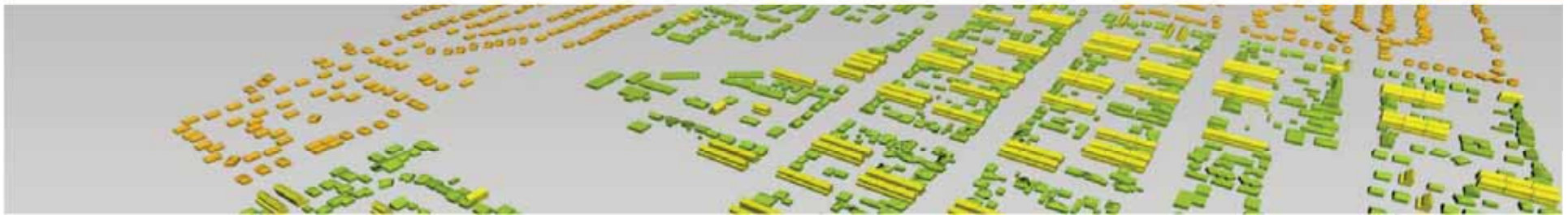


**\*CITYFUTUREs**



# Supporting mixed tenure communities

UNSW  
f b e

Bill Randolph

City Futures Research Centre  
Faculty of the Built Environment UNSW

## Social Mix Fundamentals #1

- **Basic idea:**
  1. Tenure Mix = Social Mix (owners vs renters)
  2. Socially Mixed Communities = Socially Sustainable Communities
- **Now a social housing policy orthodoxy: Estate renewal with mixed tenure outcomes**
- **A physical response to a social problem? What's the alternative?**
- **Context:**
  - Declining resources and increased targeting (is this about to change?)
  - Concentrated disadvantage
  - Legacy of low quality development
  - Backlog of repairs and upgrading
  - Changing demand patterns, inappropriate locations.

## **Social Mix Fundamentals #2**

**Tenure/Social Mix is associated with:**

- **Lower operating costs**
- **Improved asset values for remaining stock**
- **De-stigmatisation of neighbourhoods > individuals**
- **Production of more “normalised” communities**
- **Greater social and economic integration (role model effects, etc)**
- **Longer term reduction of locational inequalities**

## Social Mix Fundamentals #3

- **But does social mix fix social exclusion – and if so, what kind of mix is needed?**
- **People *vrs* Place policies – how significant are ‘area’ effects?**
- **Can you engineer social inclusion in a place through tenure changes?**
- **What is the real impact on tenants (those who stay and those who are dispersed to new neighbourhoods)?**
- **What’s the role of Community Housing – picking up the pieces, or delivering new housing opportunities?**
- **What’s the added value of Community Housing – and what are the new opportunities?**

## Creating Mixed Tenure Communities

### **Current basic approach to estate renewal:**

- **Use land value to underwrite the renewal process**
- **Redevelop the site and sell the bulk of the housing produced**
- **Retain rental property to the value of the original land handed over**
- **Maintain social stock numbers through higher densities**
- **Either retain as public housing or transfer management to a community housing provider – possibly a mix of both**
- **Potential benefits of Community Provider – local, more flexible and more intensive management? Use of CHA to supplement income based rents? Higher tenant satisfaction outcomes?**

## Creating Mixed Tenure Communities

### Potential new model?

- Redevelop land and sell new dwellings as before
- But, use NRAS and HAF to partner with a CHA and developer for part of the renewal, possibly with refurbishment as well as new stock for rental – but for higher incomes (\$39K – \$83k)?
- New NAHA social housing funding agreement – may provide funds to allow redevelopment with additional social stock
- Provide for rental options as well as possible shared equity?
- Density and planning gain to add to capacity through local government and State government Affordable Housing Planning policies (new SEPP?)
- Assisted by stock transfers through “*Planning for the Future*”
- Result could be a greater range of Community Housing tenure outcomes (rent and sale) in a significant range of renewed estates?

## Why Community Housing?

- **CHAs are long term players – crucial for longer term community building**
- **Manage remaining social housing – tend to perform better than public housing**
- **Manage and allocate any shared equity component**
- **Undertake facilities and neighbourhood management role**
- **Integrated community building role through non-housing activities or working with other partners**
- **Use of the asset to leverage more funding (unlike public housing)**
- **Possible Community Land Trust role – owning the land in perpetuity for the long term benefit of local community**

## **But does mixed tenure actually work? Evidence from AHURI funded research in 2003/4**

**Research on 4 renewal estates in three States, found that:**

- **Reduction of concentrations widely supported by tenants and stakeholders**
- **Tenure/social mix also widely supported as a “good thing”**
- **Tenants in renewed estates agreed that stigma had reduced for them**
- **Asset improvement objectives successfully achieved (value uplift and stock realignment) and major repairs addressed**
- **Remaining tenants satisfied with new housing outcomes**
- **Landscaping and environmental improvements had worked**

## **AHURI Research 2003: Key Findings from research on 8 renewal estates in 4 States**

### ***BUT***

- **Little obvious evidence for social interaction between new owners and tenants**
- **Problem of management of disruptive tenants – where do they go?**
- **Little evidence of wider social or employment benefits**
- **What happened to those dispersed or displaced – no evidence**
- **Were these findings simply due to the fact that the renewal had only been recently completed?**
- **Longer term outcomes still not systematically evaluated**
- **None of the estates we surveyed had CHA participation**

## Tenure Mix and Estate Renewal in Practice: Making Communities or Breaking Communities?

- Does estate renewal and tenure diversification assist in social and community building outcomes for social tenants – contradictory goals?
- Break-up may negate community building efforts by social programs and community building interventions
- Does it really help *disadvantaged* tenants? Social outcomes for tenants are uncertain
- Potentially negative effects on welfare support service provision
- No evidence of what type of mix works best – pepper-potting and 30% social a ‘rule of thumb’ assumed to be preferable
- Impact on longer term housing management costs and social welfare expenditures not clear
- **BUT - maybe just reducing stigma is worth the effort**

## Social Mix, Tenure Mix and Estate Renewal

### Some conclusions

- **Mixing tenure is not a necessary guarantee of effective social interaction**
- **Public housing and home ownership may need intermediate housing to bridge social the divide – a real mix rather than polarisation?**
- **New renewal models now including community housing managers and owners – Kensington Estate in Melbourne and Bonnyrigg Partnership in Sydney**
- **Need to ensure community building remains a key function of the managing agency – tenure change and physical renewal is unlikely to achieve outcomes for remaining low income social tenants alone**
- **Good case for intermediate housing tenures between fully subsidised and open market – community and affordable housing would play this role – to provide *a range* of housing opportunities and a greater community ‘balance’**

**\*CITYFUTUREs**



[www.cityfutures.net.au](http://www.cityfutures.net.au)

City Futures Research Centre

**UNSW/UWS AHURI Research Centre**