



LEGISLATIVE COUNCIL

SELECT COMMITTEE ON RURAL HOUSING AND SECOND DWELLINGS REFORM

Inquiry into rural housing and second dwellings reform

TERMS OF REFERENCE

- (1) That a select committee be established to inquire into and report on reforms to facilitate the construction of second dwellings in rural zones, and in particular:
 - (a) planning instruments and development controls to facilitate the construction of second dwellings in rural zones in New South Wales, excluding Greater Sydney, with an emphasis on Outer Metropolitan Local Government Areas, and in particular the document entitled "State Environmental Planning Policy (Housing) Amendment (Second Dwellings in Rural Zones) 2025"
 - (b) potential amendments to the State Environmental Planning Policy (Housing) 2021 (Housing SEPP), the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 (Codes SEPP), and related instruments to enable flexible, streamlined, and liberalised approval pathways for second dwellings on rural-zoned land
 - (c) the benefits and risks of permitting second dwellings on RU1–RU6, C3 and C4 zoned lands, including via complying development
 - (d) the suitable interaction between the Housing SEPP and/or Codes SEPP and provisions in Local Environmental Plans under section 3.28 of the Environmental Planning and Assessment Act 1979
 - (e) the impact of removing restrictions on dwelling size, attachment, and internal lot distance and implications of enabling second dwellings to be larger than, or function as, the primary dwelling
 - (f) the role of elevation criteria and 1-in-100-year flood mapping in determining permissibility and the use of performance-based solutions for flood-prone lands (e.g., elevation certification), other land-based hazards and environmental impacts
 - (g) the interaction between second dwellings and potential impacts on rural activities and productive capacity of land for agriculture, including feasibility and implications of allowing second dwellings without subdivision
 - (h) the use of non-discretionary, zone-specific development standards and their interaction with merit based assessment in complying pathways and legal frameworks for tenancy in common, co-ownership, and strata-like arrangements on rural land
 - (i) mechanisms to streamline the development application and Complying Development Certificate (CDC) processes

- (j) the adequacy of existing infrastructure (eg sewerage, access roads) for servicing second dwellings and potential impacts of reforms on housing affordability, multigenerational living, and rural population growth
 - (k) transitional arrangements and monitoring of policy outcomes, and
 - (l) any other related matters.
- (2) That the committee report by 31 March 2026.¹

The terms of reference for the inquiry were referred to the committee by the Legislative Council on 6 August 2025.²

Committee membership

Hon John Ruddick MLC	Libertarian Party	<i>Chair</i>
Hon Scott Farlow MLC	Liberal Party	<i>Deputy Chair</i>
Hon Mark Buttigieg MLC	Australian Labor Party	
Hon Anthony D'Adam MLC	Australian Labor Party	
Hon Wes Fang MLC	The Nationals	
Ms Sue Higginson MLC	The Greens	
Hon Emily Suvaal MLC	Australian Labor Party	

¹ The original reporting date was 13 February 2026 (*Minutes*, NSW Legislative Council, 6 August 2025, item 58). The reporting date was later extended to 31 March 2026 (*Minutes*, NSW Legislative Council, 5 February 2026, item 2).

² *Minutes*, NSW Legislative Council, 6 August 2025, item 58.