projects.

How do I apply for funding?

Applications for the first round will open later this year and will be supported by guidelines and other material. The second funding round is expected to open in the middle of next year.

Applications for the Local Infrastructure Fund will be made through the Business Grants Hub. The Business Grants Hub helps a range of Australian Government agencies design and deliver grants programs.

Assessment will consider the number of well-located homes unlocked relative to the size of investment and the timeframe for delivery, with preference given to projects that can be completed by 30 June 2029.

Local governments and state utility providers will be encouraged to prioritise and rank projects, if more than one project is put forward. This will be explained in the program guidelines and supported through the application process.

Further information on what and how to apply will be released in coming months along with the guidelines and details on the information that you will be required to submit as part of your application.

What type of infrastructure can I apply for?

Eligible projects will include:

- Local roads, including upgrades and extensions, footpaths, cycle paths and associated lighting
- Bridges and culverts that provide access to new housing sites
- Stormwater and drainage works, including flood mitigation and resilience measures

- Water and wastewater infrastructure, including pipes, pumping stations and treatment facilities
- Electricity infrastructure, including grid connections, substations and network upgrades
- Public transport enabling works, such as bus stops required to service new housing precincts

The Local Infrastructure Fund is not available for projects that are:

- State-delivered infrastructure
- Social or community infrastructure (such as parks and open spaces)
- The direct construction of housing

The intent of the Local Infrastructure Fund is to support practical, on the ground infrastructure that directly unlocks market housing, rather than broader amenity or service upgrades.

The Local Infrastructure Fund will not fund activities already financed elsewhere unless explicitly part of an approved co-funding arrangement. Applicants will be required to clearly define the scope and costs the funding is being sought to cover.

What information will be required as part of my application?

Similar to earlier streams, applications will need to be supported by:

- Information about the project scope, including project plans and detailed designs as appropriate to the project
- The project budget, including a cost breakdown and a proposed funding profile
- Proposed project timeline and milestone schedule
- A risk assessment

As a guide, the following evidence will be required as part of the assessment process:

- Information on the number of dwellings the project will support
- Evidence that the funding is required for the project to proceed (that is, that there is a funding shortfall)
- Evidence that the project is ready to proceed, for example through detailed designs, technical documentation, approvals and robust project plans
- Evidence that your state government supports the proposed project proceeding and that it is consistent with the state's housing strategies and local infrastructure plans
- Evidence that capital expenditure levels are being at least maintained, ensuring Commonwealth funding delivers genuinely additional enabling infrastructure rather than substituting existing commitments

Applicants must disclose all other existing or proposed funding sources, which could include Commonwealth, state, territory, local and in-kind contributions, and any previous grants.

More information will be available when the Local Infrastructure Fund Guidelines [and assessment criteria] is released closer to when the program opens to applications.

What funding amounts are available?

Funding is allocated to eligible states and territories on a per capita basis, with a floor of \$50 million given to states and territories with small population. 25 per cent of funding to each jurisdiction will be reserved for funding in regional areas. The allocation of funding for Local Infrastructure Fund is as follows:

Jurisdiction	Regional funding (\$m)	Total funding (\$m)
NSW	151.3	605.3
VIC	124.4	497.7
QLD	99.7	398.9
WA	53.6	214.2
SA	33.5	133.9
NT	12.5	50.0
ACT	N/A	50.0
TAS	12.5	50.0
		2000.0

Funding will be split into two equal rounds of \$1 billion each. Unlike Stream 1 and the Community Enabling Infrastructure of the Housing Support Program, there is no cap on the amount of funding that can be applied for.

What is the role for state and territory governments?

Similar to earlier rounds of the Housing Support Program, funding will be paid to local governments and state-owned utility providers via a Federation Funding Agreement between the relevant state and Commonwealth.

States will also need to commit to reform objectives to drive:

- Faster and simpler approvals.
- Making more land available and ready to build more homes.
- A simpler, genuinely national construction code.