



Acknowledgment

Newcastle City Council acknowledges the traditional country of the Awabakal and Worimi peoples. We recognise and respect their cultural heritage, beliefs and continuing relationship with the land, and that they are the proud survivors of more than two hundred years of dispossession. Council reiterates its commitment to addressing disadvantages and attaining justice for Aboriginal and Torres Strait Islander peoples of this community.

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The 17 Sustainable Development Goals are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

The *Newcastle Affordable Living Plan* contributes to the following goals.



Goal 1: End poverty in all its form everywhere



Goal 3: Ensure healthy lives and promote well-being for all at all ages



Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all



Goal 10: Reduce inequality within and among countries



Goal 11: Make cities inclusive, safe, resilient and sustainable



Goal 12: Ensure sustainable consumption and production patterns



Goal 17: Revitalize the global partnership for sustainable development

Source: <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

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ABOUT THE AFFORDABLE LIVING PLAN

Newcastle City Council's Affordable Living Plan identifies the current and projected housing needs of the Newcastle community and builds upon the strategic directions for residential lands identified in the Newcastle City Council Local Planning Strategy (2015). It also looks at other factors that Council can influence which affect the cost of living, as housing is only one aspect of affordable living.

The Plan identifies steps that Council can take in working towards the shared Newcastle 2030 community vision:

"In 2030 Newcastle will be a Smart, Liveable and Sustainable City. We will celebrate our unique city and protect our natural assets. We will build resilience in the face of the future challenges and encourage innovation and creativity. As an inclusive community, we will embrace new residents and foster a culture of care.

We will be a leading lifestyle city with vibrant public places, connected transport networks and a distinctive built environment. And as we make our way toward 2030, we will achieve all this within a framework of open and collaborative leadership."

What is affordable living?

Affordable living is a holistic approach to achieving life style and housing affordability. Affordable living is about more than just the cost of housing. It brings to account a range of factors, including the size, type and cost of housing we choose, our access to jobs and services, how we move around and the resources we use¹.

¹ Council of Mayors (SEQ), 2011, *Next Generation Planning. A handbook for planners, designers and developers in South East Queensland*. Brisbane: Council of Mayors (SEQ).



What is affordable housing?

The Department of Family and Community Services (2016) define affordable housing as housing that is appropriate to the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs. As a rule of thumb, housing is usually considered affordable if it costs less than 30% of gross household income.

Affordable housing or affordable living?

Many factors influence housing affordability including the type of housing, construction costs, climate, land and infrastructure costs, approval processes and the overall supply and demand for housing. Housing influences other non-shelter outcomes including access to transport, jobs, education and services, family stability and

health². All of these factors play a role in the affordability of living. By focusing on affordable living the hidden costs associated with inappropriately located or designed housing are not overlooked.

Newcastle City Council recognises that access to secure, appropriate and affordable housing is not only a basic requirement for all people, it is an essential component of an inclusive, dynamic and sustainable city. This plan focusses on actions that Newcastle City Council can implement to facilitate affordable living opportunities for our community.

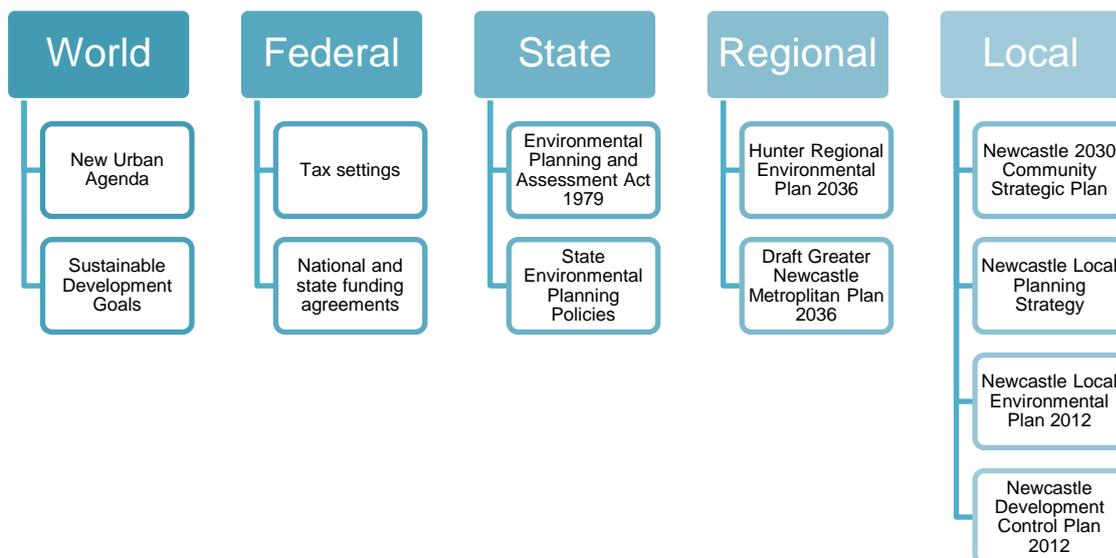
Key housing terms

Social housing - rental housing provided by not-for-profit, non-government or government organisations to assist people who are unable to access suitable accommodation in the private rental market.

Affordable housing - housing that is appropriate to the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs. As a rule of thumb, housing is usually considered affordable if it costs less than 30% of gross household income.

Context

Affordable living in Newcastle and local policy response is influenced by legislation and policy at all levels of government. This is summarised below. Detailed information about key policies and legislation is provided in Appendix 1.



² Yates, J. M. (2007). *Housing affordability: A 21st century problem*, AHURI Final Report No. 105. Melbourne: Australian Housing and Urban Research Institute Limited.

COMMUNITY

Who are we?³

The wider Newcastle LGA is the largest regional centre in NSW and the second largest non-capital urban centre in Australia. Newcastle is the service and administrative centre for the Hunter Region.

160,919 people Newcastle LGA population.

37 years old is the **median** age in Newcastle.

We are growing:

0.95% population growth each year since 2011 with **190,000** people predicted to call Newcastle home by 2031.

16,000 additional households by 2031 and **17,300** new dwellings are needed over this time to keep pace with the growth in single and couple only households.

We are diverse:

3.5% of the population are Aboriginal and Torres Strait Islander people.

14% of people are born overseas, a 1.6% increase from 2011.

5.9% need help in their day-to-day lives due to disability.

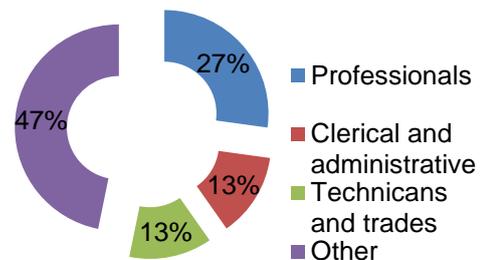
We are ageing:

21.4% of the population were aged **60** years or over, which is an increase of 0.7% from 2011.

³ .ID, the population experts (n.d.). *Community Profile, The City of Newcastle*. Retrieved April, 2018, from .IDCommunity demographic resources: <http://profile.id.com.au/newcastle>

What do we do?⁴

Occupation



\$1368 is the median weekly household income in the Newcastle LGA compared to \$1750 in Sydney.

59% of employed people work full time and **39%** part-time.

In December 2017 **5.8%** of the labour force was classed as unemployed⁵.

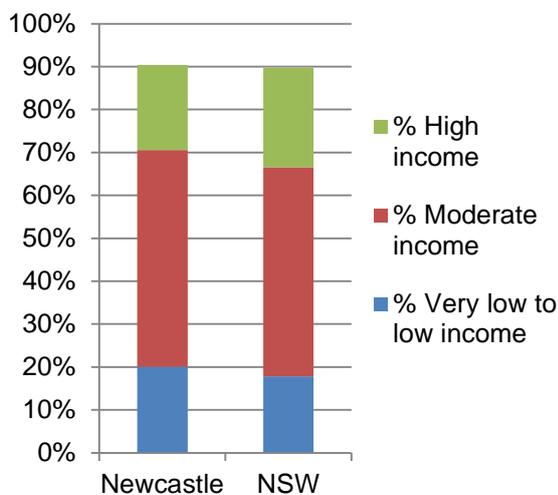
19.8% of households earn a high income and **20.1%** have a low or very low income (those earning less than \$650 per week).

