



Tenancies,
communities, and
the (re)development of
public housing estates
– a background paper

June 2003

Published with assistance from the Law and Justice Foundation of NSW



Published by Shelter New South Wales
377 Sussex Street, Sydney 2000
www.sheltersnsw.org.au
June 2003

Shelter Brief 21

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This paper has been published with the financial assistance of the Law and Justice Foundation of NSW.
www.lawfoundation.net.au

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Contents

Background	1
Public housing policy	5
Tenancy management.....	8
Generic policies	8
Policies specific to estates	10
Engagement with other agencies	10
Stock management and tenure mix.....	14
Location, design of neighborhoods, design of dwellings	14
Deconcentration.....	15
Social mix	15
Tenure mix	17
Public-private partnerships	23
Social and economic development.....	26
Community development, social capital, and capacity-building	26
Economic development.....	29
Participation and partnerships	30
Questions	32
Appendixes.....	33
Community renewal/development initiatives in New South Wales.....	33
Summary of costs and benefits associated with public rental estate renewal.....	35
Public housing estates with community renewal programs, New South Wales	36
Community renewal in Riverview and Goodna.....	37
Shelter NSW: Policy on public housing estate management	38
Shelter NSW: Draft principles for redevelopment of public housing estates	41
References	43

Preamble

The purpose of this paper is to present information, so that Shelter's constituencies can access public policy debates happening in government and academic circles. We hope that this paper will enable discussion to have a better claim to be 'evidence based'.

The information draws on research by academic-based researchers and on documented practice of public housing authorities (especially New South Wales). The paper does not cover all the issues in great depth. Any one topic within the broad subject area can be the focus of a very long report on its own; the list of references provides a guide to key research reports.

The paper does not 'come down' strongly on one side or other on many of the issues that might be 'controversial'. It suggests some questions for further discussion – readers, of course, might have their own (different) questions that they think are the key ones to develop for good public policy in this area.

SHELTER HAS HAD AN INTEREST IN THE STATE OF PUBLIC HOUSING ESTATES FOR SOME YEARS (Eager and Plant 1996). In 2002, Shelter held a one-day seminar on 'social mix' and strategies to develop it in relation to the range of housing tenures. This background paper brings together some of the issues from both those areas of interest. Public housing management is not what it was in the early 1990s. This paper outlines some of the key features of contemporary housing policy, where housing is seen as more than 'bricks and mortar'.

Background

The notion of putting 'community' into public housing estates is not new. The NSW Labor government of the late 1970s had established a small program to provide housing estate development workers in a number of areas; despite a rocky history, it survives today. The federal Labor government of the 1980s revived an urban renewal agenda that had been abandoned by Liberal/National governments in the Commonwealth sphere, and established a Better Cities Program with projects in a number of 'run down' or 'underused' areas, such as Honeysuckle in Newcastle and Pyrmont/Ultimo in Sydney.

By the mid 1990s, some of the orthodoxies of public sector management that had been applied in the late 1980s and early 1990s were being re-thought. One of those was support for a strict separation of roles between agencies based on a purchaser/provider or steerer/rower model; this model had underscored the view of the incoming Liberal government in New South Wales in 1988 that the Department of Housing should only provide landlord services to its tenants. The broad contour of the approach still holds in much public sector management, but application is now more flexible (especially in human service agencies).

Another orthodoxy was that the state (government) should not intervene in matters of 'civil society', but rather, allow individuals to do things for themselves. This approach was never fully applied. Governments found it difficult to refrain from policing morality, for example. But by the mid 1990s, a number of critics of this orthodoxy were emphasizing the importance of collective or communal activities for both social and economic development. This criticism was not just from the 'left'. The notion of social capital in the way defined and popularized by the US sociologist Robert Putnam (1993) was taken up in Australia by a wide range of social commentators, including some associated with the 'right-wing' think-tank, the Centre for Independent Studies in Sydney.

The notion also became part of the armoury of social-democrats who wanted to re-think the post-World War 2 welfare state after its reconfiguration by neo-liberalism in the 1980s and 1990s, without seeking to restore what had been before. This 'Third Way' School was popularized by the English sociologist Anthony Giddens and influences the 'New Labour' governments in London and Edinburgh. In Australia, its foremost public advocate has been the federal Labor MP and shadow spokesperson on economic ownership and community security, Mark Latham (2003). It is also reflected in other areas of social policy, for

example, by Noel Pearson in Indigenous policy, and has a major influence on the approach of the Queensland Labor government. It seems to have ambiguous support from the Commonwealth government: the Department of Family and Community Services has a 'stronger families and communities strategy' which provides funding for prevention and early intervention programs for families and communities, with particular benefits for those at risk of social, economic and geographic isolation. The Department's website (www.facs.gov.au/sfcs/about/strengthening.htm) says: 'It's about community involvement and giving communities the chance to think about their own local issues and what solutions they can put in place to deal with them. It's about promoting a 'can do' community spirit and helping families and communities develop support networks and the skills and resources they need to deal with their own issues, including volunteering.' However most of the projects funded (as at June 2003) seem to be of a conventional welfare nature.

Another development in public sector management has been a focus on 'place'. Public sector reformers of the late 1980s and 1990s criticized the agency-focused and turf-protective approach of government agencies and argued for greater cooperation across the 'silos' of government boundaries, so that customers would get seamless service. In the early 1990s public service reformers wanted government to be 'steerers not rowers'; in the late 1990s they were looking for 'joined up solutions for joined up problems'. The idea of 'whole of government' initiatives became more popular. A number of 'place management' initiatives, variously defined, began to be applied by state and local governments.

Community renewal or *regeneration* is used to refer to government plans and programs/schemes to put 'life' into a neighborhood.¹ Those programs could involve land use, urban design and infrastructure (including demolition and/or building of dwellings and other buildings), social development, and/or economic development. It is a similar concept to *urban renewal*, but urban renewal refers only to cities, suburbs, towns and villages, not to rural areas. Urban renewal tends to be used more for programs that have a primary emphasis on land use, urban design and infrastructure, whereas community renewal tends to be used for programs that have a primary emphasis on social or economic development – on people rather than things. Community renewal programs can take place in neighborhoods that are not primarily characterized by concentrations of public housing; for example, they can focus on moribund commercial/shopping precincts (such as in Port Kembla). The concept of renewal implies that there was a community or viable neighborhood previously, which has since declined or disappeared, and should be restored with the aid of government for some

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¹ The term neighborhood is a slippery one. Power (2000) defines an urban neighborhood in England as an area with around 2,000 homes, and 5,000 households, capable of providing a catchment for a primary school. The Scottish government's definition is an area of varying sizes, but generally of a few thousand people (Scottish Executive 2002). In a US study, Rohe and Stewart (1996) used a census tract as a proxy for a neighborhood: these varied in size from 1,000 to 7,500 people. In Sydney popular usage suggests that a neighborhood is something smaller – closer to the concept of a 'locality', which is a segment of a suburb or of a town planning precinct.

reason. In practice, ‘community renewal’ seems to be used to describe programs in neighborhoods where a sense of community has not (independently) developed, as well as in very new neighborhoods, or in neighborhoods that have declined.

Community renewal can include concepts like community development, community-building, community strengthening, capacity-building, community empowerment, and community engagement. These concepts focus primarily on social capital and human capital, the people dimensions of a society (or subsection of it), rather than on physical capital and economic capital.

The term *development* or *redevelopment*, in the context of urban renewal programs, can have a wide meaning – covering physical, economic and social aspects – or it can have a narrower meaning – covering land use and building issues. This narrower use is often how it is used in environmental planning and land use assessment. Local governments use it to refer to specific processes for regulating the use and re-use of property – lodging a development application. The notion of ‘developer’ in this sense can have a pejorative connotation in some circles (such as by Col Dunkley, the sometime mayor of Arcadia Waters in the ABC-TV fictitious mini-series, *Grass roots*). The NSW Department of Housing (2000) uses the term redevelopment in a very specific sense: ‘Redevelopment is a process where old Department of Housing dwellings are demolished and replaced with modern accommodation.’ While community renewal might include development in that sense (such as demolitions), it might not. Because of the potential to misinterpret the meaning of the term development, some social welfare workers undertaking community development work use other terms to describe what they do, e.g. they are a (postmodernist) ‘animator’ rather than a (modernist) ‘developer’.

In England, the government adopted a National Strategy for Neighborhood Renewal in 1998 (Social Exclusion Unit 1998). The Neighborhood Renewal Unit, established in 2001, has an action plan, *The New Deal for Communities*. This focuses on the most deprived neighborhoods, across five issues: poor job prospects; high levels of crime; educational under-achievement; poor health; and, problems with housing and the physical environment (<www.neighbourhood.gov.uk/ndcomms.asp>). In Scotland, the equivalent strategy is *Better Communities in Scotland* (Scottish Executive 2002), and in Wales/Cymru, *Communities First*. In the USA an initiative of the Clinton administration, the Urban Revitalization Demonstration Program, known as HOPE IV, focused specifically on distressed public housing estates (Naparstek, Freis, Kingsley, Dooley and Lewis 2000). The directions of that initiative were strengthened by the Quality Housing and Work Responsibility Act in 1998.

