

Housing Policy

December 2022

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City of
Newcastle

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Part A Preliminary

1 Purpose

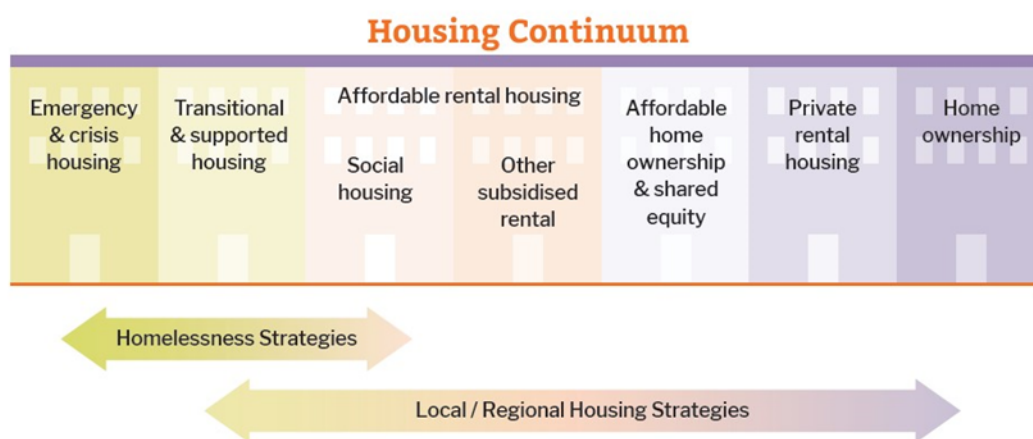
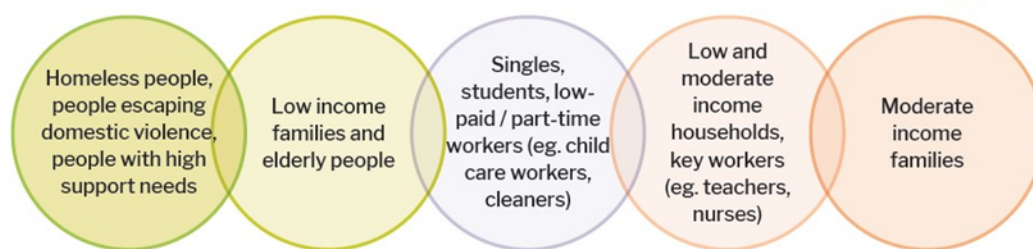
- 1.1 The City of Newcastle (CN) is committed to increasing the range and supply of housing to meet the growing needs of the city, including affordable housing. The purpose of this Policy is to state CN's position and approach to facilitating a mix of dwelling types, tenures, and sizes to support the community's diverse needs as it grows and changes.

2 Scope

- 2.1 This Policy will:
- 2.1.1 Apply to all land in the Newcastle Local Government Area (LGA).
 - 2.1.2 Facilitate a diversity of housing types and tenures and increase the supply of affordable housing for very low, low and moderate income households, using planning agreements, amending the Local Environmental Plan, and preparing an affordable housing contributions scheme.
 - 2.1.3 Aim to maintain and increase the supply of affordable rental housing for householders on very low, low and moderate incomes such as key workers by working with all levels of government to ensure no net loss of social and affordable housing.
 - 2.1.4 Apply to planning proposals with an intended outcome to increase density or that are in Council's growth areas.
 - 2.1.5 Support a wide range of strategies in supporting people who are homeless or at risk of homelessness and Housing Stress.

This Policy recognises the interrelationship of affordable housing, Housing Stress and homelessness, see Diagram 1. The Policy should be considered with CN's Local Strategic Planning Statement, Local Housing Strategy and the Newcastle and Hunter Ending Homelessness Pledge ratified by CN. It supports CN's policies for Planning Agreements, and Community Infrastructure Incentives.

Diagram 1: Examples of Housing Needs



Source: NSW Local Government Housing Kit 2019

Note: It is important to note there are complexities relating to housing needs and to the roles and responsibilities of different levels of government to address these varying needs of housing, and related strategies.

