

Housing Policy

November 2025

Version: 3



City of
Newcastle

Table of Contents

Part A - Preliminary	1
1 Purpose	1
2 Scope	1
3 Principles	1
Part B - Policy Statement - Implementation	2
4 Introduction	2
Part C - Roles and Responsibilities	2
Annexure A - Definitions	3
Annexure B - Policy Authorisations	5
Document Control	6

Part A - Preliminary

1 Purpose

1.1 The purpose of this Policy is to:

- a) State CN's position and approach to facilitating a mix of dwelling types, tenures, and sizes to support the community's diverse housing needs as it grows and changes.

2 Scope

2.1 This Policy will:

- a) Facilitate a diversity of housing types, tenures, sizes and increase the supply of affordable housing for very low, low and moderate income households, using planning agreements, amending the Local Environmental Plan (LEP), and implementing CN's Affordable Housing Contributions Scheme.
- b) Aim to maintain and increase the supply of affordable rental housing for householders on very low, low and moderate incomes by working with all levels of government to ensure no net loss of social and affordable housing within the LGA.
- c) Apply to planning proposals with an intended outcome to increase density.
- d) 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, (LSPS). Local Housing Strategy (LHS) and the Newcastle and Hunter Ending Homelessness Pledge ratified by CN. It supports CN's policies for Planning Agreements, and Community Infrastructure Incentives.

3 Principles

3.1 CN commits itself to the following:

- a) **Accountability and transparency** – This Policy provides a framework for the transparent and merit-based provisions of support and a system of accountability for the recipient
- b) **Alignment with CN strategies** – The Policy aligns with Council priorities outlined in the Newcastle 2040 Community Strategic Plan, Council's LSPS, and Council's LHS.
- c) **Ethical Conduct** – This Policy aligns with CN's Code of Conduct for Staff which sets out acceptable standards for ethical behaviour.
- d) **Inclusiveness** – CN makes its best effort to reach, involve and hear from those who are impacted directly or indirectly by our decisions.
- e) **Sustainability** – Undertake responsible and sustainable investments in infrastructure for the benefits of the local community, implement effective financial and asset management, and have regard to achieving intergenerational equity.
- f) **Certainty** – By embedding affordable housing into CN strategy, policy, and plans.
- g) **Consistency** – By ensuring CN regards this Policy when reporting to Council on proposed increases in density through an amendment to the LEP 2012.
- h) **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.
- i) **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.

- j) **Collaboration** – Partnering with relevant organisations, industry and other councils to achieve the goals and targets of the Policy.

Part B - Policy Statement - Implementation

4 Introduction

4.1 Organisational Commitment

- a) CN will implement this Policy by providing:
- 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.
 - An evidence based affordable rental housing target for all strategic plans and planning proposals for urban renewal or greenfield development.
 - Targets for affordable rental housing in CN established through feasibility analysis as part of the Newcastle LHS.
 - Affordable Housing Contributions will be levied, managed and reported in accordance with CN's Affordable Housing Contributions Scheme.
 - Guidelines for community housing providers for the management and operation of affordable housing.
 - Mechanisms to deliver more affordable, private housing implemented through the Newcastle LHS.
 - The development industry with a process to facilitate and inform Planning Agreements for an affordable housing component of developments where appropriate.
 - Planning controls that diversify housing types and tenure and facilitate affordability of housing with a sensitivity to the character of place.
 - 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.
 - Investigation into the best solutions and opportunities available to support the community in response to immediate housing problems.

Part C - Roles and Responsibilities

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.

POSITION	RESPONSIBILITY
Planning and Development Service Unit	Implementing this policy through relevant changes to strategic plans and the planning framework.
Community Planning and Development	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 ratio (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.

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

This Policy Authorisation may be updated and amended by the CEO from time to time.

In accordance with section 378 of the *Local Government Act 1993*, the Chief Executive Officer delegates the following functions to the positions listed:

Title of Authorisation	Description of Authorisation	Position Number /and Title
Nil.		

Document Control

Policy Title:	Housing Policy
Audience:	CN Staff, Community
Service Unit:	Planning & Development
Policy Owner:	Executive Manager Planning & Development
Policy Writer:	Strategic & Place Planning Manager
Approved by:	Council
Date Approved:	11 November 2025
Commencement Date:	11 November 2025
Next Scheduled Review Date:	30 September 2029
Termination Date:	30 September 2030
Version:	Version 3
Required on Website:	Yes
Key Words:	Housing, affordable, diversity, contribution, dwelling

Related Document Information, Standards & References

Related Legislation:	Planning and Assessment Act 1979, Newcastle Local Environmental Plan 2012, State Environmental Planning Policy Housing 2021
Related Policies, Strategies (Council & Internal):	Planning Agreements Policy, Community Infrastructure Incentives Policy, Local Strategic Planning Statement, Newcastle Affordable Housing Scheme
Related Procedures, Guidelines, Forms or documents:	N/A
Standards, Codes or other references:	This Policy supports CN's compliance with the following legislation: Environmental Planning and Assessment Act 1979

Relevant Newcastle 2040 Theme/s

Term / Abbreviation
Liveable

Version History

Version No - Date Approved - ECM
Version 1 - Approved 26 October 2021 - ECM 7175969, Version 2 - Approved 13 December 2022 - ECM 7682826