In New South Wales, early place management initiatives were in Cabramatta and Kings Cross. There are now many others around the state, including in suburbs and towns characterized by the presence of public housing estates and high proportions of public tenants. These include the Hunter Community Renewal Scheme and the Redfern-Waterloo Partnerships Project. The NSW Premier’s Department has been a key driver of these initiatives, through its Strategic Projects Division. This critical organizing role by a central agency is

repeated in other states, where the various departments of premier and cabinet undertake similar initiatives as their equivalent in New South Wales. A list of some community renewal initiatives and programs that are relevant, or potentially relevant, to public housing estates in New South Wales is given at an appendix on page 33.

These developments have also been reflected in the activities of nonprofit nongovernment organizations. Some of the bigger nonprofit nongovernment organizations have repositioned themselves as social enterprises. A Social Entrepreneurs Network was established in 2001. Many of the community-building projects undertaken by nonprofit nongovernment organizations in public housing estates in New South Wales reflect what might be called a 'new community development' (Ife 2003).

Public housing policy

There should be no reason to be surprised that broader developments in public sector management and social policy influence public housing policy and management. And, there are some specific factors in the history and experience of public housing that bring those developments to the fore.

On the ‘**supply side**’, today’s public housing authorities manage a stock of houses whose location, form and condition are the legacy of their predecessors’ decisions. The housing is not necessarily located at the ‘right’ place for tenants, in terms of access to employment and public transport. Many estates were built on ‘greenfield sites’ at the edge of cities and country towns because of lower land prices. The housing can be concentrated in a density that marks it out as ‘different’ from the housing of the vast majority of New South Walesers who are not public tenants. The housing could be deployed and designed according to town planning and architectural principles that are not ‘right’ for low-income earners or for the flexible family structures of the early 21st century. Much of the stock is aging, with consequent high maintenance and upgrading needs. The nature of the Department of Housing’s product is relatively *illiquid* – it cannot readily be disposed and replaced with more suitable housing at more suitable locations, especially given the cost of land and housing in Sydney. Moreover, the amount of CSHA money spent on housing assistance has dropped by some two-fifths over the 1990s (Berry and Hall 2001, p.75, figure 1).

On the ‘**demand side**’, the profile of tenants is affected by changes in broader society, including unemployment, under-employment, chronic social security dependence by some, and reconfigurations of family structures such as a growth of single person and sole parent households. A perverse outcome from rationing the available housing to applicants most in need has been a *residualization* of public housing – it becomes a refuge of last resort, serving a welfare function, rather than a ‘choice’ in the way that a public school or a public hospital is for many Australians. Public housing is not what it was after the Second World War, when low-income workers (and their nuclear families) sought it. The size of the waiting list has meant that priority allocations are common in most locations across the state. Concentrations of public housing estates can too easily become concentrations of socio-economic disadvantage. In such neighborhoods, problems of an interpersonal nature can emerge, such as petty crime and various anti-social behaviors. Where this happens, public housing is not the cause. (See the box at page 12.) But the Department of Housing as landlord has developed a number of *policing* responses, for all tenants, including a Good Neighbor Policy, a policy on renewability of tenancy leases, and a proposal for bonds for new tenancy leases.

Over a third of the 130,000 public housing dwellings in New South Wales are in estates (NSW Department of Housing 2001). *An estate is an area where there is a high concentration of public housing dwellings.* In country areas, the clusters can range from 100 to 400 dwellings; in Sydney, the clusters can range from 1,000 (some in western Sydney) to 4,000 (in inner Sydney). There are two postcode areas where public housing is more than 40% of the occupied private

dwellings in the area: Claymore, where 88% of the housing is public housing, and Waterloo, where 77% of the housing is public housing.

The convergence and interaction of the supply side and demand side factors on many public housing estates can lead to *social exclusion*. Public tenants can experience multiple and overlapping disadvantages associated with location, tenure polarization, inaccessibility of transport and other generic services, poverty, welfare dependency, petty crime, family disruption and domestic violence, etc. It would be wrong, however, to characterize and stigmatize all public housing tenants in this way. But an association of social exclusion with concentrations of public housing is a strong public-interest argument for government action. There has been some similarity in public policy responses in the English-speaking countries, to the state of public housing estates and their nexus with social exclusion. However Australia differs from Scotland and England in not having the same *extent* of declining inner-city neighborhoods associated with de-industrialization, and differs from the USA in not having the same degree of association of estates with one racial group. Spiller Gibbons Swan (2000, p.16) note: ‘The social problems are not as acute as in many overseas situations.’

Concentration of large numbers of people experiencing social exclusion in public housing estates can impact on the Department of Housing as a landlord, and therefore on the efficiency and effectiveness of the public housing system. Estates can rate poorly against *housing management indicators* like tenancy turnover, refusals of offer of housing, rent arrears, vacancy rates, and levels of complaint about anti-social behavior (NSW Department of Housing 2001).

The department’s responsibilities as landlord have been complicated by a process of deinstitutionalization of institutions for people with psychiatric disabilities, in which many residents have inevitably gravitated to public housing. And also by the current federal government’s reductions in Commonwealth–State Housing Agreement (CSHA) funding (together with matching reductions in state matching funding in most years) and by that government’s simultaneous insistence on targeting public housing to very low-income earners with high and complex levels of need. The results from this combination of policies have forced state governments to address the increasingly complex social problems of the estates – made even more so by a long-term rundown in housing maintenance and the aging of increasingly inappropriate stock built in an earlier era.

Spiller Gibbons Swan (2000) surveyed renewal programs across Australia, and identified a range of costs and benefits. (See appendix, page 35).

Randolph and Judd (2000) identify six broad strategies to respond to the problems of large public housing estates:

- ➔ asset (or physical improvement)
- ➔ partial disposal of stock
- ➔ wholesale or substantial disposal of stock, including demotion and redevelopment
- ➔ non-asset, community development

- ➔ tenancy management
- ➔ whole of government approaches, such as place management

In New South Wales, the Department of Housing's focus on regeneration of public housing estates has gone through 3 phases over the last decade:

- a focus on physical improvements through the Neighborhood Improvement Program, on twenty estates, from 1994 to 1999;
- a community renewal strategy that added an Accelerated Improvement Strategy to the Neighborhood Improvement Program, from 1999 to 2001 – see the 12-page booklet, *Building partnerships: transforming estates into communities*, released in November 1999 (NSW Department of Housing 1999); and
- a broader approach through the Transforming Estates into Communities strategy, launched in 2001 and still being implemented.

During the development of this strategy, the Department released a number of policy documents:

- ↑ a discussion paper, *Healthy housing communities: public housing estates with complex issues need linked up approaches*, in November 2000 (McCairns 2000);
- ↑ a 36-page strategy document, *Community renewal: transforming estates into communities – partnership and participation*, in 2001 (NSW Department of Housing 2001).

Fifteen estates were targeted for renewal schemes under the 2001 strategy. (See appendix, page 36.)

The activities that comprise a community renewal scheme are similar to those in other states. See, for example, some of the activities being undertaken at Riverview in Queensland (at the appendix, page 37).

In response to the initiatives in New South Wales, Shelter has developed two policy statements:

- a policy on public housing estate management, in 1999 (at the appendix, page 38);
- draft principles for redevelopment of public housing estates, in early 2003 (at the appendix, page 41).

This background paper traces some of the public policy issues around (re)development and community renewal of public housing estates under three headings:

- ➔ tenancy management
- ➔ stock management and tenure mix
- ➔ social and economic development

Tenancy management

Managing tenancies by social housing landlords – and sustaining tenancies by social housing tenants – raises a similar range of issues for housing rented in an estate as for that nearly two-thirds of public housing which is not in estates. There are also some issues that are special for estates, which might be less important in non-estate public housing.

Generic policies

Broad tenancy management policies and procedures particularly relevant to estate tenancies include eligibility, security of tenure, rent-setting, and dispute resolution.

The tighter, or more targeted, the income **eligibility criteria** for public housing are, the more likely it is that public housing (and public housing estates) will have greater concentrations of socio-economic disadvantage than the general population, and maybe even than the neighborhoods next to the estate.² State housing authorities are in a bind on this matter, because allocating public housing to those with the greatest need (including low income status) has a firm grounding in the social policy principle of *vertical equity*. If they did otherwise, they would be crucified by the mass media for rorting and lack of compassion. Loosening tight targeting of allocations would be less problematic if there weren't the supply constraints there are now; for example, if there were more public housing units available than customers wanting allocations or if the average statewide waiting period for *wait-turn* allocations was a matter of months rather than years.