⁴ ID, the population experts (n.d.). *Community Profile, The City of Newcastle*. Retrieved April, 2018, from .IDCommunity demographic resources: <http://profile.id.com.au/newcastle>

⁵ REMPLAN (2018). *Economy Profile, Trends, Newcastle Unemployment Rate*. Retrieved 12 April 2018 from: <http://www.economyprofile.com.au/newcastle/trends/unemployment#line-chart>

This is a higher proportion of low income households compared to NSW (17.8%) and a lower proportion of high income households (23.1%).

The proportion of households with low and very low incomes varies widely across the Newcastle LGA. Jesmond had the largest proportion of low income households and Fletcher-Minmi had the smallest proportion of low income households.



How do we live?⁶

35% of people rent their home and the median rent is **\$395⁷**.

In 2016, **31%** of renting households were experiencing housing stress and **7.3%** of households purchasing their home were experiencing mortgage stress.

⁶ ID, the population experts (n.d.). *Community Profile, The City of Newcastle*. Retrieved April, 2018, from .IDCommunity demographic resources: <http://profile.id.com.au/newcastle>

⁷ Family and Community Services. (2018). Rent and Sales Reports. Retrieved from Housing: <http://www.housing.nsw.gov.au/about-us/reports-plans-and-papers/rent-and-sales-reports>

Housing stress varies across the LGA with **52.2%** of households in Birmingham Gardens - Callaghan experiencing rental stress and **11.1%** of households in Shortland-Sandgate experiencing mortgage stress.

\$580,000⁸ is the median home purchase price

Housing stress and income

Housing stress is widely used as a standard for assessing housing affordability problems. Housing stress is defined as "the group of households who have gross incomes below 120% of the median household income and who are paying more than 30% of their household income to meet their housing costs".

A **very low income** is described as those people earning less than 50% of the NSW or Sydney median income. People earning the minimum wage, those who are on an aged or disability pension or other government benefit and workers in areas such as retail or manufacturing, generally have a very low income.

People earning between 50% and 80% of the NSW or Sydney **median income** are described as earning a low income. Generally jobs such as a child care worker, secretary or cleaner fall into this income category.

A **moderate income** is described as those people earning between 80-120 % of the NSW or Sydney median income. Generally jobs such as teaching, policing or nursing, particularly people in earlier stages of their careers, fall into this income category.

People working in many of the jobs that have low to moderate incomes are described as **key workers** as they provide essential services to the community.

⁸ Family and Community Services. (2018). Rent and Sales Reports. Retrieved from: <https://www.facs.nsw.gov.au/download?file=580805>

Single dwellings make up **68.6%** of the housing stock.

Medium density housing has been the fastest growing housing type since 2011. It now comprises **22.5%** of the housing stock.

An additional **1565** medium density dwellings were constructed between 2011 and 2016 compared with **185** additional single dwellings.

4 bedroom homes were the fastest growing dwelling type between 2011 and 2016, with an increase of **11%**.

582 two bedroom dwellings were lost from the housing stock between 2011 and 2016.

42.3% of all homes contain **3** bedrooms.

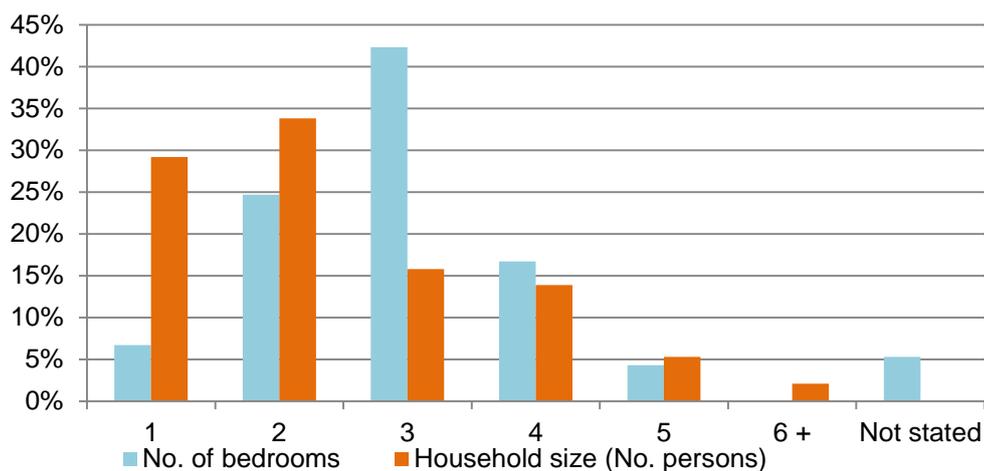
Lone person and couple households comprise **63%** of all households.

36.6% of households had access to **1** motor vehicle and another **48%** had access to **2 or more** motor vehicles.

Private motor vehicles are the main way that people travel to work with **68.9%** as a driver and **4.7%** as a passenger.

The average work trip length is **9km** and the average trip length for social / recreation activities is **7km⁹**.

78.4% of homes in the Newcastle LGA have an internet connection.



⁹ Transport for NSW - Bureau for Transport Statistics. (2014). *Household Travel Survey*. Retrieved 2016, from Bureau of Transport Statistics: <http://www.bts.nsw.gov.au/Statistics/Household-Travel-Survey/default.aspx?FolderID=215#top>

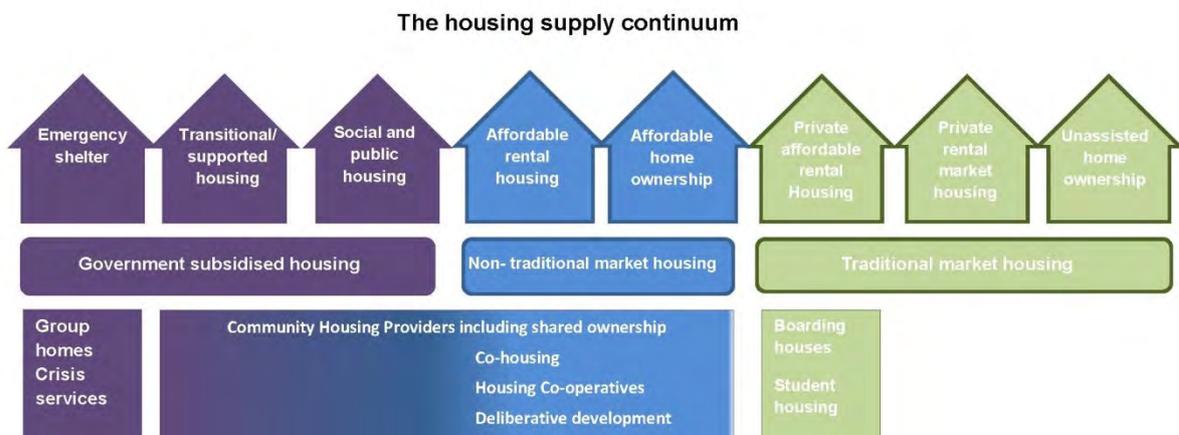
WHAT IS COUNCIL ALREADY DOING?

All levels of government have a role to play in promoting affordable living outcomes. Commonwealth taxation policies, commonwealth and state housing assistance programs, state and local land use and transportation planning processes and infrastructure programs all have a role in facilitating affordable living. The private sector, as the major provider of housing in Australia, also has a significant role. The large variety of factors that play a role in affordable living can be broadly grouped into 4 themes under which Newcastle City Council can support affordable living.



These themes are:

Housing



Social housing is rental housing provided by not-for-profit non-government or government, organisations to assist people who are unable to access suitable accommodation in the private rental market. In NSW, the Department of Family and Community Services partners with the community, industry and individuals to provide social housing for those most in need, such as those on very low incomes and people with special needs.

Compass Housing is a non-government, not-for-profit housing provider operating in NSW and Queensland including the Newcastle region. Compass Housing provides secure and affordable housing, as well as delivering housing products for disadvantaged people, who have difficulties sourcing adequate and affordable housing.

Low to moderate income households are often caught in the middle between social and above average market housing, and left without housing provision or housing support.

Rising housing costs not only affect moderate income households, the increasing competition for affordable rental housing pushes more people into inappropriate or unsafe accommodation or homelessness, and puts more pressure on the limited government and community housing resources.

Although Newcastle City Council does not have a role in the provision of social housing, we can play a role in supporting low to moderate income households by facilitating and advocating opportunities for affordable living. In turn, this supports social housing providers by reducing pressure on their limited resources.

The Newcastle Local Environmental Plan 2012 is the main planning tool used to guide development across the Newcastle local government area. It supports a diversity of dwelling forms by allowing all types of residential buildings, in different residential land use zones. Floor space ratios and building heights guide the density of development within each zone.