3 Principles

3.1 City of Newcastle (CN) commits to the following:

- 3.1.1 **Alignment with Council strategies** - the Policy aligns with Council priorities outlined in the Newcastle 2040 Community Strategic Plan, Council's Local Strategic Planning Statement, and Council's Local Housing Strategy 2020.
- 3.1.2 **Certainty** – by embedding affordable housing into CN strategy, policy, and plans.
- 3.1.3 **Consistency** – by ensuring CN regards this Policy when reporting to Council on proposed increases in density through an amendment to the Local Environmental Plan 2012 (LEP).
- 3.1.4 **Housing as a Human Right** – CN aim to ensure all people have equitable access to the type of housing that meets their needs and is affordable.
- 3.1.5 **Inclusiveness** – CN makes its best efforts to reach, involve and hear from those who are impacted directly or indirectly by our decisions.
- 3.1.6 **Openness** – by providing clear directions to meet CN's housing needs and through open decision making and transparency in actions. This means recording, giving and revealing reasons for decisions, revealing other avenues available to the client or business, when authorised, offering all information and communicating clearly.
- 3.1.7 **Collaboration** – partnering with relevant organisations, industry and other councils to achieve the goals and targets of the Policy.

Part B Implementation

4 Organisational Commitment

4.1 CN will implement this Policy by providing:

- 4.1.1 An overall affordable housing target of 15% to work towards, across the city that is monitored using benchmarks for affordable housing, housing diversity and homelessness.
- 4.1.2 An evidence based affordable rental housing target for all strategic plans and planning proposals for urban renewal or greenfield development.
- 4.1.3 Targets for affordable rental housing in CN established through feasibility analyses as part of the Newcastle Local Housing Strategy.
- 4.1.4 An Affordable Housing Contributions Scheme to apply to land within:
 - Catalyst areas and strategic centres proposing residential accommodation
 - Urban Renewal Corridors
 - Any other location where an increase in residential density will occur because of an amendment to planning controls
- 4.1.5 Mechanisms to deliver more affordable, private housing implemented through the Newcastle Local Housing Strategy.
- 4.1.6 The development industry with a process to facilitate and inform Planning Agreements for an affordable housing component of developments where appropriate.
- 4.1.7 Planning controls that diversify housing types and tenure and facilitate affordability of housing with a sensitivity to the character of place.
- 4.1.8 Opportunities to deliver affordable rental housing by working with all levels of government, industry experts, Aboriginal Land Councils, private sector, stakeholders, and community housing providers.
- 4.1.9 Investigation into the best solutions and opportunities available to support the community in response to immediate housing problems.

5 Roles and Responsibilities

- 5.1 All levels of government have different roles in the provision of housing. This policy focuses on CN's role in facilitating and advocating for opportunities for the provision of housing to meet the needs of the whole community.
- 5.2 Planning, Transport and Regulation Service Unit are responsible for implementing this policy through relevant changes to strategic plans and the planning framework.
- 5.3 Community Planning and Development are responsible for the provision of important data to inform the policy and for implementation through leadership, partnerships, and advocacy roles relating to homelessness and housing stress.

Annexure A - Definitions

Affordable Housing Contributions Scheme is a council-led document which sets out how, where, and at what rate development contributions can be collected by council for affordable housing. It gives the local community greater clarity about the affordable rental housing planned for in the local government area, and provides developers certainty and transparency about how affordable rental housing contributions will be determined, and the contribution rate that will be applied in a condition of consent. NB. This process is prescribed by the NSW Government.

Affordable rental housing/affordable housing means housing that households on very low income to moderate incomes can afford, as defined in the *Environmental Planning and Assessment Act 1979* and *State Environmental Planning Policy (Housing) 2021*:

- very low – 50% of median income
- low – 50 – 80% of median income
- moderate – 80-120% median income.

Catalyst areas are identified in the *Greater Newcastle Metropolitan Plan 2036* (as amended or replaced) and are places of metropolitan significance where a planned approach will drive the transformation of the Greater Newcastle district as a metropolitan city.