One of the key differences between public rental housing and private rental housing over the last decades has been a continued commitment to **security of tenure** in public housing. In private rental housing, tenants may not be evicted during the fixed term of a tenancy agreement unless they have breached the agreement, but they may be evicted for no stated reason (even if they have not breached the agreement) on 60 days notice once the tenancy becomes a continuing agreement. This ability to be evicted without a 'just cause' has been a key difference between the two variants of rental housing. In public housing, the practice has been for tenants to be evicted only after persistent breaches of tenancy agreements, with the reason for the eviction usually quite clear.

The sharpness of the contrast between the relative degree of security of tenure between private rental and public rental housing has been blurred by a policy change made in 2002, however. This established a process for tenancies to be

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² To be eligible for public housing, the applicants' gross household income must be less than or equal to a maximum weekly amount, according to the number of people in the household. The limits, as at June 2003, were \$395 (1 person household), \$500 (2 people), \$580 (3 people), \$665 (4 people), \$720 (5 people), \$775 (6 people) (Department of Housing 2002d).

renewable.³ This new situation makes tenancies less secure for those tenants affected, at the same as giving the Department an opportunity to more easily free itself of troublesome tenants. (It does not, however, establish a ‘no cause’ eviction regime directly comparable with that in private rental housing.)

Rents in public housing are set against a benchmark of market rents, but with a guarantee that no tenant will spend more than 25% of gross household income on rent. More than 90% of tenants get a subsidized rent because of this approach. Where a tenant’s income rises, for example if they leave the social security system for a *low-paying* full-time or part-time job, they can expect a rent increase (in consequence). Part-time and casual workers are particularly disadvantaged in such situations. Some social commentators are concerned about the *poverty trap* and *welfare dependency* impacts of rent-setting policy in this light. The argument is not specific to the benefits of public housing to low-income people. Other benefits that accrue to social security recipients, such as pensioner concession cards and health care cards issued by the Commonwealth government, are also relevant. If a public tenant leaves the social security system for full-time paid employment, they might be financially worse off from the loss of concessions and a subsidized rent. The two systems – the social security system and the public housing system – interact with each other in affecting the tenant’s material conditions of existence. These (unintended) disincentives for public tenants to get a full-time paid job, if available, are a *perverse outcome* of the rent-setting policy. While this situation continues, there is a diminished chance of there developing a range of households with different income levels (and employment statuses) on public housing estates.

Householders normally expect to have a right to peace and **quiet enjoyment** of their property. Where they think that is infringed by neighbors they can go to state agencies that have a *policing* role on anti-social behavior without regard to housing tenure, e.g. a local government, the police force, or to less formal dispute resolution agencies like community justice centers. In apartment dwellings, residents can go to management agencies for the body corporate or to a real estate agency. Private (and public) tenants have a legal obligation not to cause or permit a nuisance, and not to interfere, or cause or permit any interference, with the reasonable peace, comfort or privacy of a neighbor (*Residential Tenancies Act 1987 (NSW)*, s.23). The Department of Housing has taken a pro-active role on unneighborly behavior of its tenants, through a Good Neighbor Policy (see <www.housing.nsw.gov.au/phop/est0013a.htm>).

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³ Renewable tenancies apply to all new tenants who commenced a public housing tenancy on or after 25 November 2002, except for Aboriginal or Torres Strait Islander people aged 55 years and over, non-Indigenous people aged 80 years and over, and new tenants who had progressed to a continuous tenancy. A renewable tenancy is a 1-year or 3-year fixed-term tenancy agreement that enables the Department to review a person’s tenancy record before their lease expires. Tenancies are renewed if the tenant has maintained a satisfactory tenancy record by keeping to the terms and conditions of their tenancy agreement. From 25 November 2002, all new public housing tenants have been required to sign a 1-year probationary fixed-term lease. A tenancy will not be renewed if the tenant has been placed on three successive probationary leases and they have a less than satisfactory tenancy record for three probationary tenancies. See NSW Department of Housing (2002c).

Policies specific to estates

There have been a number of initiatives to improve tenancy management. This is not just about efficient and effective landlordism, but satisfactory tenancies from a tenant perspective. Programs and initiatives focused on:

- consultation and participation
- customer servicing issues

The **Neighborhood Improvement Program** sought more involvement of tenants in decision-making about the Department of Housing's work on estates. Neighborhood Advisory Boards were established on a number of estates. These have a wide brief, including tenants' issues about the Department as landlord. They include other government agencies and nongovernment organizations.

The Department has introduced arrangements that enable it to give more attention to tenancy issues on a number of estates. The approach is called **Intensive Tenancy Management**. It involves (NSW Department of Housing 2001, p.23):

- having a housing management team on-site;
- allowing local allocations to be made flexibly;
- giving housing managers smaller number of tenancies to manage, compared with other areas; and
- providing a local handyperson for small general items.

This model began in 1998 at Bidwill and Minto Hill in Sydney. It was extended to 6 other estates (Bonnyrigg, Booragul/Bolton Point, Redfern, South Moree, Toongabbie, and West Dubbo) in 2000, and now covers another 10 estates, totalling 18.

The Department has also withdrawn from direct tenancy management of some precincts in estates, in favor of community housing associations – at Claymore (to Argyle Community Housing) and Cranebrook (to Wentworth Community Housing). The lessons from the Claymore experience have been well documented. (See Office of Community Housing 1998.)

Question 1

How well is the Intensive Tenancy Management model working?

Engagement with other agencies

Because there are multiple factors that construct socio-economic disadvantage and because 'joined up problems need joined up solutions', the Department of Housing's landlord role is supplemented by other government agencies. These include:

- the NSW Police Force: the Department of Housing has a memorandum of understanding with the Police about circumstances for police intervention in tenants' disputes;
- NSW Health: the Department of Housing is negotiating a protocol about interventions by mental health services;

- agencies such the NSW Department of Community Services in childrens, youth and family services;
- central agencies such as the Premier's Department in community regeneration.

Question 2

Have we got to a point where there are too many fingers (government agencies) in the (community renewal) pie, in terms of effective coordination and strategic focus?

Question 3

How might delivery of social services, tenant support, and community renewal strategies be best coordinated?

Crime and public housing estates

Matka (1996) analyzed NSW crime statistics to assess the effect of certain features of public housing on crime rates in Sydney. The features she looked at were the number of public renters as a proportion of all people living in private dwellings, the proportion of public housing dwellings, the degree to which public housing was dispersed throughout the area, and the type of public housing (e.g. high-rise, walk-up, non-detached, detached), by postcode area. The offences she looked at were assault, robbery, malicious damage to property, motor vehicle theft, and break and enter dwellings.

She reported that social factors (such as unemployment, income, family structure, Aboriginality) accounted for 48% to 69% of the variation in crime between postcode areas. (The degree of variation varying according to the crime, from 48% in the case of malicious damage to 69% in the case of assault.)

The proportion of public renters and public housing had a statistically significant effect on crime rates in an area, after controlling for social factors. Those effects were generally small, accounting for no more than an additional 3% of the variation in crime between areas. Whether the public housing was dispersed or concentrated in estates made little difference to variation in crime rates between areas, though there was a statistically significant correlation between the presence of estates and assault and robbery (with a less than 1% variation, however). The proportion of different types of dwellings had a statistically significant, but small, effect on crime rates.

Overall, she concluded that the quantity of public housing in an area did not have a strong effect on crime, independently of the social characteristics of the whole population in the area (including public renters). Rather, it was the social profile of tenants which carried a risk of involvement in crime and victimization. 'The best explanation, on current evidence, for high crime rates in areas with high proportions of public housing, however, remains the fact that public renters, being socially and economically disadvantaged, are therefore more at risk of becoming both crime victims and offenders.' (p.23)

Stubbs and Storer (1996, p.29) reported on the major determinants of crime in an area as being: the demographic mix of the population, with poor young males more likely to commit crime; length of tenure, there being lower crime in areas of lower turnover of residence; the presence and concentration of 'problem' individuals; lack of entry-level jobs; lack of community participation; and multi-factor variables of disadvantage.

There is also an association between a concentration of public housing and the mistreatment of children within households (research by Tony Vinson and Eileen Baldry cited in Randolph and Judd 2000, p.9).

Judd, Samuels and O'Brien (2002) refer to two schools of thought about crime and public housing – 'the design' view, which argues that particular precinct and housing designs facilitate crime, and the 'allocation' view, which argues that it is crime-prone individuals being allocated public housing who are the more likely cause for crime on estates. They suggest that the two schools of thought might not be mutually incompatible. They also caution against greater selectivity of tenants as the solution (p.52):

'... prompt action related to 'problem tenants' can involve judgements and actions potentially beyond the reasonable boundaries of power and control possessed by housing managers and/or other residents. A delicate balance exists between the interests of a majority of residents and the individual rights of each member of the community, particularly when dealing with disadvantaged people, who are already in disempowered situations.'