The Newcastle Local Planning Strategy identifies 'Residential Growth Precincts' which incorporate a range of residential density standards to assist in planning for residential growth across the Newcastle local government area. The identified

Residential Growth Precincts, including urban release areas, provide sufficient capacity to accommodate the predicted

Transport

Land use planning decisions influence both development and transport outcomes. Newcastle City Council has identified five corridors that provide important links between centres and support centres, as well as being centres in themselves. The five corridors are: Islington, Mayfield, Hamilton, Broadmeadow and Adamstown. These corridors have been identified as having opportunities for economic and/or housing renewal and intensification as they have good access to existing services, retail and public transport. Planning controls have been developed to support the renewal and growth of these corridors through increased density.

The Newcastle City Council Transport Strategy (2014), and the Cycling Strategy and Action Plan (2013), aim to improve access to public and active transport options throughout the Newcastle LGA. Many of the actions proposed in these strategies will also support affordable living.

Although Newcastle City Council does not have a direct role in the provision of public transport, we do have an advocacy role to other levels of government, for improvements in transport and funding to meet transport costs.

Recreation and services

Access to quality public open space is an important consideration in supporting affordable living. These areas not only contribute to the character and biodiversity of the city, but the health and lifestyle of the community. Parkland and recreation areas have been found to improve the wellbeing of individuals and communities as quality open space provides opportunities for physical

exercise, food production and social interaction.

The Newcastle City Council Parkland and Recreation Strategy (2014) identifies strategic directions and actions to ensure parkland, sport and recreation meet the needs of the community. Many of the actions in this strategy will also support affordable living in the Newcastle LGA, for example, supporting the equitable development of facilities.

Newcastle City Council also provides a range of other services and facilities that support affordable living. Newcastle library provides lifelong learning opportunities with regular free learning events. The library provides free Wifi and desktop computers for browsing the web or using Microsoft Office software. Newcastle Art Gallery and Newcastle Museum provide free general admission.

The Newcastle Smart City Plan (2017) includes actions which will also facilitate affordable facilities and services, including the provision of free Wifi in public spaces and the creation of "We Lend Tech", a lendable collection through the Newcastle Region Library that provides affordable access to internet, mobile devices, virtual and augmented reality and other emerging technologies.

Education, collaboration and advocacy

Newcastle City Council's Housing Management and Development Committee (BBC Committee) oversees the implementation of the BBC Demonstration Housing Program. Over the past several years the BBC Committee has successfully funded two major innovative housing projects for Newcastle to the value of \$2.6M including the This Way Home Project in partnership with Housing NSW in Mayfield.

Newcastle City Council is a member of the Urban Development Institute of Australia (UDIA) and the Property Council of Australia and this provides ongoing opportunities for education and collaboration in relation to affordable living issues.

KEY CHALLENGES FOR AFFORDABLE LIVING IN NEWCASTLE

Supply of quality affordable housing

By 2036, the population of Newcastle is predicted to be around 198,350 with an increase of around 33,500 people. The growth in single and couple only households is likely to continue, with a predicted need for around 16,800 new dwellings over this time.¹⁰

There is likely to continue to be very strong demand for affordable housing in the Newcastle LGA, with low to moderate income households comprising the largest proportion of all households and the continuing long term growth in housing purchase and rental prices. For example, between 2011 and 2017, rents in Newcastle increased by almost 25% while household incomes have increased by only 16%.

A significant proportion of new house supply in the Newcastle LGA will be through infill development within existing urban areas such as the identified renewal corridors. Development of infill sites can be more costly due to the higher purchase price, and additional construction costs to address site constraints such as mine subsidence or contamination or visual and acoustic amenity. Higher development costs will be reflected in the purchase price.

A diverse housing supply

The size of households in general follows the life-cycle of families. Households are usually small at the stage of relationship formation, and then increase in size with

the arrival of children. They later reduce in size again as these children reach adulthood and leave home and partners pass away.

There are a variety of reasons for people to move into or out of a suburb, however, the unavailability of appropriate housing should not require people to move elsewhere. A diversity of housing types may encourage older people to downsize within the community and for young families to stay in the area.¹¹

A diversity of bedrooms contributes to housing choice which may create more affordable options. The Newcastle LGA does not have a good match of bedroom mix to household type and the fit between household type and bedroom number is worsening over time. Like much of Australia, single person and couple households will continue to be the dominant household configuration; however, the housing stock is largely built for families (3+ bedrooms) and has not adapted to change (see: How do we live?). Between 2011 and 2016, there was a 2.2% increase in homes with four or more bedrooms while the number of two bedroom homes declined by 1.6%.

The mismatch between bedroom numbers and household size may result from limited housing choice, but may also be attributed to household expectations. As households pass through the different life cycle stages, particularly child rearing and the period after children leave home, their utilisation of housing changes. While having spare bedrooms indicates a capacity to

¹⁰ Department of Planning & Environment. (2016). *Hunter Regional Plan 2036*. NSW Government.

¹¹ .ID, the population experts (n.d.). *Community Profile, The City of Newcastle*. Retrieved April, 2018, from .IDCommunity demographic resources: <http://profile.id.com.au/newcastle>

accommodate more people in reasonable comfort, it does not necessarily mean that dwellings are not being fully utilised. Households may put these 'spare' rooms to various uses (eg study, office, gymnasium, craft or hobby room, children's play room, guest bedroom or store room).¹²

Profit driven development is the primary method of housing development in Australia. Developers are generally conservative in regard to the product they offer and the locations they target in order to reduce risk and ensure financing can be obtained. As a result, most greenfield areas are developed with large detached homes, and renewal areas are developed with apartments aimed either at the luxury end of the owner occupier market or at investors seeking rental yields in the short term and capital gain in the longer term. Because much of the apartment supply of apartments is marketed to investors, there is little focus on addressing the needs of occupants or diversity of supply¹³.

It will be a challenge to provide a mix of housing types and sizes across the LGA so that a range of housing can be provided to fit the various household types. Urban fringe areas often have little diversity in housing types and sizes. For example, in the Fletcher-Minmi locality, the predominant form of housing is detached dwellings with four or more bedrooms and in 2016, this form of housing comprised 80.4% of the housing stock. In contrast, in the Newcastle, Newcastle East and Newcastle West locality, the predominant

form of housing is high density dwellings with two bedrooms or less. In 2016, 54.9% of dwellings in this locality had two or less bedrooms¹⁴.

The ageing population also has implications for housing diversity in Newcastle. Existing homes may not be suitable for aging in place because the home may not be easily adaptable or may be too large and difficult to maintain. Newcastle City Council currently has limited design controls for new dwellings to incorporate adaptable design features to facilitate ageing in place or to accommodate people living with disabilities.

State Environmental Policy (Housing for Seniors or People with a Disability) sets aside some local planning controls to encourage development of housing suitable for seniors and people with a disability. Between 2012 and 2016, Newcastle Council has granted consent to 19 developments under the Policy. The developments include a mix of residential care facilities and self-contained dwellings.

Equitable access to transport and services

Access to jobs and services is strongly influenced by access to transport. A lack of affordable housing near well serviced centres can put pressure on key workers to seek more affordable housing further away from their job and services. More affordable areas are generally located on the urban fringe and often do not have good access to public transport or other services. As a result, households in more affordable areas without a car can be disadvantaged. The cost of car ownership and transport from outer suburbs to work

¹² ABS. (2012). *Housing*. Retrieved August 30, 2016, from 1301.0 - Year Book Australia, 2012: <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/1301.0~2012~Main%20Features~Housing%20Utilisation~128>

¹³ Sharam, A., Bryant, L. and Alves, T. (2015), *Making Apartments Affordable Moving from speculative to deliberative development*, <https://researchbank.swinburne.edu.au/file/c7fc73ec-6d4d-41dd-9a6be25377a28d77/1/PDF%20%28Published%20version%29.pdf>

¹⁴ .ID, the population experts (n.d.). *Community Profile, The City of Newcastle*. Retrieved April, 2018, from .IDCommunity demographic resources: <http://profile.id.com.au/newcastle>

can also negate the savings associated with cheaper housing on the fringe.

In 2016, Fletcher – Minmi had the highest proportion of households with two or more vehicles, while Jesmond had the highest proportion of households without a motor vehicle. Improving transport links and access to services in existing affordable areas may help to reduce the spatial distribution of disadvantage.