CEO means Chief Executive Officer of the City of Newcastle and includes their delegate or authorised representative. References to the Chief Executive Officer are references to the General Manager appointed under the Local Government Act 1993 (NSW).

City of Newcastle (CN) means Newcastle City Council.

Community housing provider means a not-for-profit organisation which provides affordable rental and social housing for very low, low, to moderate income and is registered under the National Regulatory System for Community Housing.

Council means the elected Council.

Density means the quantitative rate used to measure the concentration of development on land. Under the Local Environmental Plan (LEP), density is measured by floor space ration (FSR), with an 'increase in density' meaning an increase in the amount of gross leasable floor area (GFA) able to be accommodated on a site.

Dwellings means all types of housing, from granny flats and studios to apartments, townhouses, terraces, semi-detached homes and standalone homes.

Homelessness means the condition of having no fixed suitable accommodation. It includes living arrangements in a dwelling that is inadequate, has limited or no tenure, or denies space for social relations. It can include sleeping rough, couch surfing and staying in unstable or overcrowded accommodation.

Housing affordability means the general affordability of both rental and purchase housing on the open market and is not limited to those on low to moderate incomes. A common benchmark of affordability is housing that does not absorb more than 30% of the gross income of very low, low, or moderate income households.

Housing diversity/housing range means the range of shape and form of housing, including the varying scale, layout, number of bedrooms and whether housing is usable and accessible by all people. Also referred to as housing typologies it refers to the availability of different housing depending on an area's landscape, topography, planning controls and proximity to centres, services, facilities and transport.

Housing Stress means when very low or moderate income households pay more than 30% of their household income on rental or mortgage payments. This is when such households are at risk of having insufficient income to meet essential living costs. Those paying more than 50% of income on such payments are considered to be in 'severe housing stress'.

Key worker means someone on a very low to moderate income who provides a vital service to the economic and social development of CN, including school teachers, midwives,

nursing professionals, hospitality and retail workers, personal carers, aides and assistants, child carers, fire fighters, police, bus and rail drivers, cleaners and laundry workers.

LEP means Newcastle Local Environmental Plan 2012.

Social housing means housing for people on low incomes or people in housing crisis, which the government or community housing providers own or manage. Rents are based on income.

Public housing means a type of social housing managed by a government organisation such as the Department of Communities and Justice or the Aboriginal Housing Office.

Urban Renewal Corridors are areas identified to support future growth and development, which are based along identified higher-frequency public transport routes and include several major local commercial centres and the areas between centres.

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy

Annexure B - Policy Authorisations

Function	Position Number / Title
Nil	

Document Control

Policy title	City of Newcastle Housing Policy
Policy owner	Manager Planning, Transport and Regulation
Policy expert/writer	Urban Planning Section Manager
Associated Procedure Title (if applicable)	N/A
Procedure owner (if applicable)	N/A
Prepared by	Planning, Transport and Regulation
Approved by	Council
Date approved	13/12/2022
Commencement Date	13/12/2022
Next revision date (date policy will be revised)	30/09/2025
Termination date	13/12/2026 (one year post revision date)
Version	2
Category	Administration
Keywords	Housing, affordable, diversity, key worker, contribution, dwelling.
Details of previous versions	Version 1: 7175969
Legislative amendments	Nil
Relevant strategic direction	Connected and Fair Communities
Relevant strategy	Newcastle 2040 Community Strategic Plan Newcastle Local Strategic Planning Statement 2019, Newcastle Local Housing Strategy 2020
Relevant legislation/codes (reference specific sections)	This policy supports CN's compliance with the following legislation: – Environmental Planning and Assessment Act 1979

Other related policies/ documents/ strategies	Planning Agreements Policy, Community Infrastructure Policy, Local Strategic Planning Statement, Local Housing Strategy, Local Environmental Plan, State Environmental Planning Policy No 70 Affordable Housing (revised scheme).
Related forms	N/A
Required on website	Yes
Authorisations	Functions authorised under this Policy at Annexure B