Crime prevention and other programs with crime prevention impacts

Just as the design of housing and residential precincts is not the main cause of crime, it is not possible to link changes in design to crime prevention, in many cases (Stubbs and Storer 1996). Nevertheless, neighborhood improvement programs in estates typically include measures to mitigate against the likelihood that estate design assists crime; for example, Radburn-style common areas and pathways are removed to encourage informal surveillance by residents and more 'ownership' of privately-used spaces.

Stubbs and Storer (1996) suggested that crime could be reduced in public housing estates like Airds as a result of a number of measures, including allowing the area to 'mature', with associated retention/stability of residents; community participation; employment generation; allocations of tenancies and transfers; and, urban design improvements. A later study of Airds (Stubbs and Hardy 2000) found that physical changes and the general attention paid to the neighborhood improvement area appeared to have been significant in reducing crime and changing residents' perceptions on safety.

The most dramatic crime prevention intervention on an estate has been the demolition of the Villawood estate in 1997. This was a Radburn-style estate first inhabited in 1982. The decision to demolish was a response to unchecked, endemic criminal behavior.

An evaluation of three estate renewal strategies – a neighborhood improvement program at Airds, an intensive tenancy management approach at Minto, and an approach that featured transfer of tenancy management to a community housing association at Claymore – found that each had positive impacts on crime and nuisance (Stubbs and Hardy 2000). There was also an improved sense of personal safety, and increased confidence in Departmental and police responses to anti-social behaviors, from residents.

The bottom line appears to be that *any* community renewal activity in an area that has been physically or socially neglected will have a long-term impact on crime, following increased resident satisfaction – and thus fewer turnovers and a maturation of the profile of the residents (Stubbs and Hardy 2000, p.53).

The association between crime and the social disadvantage concentrated on public housing estates raises public policy choices about appropriate focuses of urban renewal interventions. The urban renewal schemes in Queensland are being run as part of the state government's Crime Prevention Strategy, established in 1998 (Queensland Department of Housing 2001). Improving the safety and security of people and property is the first of seven program objectives. Along with typical features of urban renewal schemes such as realigning stock, neighborhood amenity and tenure mix, the schemes apply *crime prevention through environmental design* (CPTED) principles. Yet an evaluation of the program in 2001 (Walsh and Butler 2001) reported that only some 6% of projects funded in the first 3 years had community safety as a primary objective, and found that the program had had a limited impact on community safety and crime prevention. It recommended strengthening the crime prevention and community safety role of the schemes. The Department of Housing's response to this was a coy one, of accepting the point, but noting that the key focus of community renewal was disadvantage, and that this focus had other desirable outcomes apart from reduced levels of crime, such as increased job opportunities and better educational outcomes (Queensland Department of Housing 2003).

Stock management and tenure mix

Public housing dwellings are an asset. How useful an asset they are depends on their location, condition (standard or quality), suitability to consumer (customer) needs, and capacity to generate a return on the capital investment in them (e.g. through rental income).

Location, design of neighborhoods, design of dwellings

Many estates are in undesirable locations, in terms of access to civic and public amenities. The biggest concentration, that in Waterloo/Redfern, is, however, surrounded by desirable gentrifying and gentrified suburbs like Surry Hills, Newtown and the Green Square precinct. In the case of some estates on the fringe of Sydney or country towns, locational unpopularity is a given for which ‘physical solutions’ are difficult: unless individual owner-occupiers decide they want to purchase the dwellings or the dwellings are demolished, where the dwellings stand is where the estate will remain.

Some of the estates had physical aspects which *were* capable of being changed decisively. Specifically, some estates were designed according to a ‘garden city’ model developed in Radburn in the US state of New Jersey in 1928. The design concept focused on public areas to encourage community connectedness. There was common open space, and the houses backed onto local roadways (rather than fronted on the streets, as is common in Australian suburbs); the roadways were often cul-de-sacs in the expectation that vehicle traffic would be primarily for service purposes. This village and community-focused design did not work in new suburbs of non-connected and individuals; no one took ownership of ‘the commons’: the public spaces became no-person’s land. Undoing the Radburn-inspired design of neighborhoods was one of the first things the Department of Housing did in problem estates: public open spaces and pathways were ‘privatized’ and dwellings were oriented to the street.

The Neighborhood Improvement Program (NIP) that began in 1995 – following pilots in Airds, Macquarie Fields, and Waterloo in 1994 – had a high focus on physical improvements of precinct design and to dwellings; though it also incorporated tenancy management and social inclusion strategies. An evaluation of the program in Airds (Stubbs and Storer 1996) found that physical development of the suburb alone would be unlikely to achieve a significant reduction in social problems, since the major social problems there were not primarily caused by poor design; but that expenditures on physical redevelopment were justified by a likely increase in resident satisfaction and lower tenancy turnover. The program formally ceased at the end of 1998-1999 as the Department of Housing sought to incorporate neighborhood improvement as core business (Randolph and Judd 2000).

Estates where housing and infrastructure issues were, or are being, undertaken are Airds, Bellambi, Bidwill, Casino, Dharuk, Cranebrook, East Nowra, Goonellabah, Hamilton South, Macquarie Fields, Raymond Terrace, Redfern, Riverwood, Shalvey, South Grafton, South Inverell, South Kempsey, South Moree, Taree, Telopea, Toongabbie, Villawood East, Warrawong, Waterloo,

West Dubbo, West Kempsey, and Windale (NSW Department of Housing 2001, p.16).

There has been one estate where wholesale demolition of dwellings has featured – at Villawood.

Maintenance of public housing dwellings, including upgrade, is a major problem for public housing authorities. Improvements, repairs and maintenance take some 38% of the total moneys allocated to public, community and Aboriginal housing (NSW Treasury 2002, pp.37-38).

Question 4

Are there key estates where a physical redesign of the estate needs to be done?

Deconcentration

Social exclusion is reinforced by *spatial* concentrations of disadvantaged households in certain localities and housing, especially public housing (Randolph and Judd 2000, p.9). *Deconcentration* refers to processes to reduce a concentration of socioeconomically disadvantaged people in a neighborhood or estate (Khaddurri 2001).

Deconcentration is an approach generally favored by Western governments confronted with large public housing estates with endemic social problems, including governments in New South Wales. The Transforming Estates into Communities strategy says: ‘Where possible large concentrations of social housing will be broken up.’ (NSW Department of Housing 2001)

Social mix

Social mix is about having a residential neighborhood with a mixture of people from different social classes or socio-economic status, social categories (e.g. ethnicity, disability), stages in their lifecycles, and household and family types (Johnston 2002). An absence of social mix is typically (but not always) associated with social exclusion of people from the working class and from poorer socio-economic statuses, minority ethnic groups (including Indigenous peoples), people with disabilities, and sole parent households (especially where the household head is a woman, which is the vast majority of cases). Recent research on housing markets in western Sydney, for example, shows middle-income people are creating ‘monocultural’ neighborhoods in purpose-built family suburbs (Randolph and Holloway 2003).

The key social policy question about social mix is how it could benefit households with incomes below the poverty line, and especially for those households with children. Khaddurri (2001) puts forward a number of threshold indicators for such a neighborhood. Will it mean they have good access to services, especially good schools? Will there be adults around who can provide role models for socially-acceptable behavior? Will there be less negative influences from peers, especially teenagers? Will there be informal networks

through which residents can gain access to employment? Will there be physical access to jobs? Will there be low levels of crime and violence?

One of the ways that government can encourage social mix where market forces work against it is by constructing or acquiring dwellings for social housing in neighborhoods that are wealthy or undergoing gentrification (as happened in Woolloomooloo and Glebe, and was also supported in Pymont/Ultimo). Yet if such initiatives achieve a degree of social mix at the suburb level they might themselves create concentrations of disadvantage if the social housing is not dispersed throughout the suburb, in different streets.

Eligibility criteria for public housing that prioritize welfare and housing need will (inevitably) lead to concentrations of socio-economic disadvantage on public housing estates. Even with tight eligibility criteria, however, some flexibility can be negotiated in allocations policy; for example, the Intensive Tenancy Management model allows for flexibility at a local level; people with mental health issues can be allocated across a range of dwellings rather than being allocated into one block.

Social mix might not be a necessary component of all public housing estate renewal strategies (as it is not in Waterloo, for example). A study of four public housing estates in Queensland and South Australia (Arthurson 2002) found that strong cohesive communities can exist on estates without there being socioeconomic diversity; a positive sense of community was particularly strong among long-term residents with established friendship networks. It is, nevertheless, one of the mandated roles of the NSW Department of Housing to 'encourage social mix and the integration of different housing forms in existing and new communities' (*Housing Act 2001* (NSW), s.5(1)(i)).