The ageing population also has implications for equitable access to transport and services. Common conditions that are part of the ageing process can have a major impact on the ability of a person to safely control a car. These include a loss of hearing and vision, decreased perception and memory, or reduced strength, flexibility and movement.¹⁵ As a result, many people start to change their driving habits, or are required to give up driving, and become more reliant on public transport. Increasing transport choice through access to public transport, bicycle and pedestrian networks will also be important in ensuring equitable access to transport and services.

Neighbourhoods that support health and wellbeing

Housing on the urban fringe is largely detached housing and may provide less opportunity to incorporate physical activity into daily activities. Limited public transport and long commutes reduce opportunities for walking and cycling and result in high reliance on private vehicles.

Various studies have shown that long commutes are linked to poor health outcomes. It has also been reported internationally that every ten minutes spent

¹⁵ Transport for NSW. (2015, February). *On the Road 65Plus*. Retrieved September 2, 2016, from Centre for Road Safety: <http://roadsafety.transport.nsw.gov.au/stayingsafe/ontheroad-65plus/index.html>

commuting reduces all forms of social capital by 10%.¹⁶

Some people choose to live in new houses on the urban fringe and the provision of a range of quality open spaces and pathways throughout the area can support health and wellbeing. The Newcastle Development Control Plan 2012 contains specific development principles to ensure new subdivisions on the urban fringe address the principles of walkability, connectivity, permeability, legibility and safety in the design of the access and open space network.

It is also important to provide opportunities for affordable housing close to jobs and services, to reduce commute times and increase opportunities for physical and social activities for people who would prefer not to live on the urban fringe.

Most of the housing growth in the Newcastle LGA will be within existing urban areas. A high quality public domain will be important to maintain liveability in these areas.

¹⁶ Putnam, R. (2001). *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon & Schuster.

OPPORTUNITIES FOR AFFORDABLE LIVING IN NEWCASTLE

Based on the identified key challenges and the four themes under which Newcastle City Council can support affordable living, it is recommended that the following opportunities are investigated to find the right mix of tools that will best support affordable living within Newcastle.

1. Housing

1.1 Urban development program

To enable sufficient capacity across the local government area, and ensure housing is appropriate to the needs of the community it is important to monitor the supply of housing being developed across the local government area. The Department of Planning and Environment is working with councils across the Hunter region to develop an urban development monitoring program. Newcastle City Council should continue to work with the Department of Planning and Environment to implement an effective urban development program.

1.2 Inclusionary zoning policy

Inclusionary zoning refers to the requirement for a percentage of floor space to be made available as affordable housing, or payment of developer contributions when land is up-zoned to achieve greater residential densities, and when sites in key locations (such as existing centres) are redeveloped for greater residential density. Generally, this housing would be transferred to a community housing provider for ongoing management.

Inclusionary zoning has been successfully used around the world to increase the stock of affordable housing in cities, including in the City of Sydney.

Inclusionary zoning - City of Sydney

As part of the long term strategy to redevelop the Ultimo/Pymont area, the Sydney Regional Environmental Plan No. 26 City West set out the planning principles for affordable housing that enabled contributions from the private sector towards affordable housing in the area.

The scheme is currently regulated through *State Environmental Planning Policy No. 70 - Affordable Housing (revised schemes)* and the *Sydney Local Environmental Plan 2012*.

Affordable housing may be provided in-kind or as a monetary contribution and contributions form a condition of development consent. The contribution is calculated on the basis of the total floor area that would otherwise be required to be dedicated for affordable housing. Current rates are calculated at 0.8% of the total floor area residential uses and 1.1% of the total floor area for non-residential uses.

The Ultimo/Pymont scheme aims to provide about 600 rental units for very low to moderate income households as development continues in the area over the next 15 to 20 years. To date more than 450 affordable rental housing units have been built under the scheme (City of Sydney, 2016).

The development and management of affordable housing units is managed by a not-for-profit, community based organisation, City West Housing.

Newcastle City Council would not currently be able to replicate the system used by the City of Sydney due to legislative restrictions. *State Environmental Planning Policy No. 70 - Affordable Housing (Revised Schemes)* is the mechanism used by the City of Sydney to levy contributions for affordable housing. This State planning policy only enables a small number of councils in the Sydney metropolitan area to collect developer contributions through a condition of

development consent for affordable housing purposes.

Despite this limitation, Newcastle City Council can still consider inclusionary zoning through planning agreements. This approach relies on private developers voluntarily offering affordable housing (or a contribution) to Council as part of a planning proposal or development application. The affordable housing units or contributions would then be transferred to a not-for-profit community housing manager. The Newcastle City Council Planning Agreements Policy 2014 includes affordable housing as a matter that Council can consider in the negotiation of a voluntary planning agreement. A Council Policy on inclusionary zoning would show Council's interest in facilitating affordable housing, identify locations where affordable housing is needed, determine how contributions would be managed or distributed and allow a consistent approach to the consideration of planning proposals that include affordable housing elements.

1.3 Housing Strategy

The draft Greater Newcastle Metropolitan Plan includes a specific action for councils to prepare local housing strategies. In addition, Direction 3 of the Hunter Regional Plan 2036 is to 'Revitalise the Newcastle City Centre' and details a specific action for Newcastle Council to *"Develop local housing strategies for student and visitor accommodation and social and affordable housing"*.

Newcastle City Council addresses housing holistically, within the Local Planning Strategy. With the release of the new regional plans and Council's commitment to the New Urban Agenda and Sustainable Development Goals, the Local Planning Strategy should be reviewed to identify and plan for housing needs across the housing supply continuum.

1.4 LEP and DCP controls

The strategic directions for residential lands detailed in the Newcastle Local Planning Strategy identify broad principles to guide the review and development of the Local Environmental Plan and Development Control Plan to facilitate dwelling supply and diversity.

Housing diversity

Boarding houses provide an alternative form of low cost rental housing for a wide range of tenants and are sometimes used as student housing. A boarding house generally contains individual bedrooms and some shared facilities such as kitchen, bathroom and common areas. There are currently 67 registered boarding houses in the Newcastle LGA¹⁷. Boarding houses can be found throughout the area, although a large number are clustered around the Mayfield/Tighes Hill area. This clustering is likely due to the proximity to the University of Newcastle and Hunter TAFE.

Caravan parks can provide housing to people that may not be able to afford anything else, or need flexibility, or cannot access the private rental market for other reasons. Newcastle has a single caravan park offering permanent accommodation. This caravan park is located at Tarro, and although it may provide affordable accommodation, other factors such as distance to services and transport are not favourable to affordable living and are generally best considered as a short term solution.

The Local Environmental Plan and Development Control Plan can be used to support the retention of existing affordable housing and encourage diversity in the local housing supply. Some examples that have been used in other NSW councils that could

¹⁷ Fair Trading. (2016). *Boarding House Register*. Retrieved 11 April 2018, from NSW Fair Trading: <http://parkspr.fairtrading.nsw.gov.au/BoardingHouse.aspx>

be considered to support affordable living in the Newcastle LGA include:

- A specific aim within the Local Environmental Plan to encourage a mix of housing types, including affordable and adaptable housing.

Examples include Randwick Local Environmental Plan 2012 and Byron Local Environmental Plan 2014.

- A development standard that requires a diverse mix of dwelling sizes in new multi-dwelling residential developments.

For example, Leichardt Local Environmental Plan 2013 requires all residential flat buildings and mixed use development with four or more dwellings to have at least 25% of all dwellings as studio or one bedroom dwellings and not more than 30% of dwellings as three bedrooms.

Housing affordability

The Newcastle Local Planning Strategy includes a specific action to investigate an incentive clause in the Local Environmental Plan to facilitate affordable housing. An incentive clause would provide bonus development yield in return for part of the development being set aside for affordable housing. Further investigation is needed to look at development feasibility, suitable locations and appropriate height and floor spaces bonuses to determine the suitability of this mechanism.

Adaptable housing

An incentive clause may also be considered for the provision of adaptable dwellings. For example, Great Lakes Local Environmental Plan provides a 10% floor space bonus where development in the R3 medium density zone has lift access to each level in the building, and the building is designed to be consistent with *Australian Standard 4299–1995, Adaptable housing*. However, a

broader and more cost effective way of achieving a range of dwellings that are adaptable may be through guidelines in the development control plan.

Case Study: Manufactured Home Estate, Newcastle

A manufactured home estate containing 100 sites located near the Newcastle CBD.