Social mix can be facilitated *within* social housing by relaxing eligibility criteria: this enables socio-economic mix and a deconcentration of poverty within public housing (Arthurson 2002). In the USA, the Quality Housing and Work Responsibility Act of 1998 prohibits the concentration of very low-income people in public housing: it requires new public housing developments to allocate at least 40% of dwellings to poorer applicants (i.e. those with income at or below 30% of the median income in the area) and the other proportion to applicants with incomes at or below 80% of the median income in the area (Hunt, Schulhof and Holmquist 1998). That Act also permits public housing authorities to establish ceiling rents at a level that makes public housing attractive to relatively higher income households, and to not assess all earned income so as to encourage relatively higher income households to live in public housing (Khaddurri 2001).

Question 5

To what extent should social mix be a feature of community renewal strategies? How can it be made effective?

Tenure mix

Tenure mix is one of the options to promote social mix where there is *socio-tenurial polarization* (i.e. where socioeconomically disadvantaged people are concentrated in social housing and in poorer quality and lower rent dwellings in the private rental housing market).

Tenure mix does not automatically lead to social mix. There is a debate in the academic literature about whether tenure mix actually achieves social mix and, if it does, whether social mix has positive impacts on low-income renters. Research has focussed on whether social mix based on tenure mix affects has *spillover effects* in these key matters: employment opportunities; education outcomes for children of low-income households, and stability of family life. Brophy and Smith (1997) suggest that the *anticipated* benefits of mixed-income housing could include:

- whether the behavior patterns of some lower income residents will be altered by emulating those of their higher income neighbors (upward social mobility);
- whether nonworking low-income tenants will find their way into the workplace in greater numbers because of the social norms of their new environment (for example, going to work/school every day) and the informal networking with employed neighbors;
- whether the crime rate will fall because the higher income households will demand a stricter and better enforced set of ground rules for the community;
- whether low-income households will have the benefit of better schools, access to jobs, and enhanced safety.

The spillover effects of having a mix of people in a neighborhood might be hard to quantify, especially since the intended benefits depend on inter-people interaction, and neighboring is a phenomenon which is in decline in the postmodern era, and might be less common among mobile low-income renters. Kleit (2001) suggested that poor households dispersed among non-poor households in the USA used their neighbors less frequently when looking for a job than poor households in neighborhoods dominated by poor households; they were unable to leverage the better information on jobs which they had access to.

Governments cannot make people like, talk with, or help their neighbors. An English study of 1,000 residents living in ten mixed-tenure estates found that only two-fifths of respondents knew any residents with a different tenure, and only one-fifth could ask for help or advice from a resident with a different tenure (Jupp 1999). A Scottish study of three estates where new owner-occupied housing had been introduced found that owners were much more oriented to the world beyond the estate (especially to work) than public tenants were (Atkinson and Kintrea 2000). Atkinson and Kintrea thought that ‘pepperpotting’ owner-occupied and rental housing would be preferable, to encourage social interaction (though they thought this would make houses more difficult to market to potential purchasers).

As well, where tenure mix has been promoted through a change in the nature of the dwelling, the household profile might not necessarily change. For example, in the sales-to-tenants (‘Right to buy’) programs in England and Scotland in the 1980s, existing householders (many of them older couples) were merely

confirmed in their occupancy. Moreover, there seems little social value in changing a neighborhood profile from one of public tenant battlers to owner-purchaser battlers.

On the other hand social inclusion is unlikely to be encouraged by ‘monocultural’ *stigmatized* neighborhoods. Living in a stigmatized neighborhood can have a negative effect on life opportunities for residents, for example with job prospects or credit. Atkinson and Kintrea (2000) concluded that the presence of home-owners in three Scottish neighborhoods dominated by social housing helped to alleviate the stigma which is part of the experience of being a resident in the most deprived estates, and helped to improve the environmental upkeep of the estates.

Tenure mix can be promoted through a number of strategies:

- locating the construction sites for individual social housing across a range of suburbs, rather than densely in one suburb (as estates), and spot purchasing and headleasing dwellings in existing mixed suburbs rather than greenfield locations;
- development of dwellings intended for owner-occupation in areas dominated by social housing;
- changing the tenure status of some of the dwellings in public housing estates;
- assisting public tenants to leave public housing for other tenures.

Co-location – desegregation

Building concentrations of public housing in estates was a decision by government. It seemed like a good idea at the time.

Some Western countries have tried to avoid the pitfalls. In Finland social housing is integrated with other tenures: nearly all housing developments are a mix of owner-occupied housing and social rental housing, designed by the same architects and constructed in the same architectural style as private housing in the immediate vicinity (Housing Fund of Finland 2000).

One housing program in Scotland encourages private developers to build new houses intended for owner-occupation in areas dominated by social housing (Atkinson and Kintrea 2000).

A study with 1,000 residents in ten mixed-tenure estates in England (Jupp 1999) found that mixing tenures in the same street is preferable to separating tenures in different zones on an estate, because it helped reduce the chance that certain streets of exclusively social housing would develop a bad image. On those estates where private and social housing was confined to different streets, only one in five respondents knew the name of a resident from a different tenure. People mix with each other, if they do, at a street level rather than at an estate level.

Tenure change – stock transfer

The most dramatic way in which a tenure mix can be introduced to an estate is by transferring stock out of the public housing sector to the owner-occupier sector. State governments began selling public housing dwellings to tenants in the 1960s and this resultant social mix helped to establish a degree of social mix which lessened the impact of the residualization of public housing later on (Randolph and Judd 2000, p.7). The first Western government to embark on a major sales program in the post-War period was that in England in the late 1980s, but the purpose seemed to be to encourage home-ownership for ideological reasons rather than to see tenure mix as a facilitator of social mix or estate stability and sustainability. Sale of public housing dwellings to **owner-occupiers** ('privatization') can be targeted to current tenants, or more broadly to other prospective owner-occupiers and/or private landlords.

Promotion of home-ownership has been a key mechanism to promote the health or stability of neighborhoods. Rohe and Stewart (1996) analyzed census data in the USA to assess whether home-ownership was associated with length of tenure of residencies, property values, and physical condition of dwellings. They found that home-owners were less mobile than tenants. Properties appreciated more in areas with greater home-ownership rates. Homeowners were also more likely to do repairs, and spend more on repairs, than private landlords.

Home ownership was a central part of the Western Australian government's strategy to regenerate socio-economically disadvantaged suburbs with high proportions of public housing, in the 1990s. It had a target of 1 in 15 of the state's dwellings (7%) to be public housing. In suburbs where there was a high concentration of public housing, it sought to 'normalize' the situation by bringing the ratio of public housing dwellings to other tenures down to 1 in 9 (11%) This '1 in 9' policy, adopted in 1982, appears to be the only such target set by an Australian housing authority (Parry and Strommen 2001, p.136).

The socio-economically disadvantaged suburb of Midvale in eastern Perth was one of the suburbs affected (Pendergast 2002; Tonts 2002). The proportion of public housing in Midvale fell from 23% in 1996 to 17% in 1999. The proportion of public housing in Swan, the local government area in which Midvale is situated, fell from 8% to 5% in the late 1990s. However, the proportion of public housing stock in the other suburbs in Swan did not increase to the government's target. In addition, the program contributed to price inflation for home purchase in the suburb of Lockridge (the suburb in the municipality with the highest proportion of public housing).

A study of public housing markets in three regional cities in South Australia found that a strategy of selling some of the housing stock and relocating tenants was not viable in regional cities, where there might not be a supply of prospective owner-purchasers wanting to 'buy in' (Beer and Maude 2002).

Sales of public housing have not been a pronounced feature of renewal strategies in New South Wales. While incumbent tenants may apply to buy their house, but there are substantial hurdles in their way. (See Department of

Housing Policy EST0007A, 'Sale of homes to tenants and disposal of public housing', 6 September 2001, online at <www.housing.nsw.gov.au>.)

A particular problem with some larger broadacre estates is that the individual dwellings do not have separate title. Woodward (2000) notes that estates in north-western and south-western Sydney were deliberately built as *superlots* (with up to 200 dwellings on one title) to prevent their break-up and sale. The cost of subdividing those estates is high.

Tenure mix could also be effected through transferring stock or management to **private landlords** in the private rental market. The stock and its location would need to be attractive to private buyers. However, where stock has been sold to private landlords in Dubbo and Inverell, the residential profile of the neighborhood did not change: the Department of Housing considers that the dwellings simply became a 'holding ground' for people on its waiting list (NSW Department of Housing 2001, p.28). In that case, such a transfer might be a formal change of tenure – if ownership of the stock is involved – but there is no boost to social mix. On the other hand, a range of providers gives more consumer choice.

There are other strategies that seek to attract the benefits that home ownership has (as a tenure) without full divestment: shared equity, and equity stakes.

Shared equity schemes allow for partial purchase of a government-owned dwelling by a tenant, with rent paid only on that part of the property owned by the landlord.

In England, 'Homebuy' shared-ownership schemes operate in social housing, whether that is provided by housing associations or local governments (Parson 1998). The tenant purchases their social housing dwelling in multiples of 25% and rents the rest. There is also a scheme for older people (over 55 years) living in supported housing ('sheltered housing') owned by a housing association on a leasehold basis: they may purchase in multiples of 25% either by raising a mortgage or cash; more often, they contribute cash from the sale of their present home. They pay rent in the part they do not own. They cannot buy the sheltered housing association out completely: the maximum share they can buy is 75%, and they pay no rent when they own 75%.

There is a different take on this with some disability housing in Victoria (Barber 1996). Singleton Equity Housing, a nonprofit nongovernment organization, offers investors in its housing shares in the company: this provides the shareholder a right to lifetime residency. Most of their housing is group housing for people with disabilities. The arrangement allows the social landlord to raise revenue for disability-specific community housing from residents (or their carers). The housing is social housing, in as much as the landlord is a nonprofit, and it also has aspects of home ownership through shared equity. Singleton's activities have primarily targeted the families of people with disabilities who have the financial capacity to contribute to the consumer's housing.

The NSW minister for housing announced the establishment of a shared equity scheme for public tenants wanting to buy their homes, particularly in rural areas, in February 2002 (NSW Department of Housing 2002a).

The concept of *equity stakes* has been used in England to refer to initiatives that reward public tenants for looking after their dwellings with the attention a homeowner-occupier might.

Question 6

Are there estates where sale of part of the dwellings (if feasible) could assist in renewal of the estate? Under what circumstances or conditions should this occur?

There can also be a transfer of ownership and/or management of public housing dwellings to **other social landlords**.

In Scotland and England, much social housing stock has been transferred from government (municipal councils) to nongovernment organizations (housing associations) over the 1990s. Apart from the sorry state of social housing under local government management, a key benefit of transfer to nonprofit nongovernment organizations has been in the opportunity to attract finance for stock improvement and new building: the associations are able to raise funds from the private sector and those borrowings are not counted as being within public sector borrowing requirements/limits.

There have been and are transfers of stock or of management functions to nongovernment social landlords – Aboriginal housing associations, community housing associations, and welfare agencies in the youth, aged, disability and homelessness sectors – in New South Wales. The Aboriginal Housing Office owns some of the social housing on public housing estates, following transfers of Housing for Aboriginals stock, after the Office was established in 1998. Some public housing dwellings are managed by community housing associations specifically to assist in neighborhood renewal, e.g. Argyle Community Housing manages some public housing dwellings in Claymore, as part of an Intensive Tenancy Management approach. Most community housing associations manage stock headleased from the Department of Housing; they cannot use the asset to borrow. The NSW Federation of Housing Associations produced a major report in 2001 on options for community housing associations to be more involved in managing social housing on public housing estates (Burgmann and Meyer 2001). (See also Farrar, Barbato and Phibbs 2003.)

Nonprofit nongovernment social housing that is dependent on government subsidies including government-owned stock is not a qualitatively different tenure to public housing, however. Some housing researchers have argued that social housing providers are part of a *shadow state*, because they are so integrally tied to the state through enabling, regulating and subsidization (Geiger and Wolch 1986; Warrington 1995). Others have suggested that this conception of a shadow state role credits nonprofit nongovernment social housing providers with too much independence, and that a nonprofit housing association sector that relies on state contracts is part of a new *quasi-public sector*, rather than an

independent, voluntary sector or a shadow state apparatus (Malpass 2001; Malpass and Mullins 2001).

Shelter NSW developed a formal position on stock transfer of public housing dwellings to community housing providers, during an inquiry by the NSW Legislative Council into community housing, in 2002. It argued (Shelter NSW 2002):

Stock transfers from the DoH to community housing should be undertaken only as part of a planned strategy to maximise opportunities for choice, to increase equity of access to social housing, and/or to assist in processes of community renewal and community strengthening. They should not be used as a ‘privatisation by stealth’ strategy, or a ‘moving the deckchairs’ strategy. Rather, the supply of social housing stock should be increased.

In the limited number of cases of tenanted stock transfers, tenants should have the right to:

- choose individually if they wish to transfer, or
- choose collectively via a ballot if they wish to transfer
- the right to choose between different providers
- have their rents and conditions guaranteed after the transfer.

An alternative to social housing being managed by a public housing authority or a community-housing provider is for tenants to manage the dwellings they live in themselves. If the residents own the housing, this would be a form of owner-occupation. NSW government-supported housing that is tenant-managed through **rental cooperatives** is a variant of social rental housing, targeted to socioeconomically disadvantaged people in the same way that public housing and community housing association-managed housing is. However government guidelines for this program allow for a greater mix within a cooperative’s tenant population: while 65% of a cooperative’s tenants must be eligible for public housing, the other 35% of tenants do not have to be. This means that transfer of public housing on estates to rental cooperatives could change the overall tenant profile over time (Burgmann and Meyer 2001, p.23).

In Scotland there is a hybrid model midway between the community housing association and rental cooperative management models we have in New South Wales: it is called *community ownership*, and refers to nonprofit organizations on whose boards there are tenant, local government, and community representatives. In Wales the *community mutual* model refers to tenants collectively assuming the ownership of their dwellings as a mutual provident society (which would become a registered social landlord). The development of tenants management models for public housing is an option that came out of an evaluation of the Claymore renewal initiative (Stubbs and Hardy 2000, p.112-115). One such model mentioned by Burgmann and Meyer (2001) is a ‘hybrid co-op’, which is where tenants elect a board of management for the social housing they live in and that board employs staff to do housing management.

Question 7

Are there estates where transfer of management of dwellings from the Department of Housing to other social landlords would be beneficial? Are there estates where transfer of management of dwellings from the Department of Housing to their tenants would be beneficial? Under what circumstances or conditions should this occur?

Tenure change – tenant relocations

In the USA social housing tenants have been encouraged to leave public housing estates with an incentive such as ‘cashing out’ (or *vouchering out*) the value of the public housing rental subsidy for use in the private rental market (Varady 2000). The dwelling is then freed for tenure transfer (e.g. sale to a private owner), which might assist social mix depending on the social class, socio-economic status, etc., of the new resident.

The Western Australian government gave cash assistance for relocation costs to public tenants in estates that the government wanted to dismantle, as part of its ‘New Living’ program. Most of those tenants relocated to other public housing dwellings. This device can assist social mix, especially if the relocating public tenants are allocated social housing dwellings in suburbs where there is a lower-than-average proportion of public housing.

Tenant relocation has been a contentious issue in New South Wales. While at a conceptual or senior level, departmental officers profess understanding of the problems that arise, at ground level there have been repeated problems, e.g. in areas like Erskineville and Minto. Relocation – or, for that matter, choosing to stay in the middle of a building site – can present serious problems for tenants, ranging from nervous stress and anxiety to disruption of families, community networks and daily life. It seems there has to be more thought (even though there have been some genuine attempts to do this) into ensuring tenants are adequately consulted and brought into the loop from the earliest moment, and ensuring that tenant needs and requirements are properly considered.

Question 8

How can estate redevelopment be implemented with minimal disruption impacts on current tenants? How might tenant interests and concerns be best protected?

Public–private partnerships

The concept of public–private partnerships has been around since at least the 1980s, when neo-liberal governments preferred to have operational tasks undertaken by private companies for efficiency or ideological reasons (government as ‘steerer not rower’), and as they sought to finance public-interest activities from sources other than taxation and public debt (Quiggin 1996; Neutze 1997). Those arrangements were often of the BOO or BOOT type. A BOO arrangement is where a government contracts a private company to build, own and operate (and collect revenues from customers) a public facility.

A BOOT arrangement is where a government contracts a private company to build, own and operate (and collect revenues from customers) a public facility for a period of time and then transfer it to government ownership. Those approaches have been popular with governments for urban infrastructure facilities such as roads, but they have also been used in human services such as hospitals.

In the USA, public housing authorities may use public housing capital and operating funds for mixed-finance projects: this allows public-private partnerships for the creation of mixed-income housing and leveraging of private resources. However, after an assessment of three public housing projects in Chicago, San Antonio and Atlanta, Salama (1999) found that significant leveraging of private resources for low-income housing is not realistic. For leveraging to succeed, public housing authorities would have to focus only on developments near strong real estate markets where land has value for market-rate housing, or redevelop weaker sites with subsidized owner-occupied housing for moderate-income households.