The estate was approved under *State Environmental Planning Policy 36 - Manufactured Home Estates*, although it specifically caters to over 55's. The estate contains a range of 2 and 3 bedroom manufactured homes that incorporate energy design features such as LED lighting, gas hot water and passive cooling systems. The homes also incorporate universal design features to facilitate access and adaptability.

The cost to purchase a home* is comparable to the median price of other similar sized units / villas in the locality, although the estate provides features that facilitate more affordable living than existing buildings by providing energy efficient, low maintenance and adaptable homes close to commercial areas, the city centre and a range of services.

**Note: In Manufactured Home Estates, the house only is purchased by occupiers and the land is leased.*

The Liveable Housing Design Guidelines¹⁸ detail core design elements that can be incorporated into new dwellings to make homes easier and safer to use for all occupants, and easily adaptable in the future. By including the core liveable housing design elements in new dwellings, home occupants are provided with the opportunity to reduce or avoid the costs

¹⁸ Liveable Housing Australia. (2012). *Liveable Housing Design Guidelines*. Sydney.

associated with retrofitting a home to improve access in the future, should it be required. The core elements can be incorporated into new dwellings without significantly increasing the building cost.

The core elements detailed in the Liveable Housing Design Guidelines could be incorporated into the Newcastle Development Control Plan 2012, to facilitate adaptable housing. The seven core design elements in the basic (silver) level are:

1. A safe continuous and step-free path of travel from the street entrance and/or parking area to a dwelling entrance that is level.
2. At least one, level (step-free) entrance into the dwelling.
3. Internal doors and corridors that facilitate comfortable and unimpeded movement between spaces.
4. A toilet on the ground (or entry) level that provides easy access.
5. A bathroom that contains a hobless (step-free) shower recess.
6. Reinforced walls around the toilet, shower and bath to support the safe installation of grab rails at a later date.
7. A continuous handrail on one side of any stairway where there is a rise of more than one metre.

Intergenerational housing

Intergenerational housing refers to housing that can accommodate different generations together. This can be achieved through a variety of means including secondary dwellings (granny flats) or house designs that can easily be altered and divided into two dwellings as the life-cycle of families evolves. This can make housing more affordable by providing opportunities for young families and older people to remain in their local area. Existing state policies and the Local Environmental Plan provide

opportunities for secondary dwellings to be constructed in residential zones. The Development Control Plan can be used to support and encourage intergenerational housing models by ensuring controls support these forms of development.

Deliberative development

Deliberative development is a development model in which the designer or future owner-occupiers of a multi-dwelling property take on the roles traditionally held by a speculative developer. This type of development can result in cost savings through the removal of unnecessary extras such as marketing, display suites or through design features or shared facilities. Dwellings are tailored to suit the needs of the occupants and can deliver better quality, design and social outcomes. These include better environmental performance, reduced operating and maintenance costs and the inclusion of spaces that foster a sense of community.

Deliberative housing models align with the principles of affordable living. This type of development can be undertaken within all residential zones using existing permissible forms of development in the LEP. However, the DCP will need to be reviewed to ensure that development controls encourage and support these forms of development.

Relocatable housing

The use of temporary housing, such as relocatable, tiny and prefab homes on appropriate sites, including the temporary use of vacant sites awaiting development provides another opportunity to provide affordable housing.

For example, The Tiny Homes Foundation has received development approval to build a tiny house project for homeless people next to Gosford hospital. The project consists of four tiny homes, a common

lounge, a common laundry/workshop and community vegetable garden. The development is supported by a network of training, employment and social support services.

To facilitate similar projects in the Newcastle LGA, the Local Environmental Plan and Development Control Plan should be reviewed to reduce barriers to undertaking this type of development in appropriate locations.

1.5 Incentives

In addition to incentive clauses in the planning controls, there may be opportunities for Newcastle Council to offer other types of incentives to encourage the development of smaller low consumption dwellings and to the use of deliberative development models. For example, to encourage the development of smaller, energy efficient homes, Newcastle City Council could consider reducing developer contributions for new dwellings that meet particular sustainable design standards in well serviced locations such as identified renewal corridors.

Newcastle City Council does not have the mechanisms or resources in place to provide direct financial support, or surplus land that could be provided for affordable housing.

Cohousing and Housing Co-operatives

Cohousing creates intentional communities by deliberative development of private homes clustered around shared space. Each home has traditional amenities, including a private kitchen, and the shared spaces include areas such as community kitchen, laundry, vegetable garden and recreational space. The focus is on mutual sharing (eg car pooling) and support to create a more affordable, connected and sustainable lifestyle and promote well-being for participants and the broader community.

Cohousing contributes to affordable living through reduced construction and recurrent costs, more diverse housing supply and increased density of housing in targeted locations. It provides adaptable living arrangements and supports ageing in place. It can also promote socially and environmentally sustainable living through good design to lower energy and water use and promote increased use of public transport and reduced parking needs.

Co-operative housing offers an alternative legal model of home ownership, which through pooling of resources and low-profit financing, provides members with affordable housing solutions. Housing co-operatives are well-suited as the legal entity for cohousing development but other legal structures may be used.

Housing co-ops use the co-operative model to own and or manage housing for its members. They deliver a variety of housing solutions, including student accommodation, senior housing and affordable units for single households. In NSW, the Not for profit developer, Common Equity provides rental housing using the co-operative model. Membership secures long-term tenancies and encourages active participation in the management of the co-operative. Housing co-ops may also use equity models where members own or partly own their own homes in a co-operative development e.g. apartments, eco-village or community co-operatives. Some cohousing features, can be offered more easily by co-ops than traditional strata ownership models, e.g. embedded solar power generation in Stucco student housing co-operative in Sydney¹⁹.

¹⁹ The Conversation, Get in on the ground floor: how apartments can join the solar boom, <https://theconversation.com/get-in-on-the-ground-floor-how-apartments-can-join-the-solar-boom-79172>

However, there may be indirect methods of supporting affordable housing projects. Further investigation into the feasibility of alternative support mechanisms such as grant funding, using Council land as security, or investment in local capped profit deliberative development demonstration projects (eg NewCoh Co-Housing project) could be considered.

1.6 Monitoring

It is important to track the implementation of the actions outlined in this Plan, and to measure their effectiveness in improving affordable living in the Newcastle LGA. Further work is needed to determine key indicators and how these can be measured over time.

2. Transport

2.1 LEP and DCP Provisions

Through its development control function, Council can influence the way people move around. At a broad level, the location of trip attractors such as schools, shops and employment, their density and mix, in relation to where people live, affects the length of day to day trips and how much the car is used to get around. The density of development and mix of uses are important elements in creating neighbourhoods that facilitate active transport such as walking and cycling.

The Local Environmental Plan and Development Control Plan can be used to support the goals and actions detailed in Council's Transport Strategy (2014) and Cycling Strategy and Action Plan (2012), which in turn support affordable living. In particular the following actions from the Transport Strategy:

- **Strengthen development provisions to facilitate walking and riding** - *Council will review development controls and contributions plans to incorporate public pedestrian and cycle*

links where they can contribute to desirable connections and through routes, and to include provisions for design of new residential subdivisions at 40km/h local traffic areas.

- **Review development controls for parking** - *In line with best practice management, consideration is to be given to stipulation of maximum parking rates of parking provision and facilitation of opportunities for sharing of spaces. Other matters to be addressed include the impacts of exempt and complying development controls, as they relate to car parking.*
- **Facilitate opportunities for establishment of car share schemes** - *Dedication of parking spaces for car sharing purposes; flexible development controls and developing a car share policy are examples of ways in which council can facilitate car sharing.*

These initiatives are also consistent with actions for Councils identified in the Hunter Regional Plan 2036 to achieve Direction 17: Create healthy built environments through good design. Action 17.3 is: *'Enhance the quality of neighbourhoods by integrating recreational walking and cycling networks into the design of new communities to encourage physical activity.'*

Car parking can add significant cost to the purchase and rental price of housing. Separating car parking spaces from individual units, can facilitate more affordable housing, particularly for people who choose not to own a car, as well as facilitating opportunities for sharing of spaces, provided these cost savings are passed on by developers.

The Newcastle Development Control Plan currently contains requirements for 'end of trip facilities' to be provided in new developments with a construction value

greater than \$250,000. To further support these requirements, a clause could be considered which allows end of trip facilities to be excluded from the calculated floor space. For example, Sydney City Local Environmental Plan 2012 provides a floor space bonus for commercial buildings located in central Sydney that have all of end of journey facilities (showers, change rooms, lockers and bicycle storage) together in one area of the building.