There has not been a strong history of private sector financing of social housing in Australia, possibly because the commercial returns are too low. Nevertheless it has been the preferred method for financing estate regeneration in South Australia from 1990. The South Australian Housing Trust took a path of asset disposal and redevelopment in partnership with the private development industry; income from sales and redevelopment was intended to offset the cost of replacing or upgrading existing public housing and improving the public and community domain, on a revenue neutral basis (Judd, Samuels and O'Brien 2002).

The NSW Department of Housing made arrangements with a private financier, the AMP Society, in 1991 and 1993 to get funds to help provide low rental housing. The two Public Equity Partnership (PEP) schemes cover about 1,500 dwellings. The AMP bought public housing dwellings, and the Department pays AMP an annual rental. The PEP properties were used to house the Department's clients, but when those tenants move out, the property is let on the private rental market. All the properties in the PEP schemes will eventually be sold. (See NSW Department of Housing 2002e; Berry and Hall 2001, pp.86-87.)

The Department of Housing has signalled that disposal of parts of estates through sales to private developers is part of its overall strategy. The aim would be to divest itself of inappropriate and unpopular stock and generate revenues for new public housing in other locations (recognizing that the number of replacement dwellings might not be the same, but new dwellings would better reflect consumer demand by type and location). The parts of the state where this might be possible are western Sydney, south-western Sydney, the Hunter and the Illawarra (NSW Department of Housing 2001, p.28).

This approach is being undertaken in Minto, where existing public housing town houses will be replaced by cottages, most of which will be sold to first homebuyers (NSW Department of Housing 2002b) – without a net loss of public housing stock.

There are social and economic implications of using public–private partnerships as a vehicle for renewal of public housing estates. That matter is part of a bigger set of questions about if, when, and how public–private partnerships might be used to assist in construction and provision of social housing at a time when taxpayer and debt-funded options seem unavailable for political reasons.

Social and economic development

Commentators on redevelopment of public housing estates have emphasized the ‘human side’ of redevelopment. Randolph and Judd (2000) noted that: ‘Tackling social exclusion means much more than fixing-up or selling off public housing estates, especially if it is shown that the problem extends beyond the boundaries of these estates’. Tonts (2002) noted that: ‘Physical regeneration of housing is a necessary but not sufficient aspect of strengthening communities’.

Community development, social capital, and capacity-building

Community development is a vague and contested concept, because there is academic debate about what a ‘community’ is. In the literature on *community renewal and public housing estates*, the community is often assumed to be the bunch of people who happen to live in a designated geographic area, such as a neighborhood, precinct or estate. The notion becomes hard to apply to a geographic area as big as or bigger than a suburb or large town because there are too many people to know each other. And having some sort of connectedness seems to be at the heart of an assessment of whether there is a community or not in the designated geographic area. For this paper a definition of community offered by Bellah and others (1996, p.333) is adequate: a community is a group of people who are socially interdependent, who participate together in discussion and decision-making, and who share certain practices that both define the community and are nurtured by it. Obviously a community does not exist or develop simply because people live in houses next to other people. (It is also a constructed and negotiated *process*, not a fixed thing.) So, residents, and people who do not live in the locality such as welfare workers of various types, who seek to encourage interconnectedness and collective practices are described as doing *community development*. If there is a degree of connectedness in the locality already, the community development work might be called *community strengthening*. (Or perhaps community strengthening is used as a synonym for community development by those for whom ‘community development’ sounds ‘too 1970s’?)

One of the features of a locality that is an indicator of how connected (or developed) a bunch of people in the locality are, as a community, is *social capital*. There are a number of different definitions of this concept. Winter (2000) emphasizes the commonality between them. DeFilippis (2001) argues that the concept as popularized by Robert Putnam is less useful than that used by earlier writers such as Pierre Bourdieu, in that Putnam misrepresents the relationship of social capital to economic prosperity. DeFilippis argues that unless there is a relationship between social capital and economic capital, it is not ‘capital’ at all; he suggests that networks were most useful from a community development perspective if they enabled individuals to create and control economic capital to improve their situation (e.g. through community land trusts, mutual housing associations, limited-equity housing cooperatives, microenterprise lending circles, community development credit unions). The Australian community development literature draws on the work of Putnam,

defining social capital as the networks of social relations that are characterized by norms of trust and reciprocity (see Stone (2001) for example). Much community development/strengthening work is oriented to encouraging people-to-people activity based on cooperation and leading to mutual (individual and collective) benefits: it is not about establishing direct (civic/welfare) services as such (Lane 1999).

Capacity-building is a more specific concept. The United Nations Development Program (1997) defined it as ‘the process by which individuals, organisations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives’. Fowler (1997, p.191,205) identified four types of intervention that could assist in increasing capacity:

- technical cooperation, e.g. skill training, technical inputs, physical resources;
- management assistance, e.g. board/leadership development;
- organization development, e.g. facilitation/reflection, team/group building;
- relationship development, e.g. coalition building, joint policy development.

A capacity-building approach focuses on the management ability of locally-based community organizations and on their role as intermediaries between the larger institutions of society (e.g. governments, nongovernment welfare agencies) and citizens in a locality.

There is a correlation between social class, tenure and community attachment. Mullins and Western (2001) surveyed south-eastern Queenslanders in 1997. They found that people who are well educated and in the workforce are less likely to have strong local ties, and less likely to live in a cohesive communities.⁴ They also found a statistically significant relationship between community, on the one hand, and social exclusion, on the other hand. They concluded that disadvantaged households were likely to come together for mutual assistance, and their lives were also concentrated locally because of disadvantage.

The same study found that public tenants had stronger community attachment than owner-occupiers and low-income private renters (Mullins and Western 2001, p.27). This was because public tenants were far more likely to have strong local ties. Mullins and Western wondered whether, if public housing tenants already live in cohesive communities and if the strengthening of communities is a policy goal, policy initiatives taken in this direction might not bring the desired outcomes anticipated.

■
⁴ Their definition of community attachment was the extent to which life is localized, that is, concentrated within residents’ suburbs. They used four variables (Mullins and Western 2001, p.11): the number of friends, kin or neighbour-friends living in the respondent’s suburb; whether the respondent did their main shopping within their suburb; whether the respondent’s doctor was based within their suburb; and whether the respondent had attended a public meeting about an issue in their local area in the previous five years.

A cohesive community may not be a critical factor in solving key problems. There may be more fundamental factors, such as job skills, that would help overcome these problems. (Mullins and Western 2001, p.27)

Many of the social programs that are part of community renewal initiatives have an element of community development, social capital or capacity-building. Such programs in New South Wales (and there are similar projects in other states) include:

- Community Greening, which involves establishment of gardens in a common area that are tended by residents together;
- Neighbor Technology Centers, which provide public tenants with access to computers, email and the internet; these operate in Macquarie Fields and Waterloo;
- the Housing Communities Assistance Program (HCAP), which provides workers to assist tenants develop their capacity to participate in Neighborhood Advisory Boards and other bodies; these workers operate on the Bellambi, Bidwill, Cranebrook, Macquarie Fields, Minto, Mt Druitt, Redfern/Waterloo, Riverwood and Windale estates.

A community estates workers program was first established by a Labor state government in the 1970s, through its then Department of Youth and Community Services. This program placed community workers on a number of Housing Commission estates. The welfare and housing portfolios were held by the same minister for a time in the mid 1980s, and during this period the program was moved across to what became the Department of Housing in 1986. It became the core of the neighborhood estates program. A Coalition government dismantled the neighborhood estates program in 1988-89, but restored it (under a National Party minister) in 1992 as the Housing Communities Assistance Program. This placed community workers on 11 estates seen to be high risk. The HCAP became a key element in the later Neighborhood Improvement Program.

Some social programs on estates ‘just’ provide basic civic and welfare services that are important for the quality of life of any bunch of people – even if the people don’t want to be ‘joined up’ to their neighbors. If you look at a list of projects in Riverview in Queensland, for example (see page 37 of this paper), there are projects about a police beat, a mini-bus, a family support service, counselling, disability access alterations to community housing dwelling, and health worker visits to caravan parks. These civic and welfare projects are the sort of human services that operate in established localities and should be pre-planned for new settlements: they are essential components of *social planning* and don’t need to be packaged under a label called ‘Community Renewal’.

Question 9

What new social development programs that foster social capital could be introduced?

Economic development

A key, perhaps determining, component of social exclusion is being in a low-paid job or under-employed or being on a low fixed income such as a social security payment. Labor market programs in New South Wales are a Commonwealth government responsibility. State government agencies such as the Department of State and Regional Development tend to undertake a facilitating role in economic development, especially in less-developed regions of the state.

Public housing tenants are disadvantaged in accessing the labor market if they live on estates distant from suitable workplaces (*'spatial mismatch'*) and/or if easy transport is not readily accessible (Croce 2001). They might also find themselves in a poverty trap if getting paid work means they lose social security benefits (and price concessions) and have to pay more in rent. Opportunities to take up work might be denied by housing-transfer policies.