2.2 Development contributions

Provisions in the *Environmental Planning and Assessment Act 1979* allow Council to charge development contributions for public infrastructure necessary as a consequence of new development. Contributions are generally monetary payments but can also be made by way of land dedications and works in kind in specific circumstances. Newcastle City Council has a Section 94A Development Contributions Plan which details the type, location and time-frame of works that will be undertaken with the development contributions that have been collected. The Section 94A Development Contributions Plan can be used to support affordable living. Council's Transport Strategy identifies opportunities to review the Section 94A Development Contributions Plan and support affordable living through transport initiatives:

- **Review Council's development contribution plans.** - *Review Council's development contributions plans to ensure the extent of transport works supports the desired development patterns and projections of the Local Planning Strategy.*
- **Review Council's development contribution plans to allow expenditure of contributions on a range of transport facilities** - *In conjunction with A2, review Council's development contributions plans to allow*

for expenditure of contributions on a range of transport facilities including sustainable transport measures, such as park and ride.

3. Recreation and services

3.1 LEP and DCP Provisions

Newcastle City Council's Parkland and Recreation Strategy (2014) has been developed to guide the provision of parkland and recreation facilities for current and future communities. A key objective of the Strategy is to ensure equitable levels and standard of provision for recreation facilities across the LGA.

In addition to ensuring that a variety of parkland and recreational facilities are provided and distributed equitably across the Newcastle LGA, the Plan contains some specific actions that support affordable living. In particular:

- *Where Council chooses not to sell un-required parkland, undertake an expression of interest for the external management of undersized parkland by community groups for community gardens as a method to reduce Council's expenditure whilst encouraging Place Making initiatives.*
- *Implement and support the Community Gardens Toolkit.*

These initiatives are also consistent with actions for Councils identified in the Hunter Regional Plan 2036 to achieve Direction 17: Create healthy built environments through good design. Action 17.2 is 'Enhance access to fresh food by promoting initiatives that increase urban food production and access to produce from local farmers'.

Community gardens support affordable living through the sustainable production of fresh, healthy locally grown food as well as offering opportunities for social interaction and community participation. As well as utilising

undersized parks for community gardens, there are opportunities to increase local food production through roof-top gardens in residential flat buildings and the use of street gardens to grow edible plants. The Local Environmental Plan and Development Control Plan can be used to support these goals.

3.2 The sharing economy

A number of cities around the world such as Amsterdam and Seoul have developed "sharing city" programs with supporting policies and legislation. These programs incorporate sharing of Council facilities, such as free-of-charge use of Council fleet vehicles, office space and tools²⁰.

The sharing economy has significant potential to facilitate affordable living opportunities. Local examples include:

- **The Share Shop - A library of Things** (Renew Newcastle). This library allows members to borrow all sorts of 'things' instead of buying something new, using it once and having to store it. Membership and borrowing is free with voluntary contributions invited to contribute to the maintenance of items and running costs.
- **Liftango** - is a locally based unique rideshare and on-demand bus application. The service is free and it matches drivers with people needing a lift to the same place, such as a workplace or university.
- **Newcastle City Council Smart City Strategy 2017 - 2021** - includes actions based on the sharing economy such as the development of the "We Lend Tech" program that will provide affordable access to internet, mobile devices, virtual and augmented reality and other emerging technologies.

The concept of a 'sharing city' aligns with both affordable living and smart city initiatives. The development of a policy should be investigated to identify the ways in which Newcastle City Council can support new sharing economy initiatives, and to identify where intervention may be needed to prevent adverse impacts.

4. Education, collaboration and advocacy

4.1 Education

Newcastle Council has an existing role in community education across a broad range of topics and this can be broadened to support affordable living opportunities including:

- Continuing to educate, promote and support low consumption, sustainable lifestyles.
- Implementing a program to educate the community, building designers, developers and builders on the benefits of incorporating adaptable design elements in residential buildings.

Recent projects throughout the city have highlighted differences between community perceptions and the reality of affordable housing developments, yet housing affordability remains a big issue in the community. A program of community engagement to explain what affordable housing is, and the benefits of it to the community may improve understanding and reduce negative perceptions when affordable housing developments are proposed.

4.2 Advocacy

Newcastle City Council has an existing role in advocating other levels of government on behalf of the Newcastle community and this can be broadened to incorporate affordable living opportunities including:

²⁰ Amsterdam Action Plan for a Sharing Economy, <https://www.slideshare.net/shareNL/amsterdam-actionplan-sharing-economy>

- Changes to state environmental planning policies and the standard instrument local environmental plan to make it easier for Councils to implement affordable living initiatives, such as inclusionary zoning.
- Continuing to advocate for public transport improvements.
- Advocate for changes to State Government Policy so that surplus land can be sold below "highest and best use" market rates for affordable rental housing and/or deliberative housing development.
- Changes to the National Construction Code to incorporate standards for liveable housing.
- Supporting the Federal government in the development of affordable housing schemes such as bond aggregation, or rent to buy schemes.

A group of not-for profit and community housing organisations have partnered to create the 'Everybody's Home' campaign. 'Everybody's Home' advocates for the Federal Government to take action to fix the broken housing system. The campaign outlines 5 simple things the government can do to fix Australia's housing system so that it works for everyone. These are:

- support for first home buyers
- a National Housing Strategy
- a better deal for renters
- immediate relief for Australians in chronic rental stress
- a plan to end homelessness by 2030.

Supporting this program is consistent with this Affordable Living Plan.

4.3 Collaboration

Newcastle City Council currently works with other levels of government, not-for-profit sector and other industry groups to support

opportunities for affordable living and this should be continued. In particular:

- Continue to provide support to community organisations to improve their ability to plan and deliver appropriate and accessible services to the community.
- Continue to support community housing providers and state government housing providers to plan and deliver affordable housing.
- Collaborate with Newcastle University/TAFE for the provision of appropriate student accommodation and undertaking research into local housing affordability issues.
- Continue to work with Hunter Development Corporation to explore affordable housing opportunities as part of the City Centre Renewal Program.
- Continued membership of the Urban Development Institute of Australia and the Property Council of Australia.

An Affordable Living Round Table was facilitated by Council prior to finalising this Plan. The Round Table brought together people with an interest in affordable living, As a result, an Affordable Living Focus Group has been established to bring together stakeholders to share knowledge and support affordable living opportunities across the housing supply continuum in the Newcastle LGA. There was strong support at both the Affordable Living Round Table and within the Affordable Living Focus Group for a single point of information, such as a webpage, to provide information including the existing controls and incentives for affordable housing, and identification of parties interested in participating in affordable housing developments.

The feasibility of hosting a web page, developing an app or other tools to support education, collaboration and information

exchange between people and organisations interested in affordable living should be investigated. Consideration could be given to developing this portal in conjunction with action 3.4 of Program 3 of the Smart City Strategy which is to *"Create an online portal informing industry and start-ups about current and future partnering opportunities and as a mechanism to receive innovative partner proposals."*

Bond Aggregation and Rent to Buy Schemes

Bond aggregation schemes are designed to aggregate and source large amounts of capital from the bond market so as to provide lower interest, long-term loans to not-for-profit community housing providers (CHPs) developing housing for lower income households. The intention is that money would be raised efficiently with reduced financing costs rather than inexpensive one-off transactions such as when borrowing from a bank.

The benefits of a bond aggregator scheme are that it is relatively simple and transparent; minimises the impact of debt on government budgets; draws on the successful experience and expertise of other countries; provides lower cost finance to community housing providers and therefore is likely to maximise the sustainable expansion of affordable housing stock.

Rent to buy schemes can be used to assist people to enter the housing market. The United Kingdom currently operates a rent to buy scheme which is designed to ease the transition from renting to buying a home. The scheme is managed by housing associations. Newly built homes are provided to eligible people for rent at approximately 20% below the market rate for up to five years. During that period the occupier has the option to buy the property or to buy part of the property.

Actions for affordable living

This section summarises the opportunities identified in the previous section of this plan 'Opportunities for affordable living in Newcastle' and recommends timeframes for investigation of the specific actions.

1. Opportunities for housing					
Focus Area	Actions	Timeframe (years)	Lead	Partners	
1.1 Urban development program	<p>Work with the Department of Planning and Environment, to effectively monitor the delivery of housing, including affordable housing, to achieve dwelling targets contained in the Hunter Regional Plan (ie 6,000 new dwellings for the city centre and 16,800 dwellings across the LGA to 2036) to:</p> <ul style="list-style-type: none"> • minimise upward pressure on house purchase and rental prices; and • ensure the provisions in the LEP and DCP are facilitating greater residential development in the five renewal corridors and the residential growth precincts. 	Ongoing	DPE	Council	
1.2 Inclusionary zoning	(a) Investigate the development of a policy for inclusionary zoning which can be used in connection with planning agreements to facilitate the supply of affordable housing when land is being zoned for increased residential development.	1-2	Council	Industry	
	(b) Engage with the Department of Planning and Environment to make relevant amendments to State Environmental Planning Policies/Local Environmental Plan to allow inclusionary zoning.	1-2			
1.3 Housing Strategy	Review the Local Planning Strategy to ensure that it identifies and plans for housing needs across the housing supply continuum consistent with the Hunter Regional Plan 2036 and draft Hunter Metropolitan Plan.	1-2	Council	Community/ Government /Industry	
1.4 LEP and DCP provisions	Investigate amendments to the Newcastle Local Environmental Plan 2012 and Newcastle Development Control Plan 2012 to:	2-4 and ongoing	Council	Community/ Government /Industry	
	(a) include a specific aim within the				

	<p>LEP to encourage affordable and adaptable housing including a mix of housing types.</p> <p>(b) include a floor space and/or height bonus in the LEP to encourage the inclusion of affordable dwellings in new developments in suitable locations (value capture).</p> <p>(c) include a local provision in the LEP and/or additional controls in the DCP to encourage a diverse mix of dwelling sizes in new multi-dwelling residential developments</p> <p>(d) review DCP controls to facilitate and encourage new and different types of housing models such as intergenerational housing; co-operatives and co-housing.</p> <p>(e) update the DCP provisions for social impact assessments, to ensure the impact of losing existing affordable housing stock is understood and mitigated.</p> <p>(f) investigate whether there is a need to identify specific sites for the SP3 Tourist Zone and/or provide supporting design guidelines in the DCP.</p> <p>(g) Review the LEP and DCP to facilitate the use of temporary housing, such as relocatable, tiny and prefab homes on appropriate sites.</p> <p>(h) Ensure the potential costs or savings from new or amended DCP controls are considered in the development of controls.</p>				
1.5	Incentives	<p>(a) Investigate incentives to encourage:</p> <ul style="list-style-type: none"> • the development of smaller low consumption dwellings • the use of deliberative housing development, such as housing co-operatives. <p>For example, reduce developer contributions for new dwellings that meet particular sustainable design standards in well serviced locations such as identified renewal corridors.</p>	4+	Council	
		<p>(b) investigate the feasibility of alternative financial support mechanisms such as grant</p>	4+	Council	

	funding, using Council land as security, or investment in local capped profit deliberative development demonstration projects (eg Nightingale Model)				
1.6	Monitoring	Identify key indicators and tools to measure the implementation and effectiveness of this Plan.	1	Council	Affordable Living Focus Group

2. Opportunities for transport					
Focus Area	Actions	Timeframe	Lead	Partners	
2.1	LEP and DCP provisions	Ensure the provisions in the LEP and DCP support the goals and actions detailed in Council's Transport Strategy and Cycling Strategy and Action Plan. In particular: <ul style="list-style-type: none"> strengthen development provisions to facilitate walking and riding review development controls for parking facilitate opportunities for establishment of car share schemes consider whether bicycle parking rates and end of journey facilities are appropriate investigate the inclusion of an LEP provision to support the existing DCP requirements for the provision of end of trip facilities by excluding end of trip facilities from the floor space calculation in commercial developments. 	2-4	Council	Community / Government / Industry
2.2	Development contributions	Review Council's development contribution plans to: <ul style="list-style-type: none"> ensure the extent of transport works supports the desired development patterns and projections of the Local Planning Strategy allow for expenditure of contributions on a range of transport facilities including sustainable transport measures, such as park and ride. 	2-4	Council	Community/ Government/ Industry

2.3	Sharing Economy	Investigate the development of a policy to identify the ways in which Newcastle City Council can support new sharing economy initiatives, and to identify where intervention may be needed to prevent adverse impacts.	2-4	Council	
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3. Opportunities for and recreation and services

Focus Area	Actions	Timeframe	Lead	Partners
3.1 LEP and DCP provisions	<p>Ensure the provisions in the LEP and DCP support the strategic directions and actions detailed in Council's Parkland Recreation Strategy. In particular:</p> <ul style="list-style-type: none"> Consider the inclusion of guidelines that encourage and promote sustainable food initiatives and access to fresh food locally such as rooftop edible gardens; community food gardens and use of street gardens to grow edible plants. 	2-4	Council	

4. Opportunities for education, collaboration and advocacy

	Focus Area	Actions	Timeframe	Lead	Partners
4.1	Education	(a) Work with relevant industry groups such as the Architects Institute of Australia and the Building Designers Association to implement a program to educate the community, building designers, developers and builders on the benefits of incorporating adaptable and sustainable design elements in residential buildings.	Ongoing	Council	
		(b) Develop a community engagement program to explain the meaning of affordable housing and the benefits that such housing brings to the community.	1 and On-going	Council	
4.2	Advocacy	(a) Advocate for changes to state environmental planning policies and the standard instrument local environmental plan to make it easier for Councils to implement affordable living initiatives, such as inclusionary zoning.	On-going	Council	

		(b) Advocate for changes to State Government Policy so that surplus land can be sold below market rate for affordable rental housing and/or deliberative housing development.	On-going		
		(c) Continue to advocate for public transport improvements.	On-going		
		(d) Advocate to Federal and State governments for a minimum 10% affordable housing to be provided in appropriate scaled residential and mixed use development.	Ongoing		
		(e) Advocate for changes to the National Construction Code to incorporate standards for liveable housing.	On-going		
		(f) Support the Federal government in the development of affordable housing schemes such as bond aggregation, or rent to buy schemes.	On-going		
		(g) Support the 'Everybody's Home' campaign.	On-going	Compass Housing	
		(f) Facilitate discussions with Crown Lands to determine whether there is any suitably located crown land within the Newcastle LGA that could be used for affordable housing.			
4.3	Collaboration	(a) Continue to provide support to community organisations to improve their ability to plan and deliver appropriate and accessible services to the community.	On-going		
		(b) Continue to support community housing providers and state government housing providers to plan and deliver affordable housing.	On-going		
		(c) Collaborate with Newcastle University / TAFE for the provision of appropriate student accommodation and undertaking research into local housing affordability issues.	On-going		
		(d) Continue to work with Urban Growth, to explore affordable housing opportunities as part of the City Centre Renewal Program.	On-going		

	(e) Continued membership of the Urban Development Institute of Australia and the Property Council of Australia.	Ongoing		
	(f) Continue to facilitate the Affordable Living Focus Group focus group of key stakeholders to share knowledge and support affordable living opportunities across the Newcastle area.	On-going		
	(g) Investigate the feasibility of hosting and/or collaborating with other organisations to host a web page, develop an app or other tools to support education, collaboration and information exchange between people and organisations interested in affordable living. This may include organisations such as Hunter Councils, University of Newcastle, Hunter Development Corporation.	1-2	Council	Hunter Councils

APPENDIX 1 - Legislation and Policy

New Urban Agenda and Sustainable Development goals

Habitat III, the third United Nations conference on housing and sustainable development was held in Quito, Ecuador in 2016, where world leaders, including Australia, adopted a New Urban Agenda. The new Urban Agenda sets a new global standard for sustainable urban development, and provides a roadmap for building cities that can serve as engines of prosperity and centres of cultural and social well-being while protecting the environment (United Nations, 2016). National governments and local authorities will be responsible for implementing the Agenda, with technical and financial partnerships and assistance from the international community.

The key commitments in the New Urban Agenda are:

- provide basic services for all citizens
- ensure that all citizens have access to equal opportunities and face no discrimination
- promote measures to support cleaner cities
- strengthen resilience in cities to reduce the risk and impact of disasters
- take action to address climate change by reducing their greenhouse gas emissions
- fully respect the rights of refugees, migrants and internally displaced persons regardless of their migration status.
- improve connectivity and support innovative and green initiatives
- promote safe, accessible and green public spaces.

This Affordable Living Plan supports the goals of the New Urban Agenda.

State Legislation

The *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulation 2000* regulate the planning and development assessment functions of Council. Providing and maintaining affordable housing is one of the objectives of the Act.

The NSW State Government has also implemented a number of State Environmental Planning Policies to increase the supply and diversity of affordable housing across the state. These include:

- *State Environmental Planning Policy (Affordable Rental Housing) 2009*. This Policy includes incentives to encourage the retention of existing affordable rental housing and deliver new affordable rental housing. Some of the incentives include: expanded zoning permissibility, floor space ratio bonuses and non-discretionary development standards. This Policy provides opportunities for the development of infill affordable housing, secondary dwellings (granny flats) and boarding houses.
- *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*. The aim of this Policy is to increase the supply and diversity of housing that meets the needs of seniors or people with a disability. The Policy sets aside local planning controls that may prevent the development of housing for seniors or people living with a disability. The Policy provides development standards for residential care facilities, hostels and self-contained dwellings.

- *State Environmental Planning Policy No. 36 - Manufactured Home Estates.* The aim of this Policy is to facilitate the establishment of manufactured home estates as a contemporary form of medium density residential development and to encourage the provision of affordable housing. The Policy ensures that manufactured home estates are permissible wherever a caravan park is permissible. It also sets out matters that a Council must consider when determining a development application for a manufactured home estate.

Hunter Regional Plan 2036

The Hunter Regional Plan 2036 is the NSW government's plan to guide land use planning priorities and decisions over the next 20 years. The plan provides a framework to guide more detailed land use plans, development proposals and infrastructure funding decisions. The plan includes overarching directions, goals and actions as well as specific priorities for each local government area in the Hunter region. The Hunter Regional Plan 2036 includes four goals for the Hunter Region:

Goal 1: the leading regional economy in Australia

Goal 2: a biodiversity-rich natural environment

Goal 3: thriving communities

Goal 4: greater housing choice and jobs.

Specific directions and actions identify a range of initiatives needed to meet each goal. The concept of affordable living also aligns with the goals for the Hunter Region.

Draft Greater Newcastle Metropolitan Plan 2036

The Draft Greater Newcastle Metropolitan Plan 2036 sets out strategies and actions that will drive sustainable growth across the five local government areas, including Newcastle, which make up the Greater Newcastle metropolitan area. Whilst the Hunter Regional Plan set the vision for the Hunter, the draft Greater Newcastle Metropolitan Plan delivers a collaborative framework for a significant part of the Regional Plan, by setting out outcomes and strategies to be an integrated metropolitan city. It also provides strategies and actions to create great places across Greater Newcastle and align infrastructure and services in catalyst areas.

This Affordable Living Plan supports the vision of the draft Greater Newcastle Metropolitan Plan which is:

"Australia's newest and emerging economic and lifestyle city, acknowledged globally:

- *as a dynamic and entrepreneurial city, with a globally competitive economy, the excitement of the inner city and green suburban communities;*
- *as a place that offers great lifestyles minutes from beaches or bushland, the airport or universities, and from the port to the lake; and*
- *as a national leader in the new economy, with collaborative governance that makes it a model to others in creating and adapting to change."*

Newcastle 2030 Community Strategic Plan

The concept of affordable living aligns with the community vision of a smart, liveable and sustainable city identified in the Newcastle 2030 Community Strategic Plan. This vision has been developed with the guiding principles of ecologically sustainable development, social justice and local democracy. The seven strategic directions detailed in Newcastle 2030 are:

- **Connected City** - Transport networks and services will be well connected and convenient. Walking cycling and public transport will be viable options for the majority of our trips.
- **Protected and Enhanced Environment** - Our unique environment will be understood, maintained and protected.
- **Vibrant and Activated Public Places** - A city of great public places and neighbourhoods promoting people's health, happiness and wellbeing.
- **Caring and Inclusive Community** - A thriving community where diversity is embraced, everyone is valued and has the opportunity to contribute and belong.
- **Liveable and Distinct Environment** - An attractive city that is built around people and reflects our sense of identity.
- **Smart and Innovative City** - A leader in innovations with a healthy, diverse and resilient economy.
- **Open and Collaborative Leadership** - A strong local democracy with an actively engaged community and effective partnerships.

This Affordable Living Plan details the opportunities for Council to facilitate affordable living within the Newcastle local government area and complements

actions identified in other Council strategies and plans to make Newcastle a smart liveable and sustainable city. These Strategies and Plans include:

- Local Planning Strategy (2015)
- Social Strategy (2015)
- Cultural Strategy (2015)
- Economic Development Strategy (2015)
- Disability Inclusion Action Plan (2015)
- Newcastle Transport Strategy (2014)
- Parkland and Recreation Strategy (2014)
- Newcastle Cycling Strategy and Action Plan (2012)

Newcastle Local Planning Strategy and Newcastle Urbanism

The concept of affordable living aligns with the principles of 'Newcastle Urbanism' and the specific principles, directions and neighbourhood visions for residential lands described in the Local Planning Strategy (2015). The Local Planning Strategy can be viewed on the Newcastle City Council website www.newcastle.nsw.gov.au

'New Urbanism' is an urban design movement which promotes walkable neighbourhoods that contain a range of housing and job types. It is strongly influenced by urban design standards that were prominent until the rise of the car and embodies principles such as traditional neighbourhood design based upon a framework of centres and transit-orientated development. These principles have been adapted to be locally relevant and termed "Newcastle Urbanism".

Newcastle Urbanism has been embodied in the strategic directions for residential lands identified in the Local Planning Strategy. These are:

1. Ensure sufficient housing capacity for our future population.
2. Ensure sufficient housing diversity to meet community needs.
3. Encourage adaptable housing that can meet the needs of residents throughout the life cycle to enable people to 'age-in-place', supporting more sustainable housing growth in our city.
4. Facilitate affordable living.
5. Concentrate housing growth around transport and centres, where appropriate services and amenities exist.
6. Streets are the primary public spaces for access and exchange between people, and should be made safe, friendly, attractive and efficient.
7. Ensure permitted land uses are consistent with the zone directions.
8. Development will enhance the City's identity through:
 - consideration of the neighbourhood visions and objectives
 - compatible built form, landscaping and activation of public spaces.

Increasing the density of housing in existing urban areas can reduce housing costs because of savings in infrastructure costs, reduced lot sizes and greater choice in dwelling types. Smaller, well designed, low-rise medium density homes are desirable because they:

- are less expensive to build;
- do not need major site amalgamation
- perform better environmentally than most high-rise housing
- can deliver a greater mix of more affordable housing types
- fit into existing streets and neighbourhoods

- suit a wide range of demographic groups (Department of Planning and Infrastructure, 2011)

Housing located close to work and play also has other benefits. It can reduce living costs associated with transport and also improve health outcomes and social interaction as people spend less time commuting to and from work, are able to walk to services and shops and have greater opportunities to participate in community activities.

To embed these principles in local planning all residential land has been placed into one of the following categories.

- **Renewal corridors** - these include areas based on high transport accessibility and are focused upon (and between) the major local commercial centres of Islington, Mayfield, Hamilton, Broadmeadow and Adamstown. The renewal corridors provide for the highest residential density of development outside of the Newcastle city centre.
- **Substantial Growth Precinct** - this precinct covers the areas which are within a SAFE 10 minute walk of major local centres and some railway stations. This provides for the greatest density of development (outside the renewal corridors) to facilitate and support the major local centres and Newcastle Urbanism.
- **Moderate Growth Precinct** - this precinct covers areas within a SAFE 5 minute walk of minor local centres or neighbourhood centres. This precinct forms a transition between the substantial and limited precincts.
- **Limited Growth Precinct** - this precinct covers the remaining residential zoned land outside of the

substantial and moderate precincts. Development in this precinct is intended to be limited as it does not satisfy the principles of Newcastle Urbanism.

Local Environmental Plan

The Newcastle Local Environmental Plan 2012 details what development may be undertaken in different locations within the local government area. Encouraging a diversity of housing types in suitable locations is one of the aims of the Newcastle Local Environmental Plan.

In the Newcastle local government area, residential lands are zoned:

- **R2 Low Density Residential** - this zone provides for a diversity of small scale housing forms, such as houses, dual occupancies and townhouses, which respect the character, heritage and amenity of the surrounding development.
- **R3 Medium Density Residential** - this zone provides for a diversity of medium scale housing types, such as townhouses and residential flat buildings, where larger numbers of people can be accommodated and provide support to commercial centres.
- **R4 High Density Residential** - this zone provides for large scale housing types such as residential flat buildings in areas that are within walkable distances of commercial centres and within transport corridors.

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For enquiries please call **4974 2000**