Yet in a study of three regional cities in South Australia, Beer and Maude (2002) found that a significant numbers of public tenants could be assisted into employment. While there were low levels of employment among tenants, this was not explained simply by location of the public housing. They argue that there has been a greater focus on economic regeneration in USA and Europe than has been the case in Australia, and suggest community renewal strategies in Australia should broaden to include economic development:

... strategies to address social disadvantage in public housing areas must involve an emphasis on work, employment and economic development, together with the coordination and integration of programs in areas such as education, training, employment, enterprise development, housing improvement and the physical environment, and community development.

They suggest the deployment of local area labor market programs, to provide a local focus of employment and enterprise development. Such programs could have two components:

- social economy/social enterprises, such as home maintenance businesses, furniture cooperatives, and local exchange trading schemes;
- intermediate labor market organizations, like those in England: these are social enterprises that provide temporary paid employment for the long-term unemployed – a job creation scheme.

In Victoria, the Neighborhood Renewal program (for which the Office of Housing is lead agency) includes commitments by the state Department of Innovation, Industry and Regional Development to:

- target paid work placements and accredited job training programs such as the department's Community Jobs Program to renewal areas – many of these work placements are being linked to public housing works;
- provide job search assistance and career advice, and connect residents to local employers;

- provide community leadership initiatives and business planning skills to residents (Victorian Government Department of Human Services 2002). The Community Jobs Program provides local people with full award wages and accredited training to break the cycle of welfare dependency. Unemployed residents gain skills in a variety of vocations including construction and building, community and hospitality services, and information technology.

In South Australia, economic development strategies are a component of urban regeneration projects, such as that in Westwood.

The importance of economic development activities has also been stressed in studies of estate renewal initiatives in New South Wales (Stubbs and Storer 1996; Stubbs and Hardy 2000).

It is not the core business of the NSW Department of Housing to run major labor market programs. It does, however, seek to leverage its position as a landlord by:

- employing tenants as handypeople for repairs and odd jobs and other work associated with regeneration;
- seeking contracted suppliers to employ public tenants (through a tenant employment clause in contracts); and
- assisting nongovernment organizations to provide workforce assistance programs, e.g. Hotline Employment Services provides training and employment services to public tenants in Goonellabah.

Question 10

How can economic development activities be encouraged on public housing estates and/or for public tenants?

Participation and partnerships

It is generally accepted that community renewal of public housing estates is not the sole ‘responsibility’ of the Department of Housing – though the Department takes a ‘lead agency’ role in most renewal projects.

Tenant participation

Having good processes for information dissemination, consultation, and participation are crucial to regeneration of estates (Wood 2002; Stubbs and Hardy 2000; Parry and Strommen 2001).

Following the establishment of the Department of Housing in 1986 from the former Housing Commission, the NSW government established a tenant participation program, which funded tenant-driven regional tenant councils in each region, and a State Tenants Council. A Coalition government later disbanded the State Tenants Council, while allowing the regional tenant councils to remain on a reduced basis. The tenant participation program evolved into the Tenant and Community Initiatives Program, which funds community-

based regional tenant resource services, with some residual funding for the remaining tenant-driven regional tenant councils. In addition a Public Housing Customer was established with an appointed tenant membership to advise the Department on customer-related issues specific to public tenants.

In the meantime, at a federal level, community participation requirements were written into – or out of – the Commonwealth State Housing Agreement, dependent on which party was in office.

NSW tenants are involved through:

- Neighborhood Advisory Boards;
- the Tenant and Community Initiatives Program, which focuses on capacity-building;
- the Housing Communities Assistance Program;
- advocacy by tenant associations resident action groups; and
- independent tenant self-advocacy.

Partnerships with nonprofit nongovernment organizations

Nongovernment nonprofit organizations are involved through their own self-funded programs and through service contracts with the Department of Housing, Department of Community Services, etc. Many of the nongovernment agencies involved in community renewal projects come from the ‘welfare’ stream of the community sector, but the role of Argyle Community Housing in Claymore and Wentworth Community Housing in Cranebrook could foreshadow a greater role for community housing providers generally (Burgmann and Meyer 2001).

Questions

How well is the Intensive Tenancy Management model working?

Have we got to a point where there are too many fingers (government agencies) in the (community renewal) pie, in terms of effective coordination and strategic focus?

How might delivery of social services, tenant support, and community renewal strategies be best coordinated?

Are there key estates where a physical redesign of the estate needs to be done?

To what extent should social mix be a feature of community renewal strategies?
How can it be made effective?

Are there estates where sale of part of the dwellings (if feasible) could assist in renewal of the estate? Under what circumstances or conditions should this occur?

Are there estates where transfer of management of dwellings from the Department of Housing to other social landlords would be beneficial? Are there estates where transfer of management of dwellings from the Department of Housing to their tenants would be beneficial? Under what circumstances or conditions should this occur?

How can estate redevelopment be implemented with minimal disruption impacts on current tenants? How might tenant interests and concerns be best protected?

What new social development programs that foster social capital could be introduced?

How can economic development activities be encouraged on public housing estates and/or for public tenants?

Appendixes

Community renewal/development initiatives in New South Wales⁵

Lead agency:

Premier's Department

Strengthening Local Communities Strategy

- Community Renewal Schemes (Windale, Booragul/Bolton Point, Moree, Boggabilla, Wentworth, Mangrove Mountain, Port Kembla)
- Cabramatta Anti-Drug Strategy
- place management projects (e.g. Miller, Woolloomooloo, Kings Cross)
- Redfern-Waterloo Partnerships Project
- community use of government buildings
- capacity-building for nongovernment organizations
- community builders website, <www.communitybuilders.org.au>

Drugs and Community Action Strategy

Regional Coordination Program

Office of Rural Communities Regional and Rural Miscellaneous Grants Fund

Cabinet Office

Better Futures (Action Framework for Vulnerable Young People) Regional Strategy

Youth Partnership Initiative

Families First

Planning NSW

Urban Improvement Program

Area Assistance Scheme

Department of Community Services

Community Services Grant Program (neighborhood/community centers)

Department of Education

Schools as Community Centres

NSW Health

Fixing Houses for Better Health (Aboriginal Housing Office)

■
⁵ This list is suggestive rather than comprehensive. Many government agencies use the word 'community' in the name of their programs, indicating that the programs intervene in civil society (the non-state and non-market spheres of society); many such programs might not necessarily have an explicit community-building, -(re)development or -renewal focus. The list is based on configurations and roles of government agencies before the March 2003 state election. Many of the programs are collaborative ventures between a number of agencies, e.g. the Fixing Houses for Better Health program is a joint venture between NSW Health, the Aboriginal Housing Office and the (Commonwealth sphere) Aboriginal and Torres Strait Islander Commission.

Attorney-General's Department

Best Graffiti Project

Safer Community Development Program

Department of State and Regional Development

Community Economic Development Program

Townlife Development Program

Department of Gaming and Racing

Community Development and Support Expenditure Scheme

Department of Aboriginal Affairs

Improving Outcomes in Aboriginal Communities

- Aboriginal Community Partnerships
- Aboriginal Child, Youth and Family Strategy

Aboriginal Communities Development Program

Aboriginal Housing Office

Housing for Health

Regional Aboriginal Housing Committees

Department of Housing

Transforming Estates into Communities Strategy

Source: NSW Treasury 2002; Department of Housing.

Summary of costs and benefits associated with public rental estate renewal

Item	Nature of cost or benefit	Basis of valuation of the cost or benefit	Party affected
Costs			
Opportunity cost on land and improvements	Direct	Market ¹	Public housing authority
Capital costs – housing and infrastructure	Direct	Market	Public housing authority
Recurrent costs – housing and infrastructure	Direct	Market	Public housing authority
Tenant <u>re</u> location costs: <ul style="list-style-type: none"> ▪ compensation paid ▪ extra tenant costs 	Direct	Market	Public housing authority
Tenant <u>dis</u> location costs: <ul style="list-style-type: none"> ▪ possible loss of support networks 	Indirect	Shadow price ²	Relocated tenants
Reduced housing opportunities	Indirect	Shadow price ²	Prospective tenants
Benefits			
Sale of surplus assets upfront	Direct	Market ¹	Public housing authority
Sale of residual assets upfront	Direct	Market ¹	Public housing authority
Better living environment for public rental dwellings: <ul style="list-style-type: none"> ▪ higher standard dwellings ▪ better neighborhood amenity ▪ reduced stigma 	Direct	Shadow price, e.g. market rent	Tenants
Better living environment for other dwellings in the neighborhood: <ul style="list-style-type: none"> ▪ higher standard dwellings ▪ neighborhood amenity ▪ reduced stigma 	Indirect	Shadow price, e.g. market rent increment	Other residents in the neighborhood
Reduced social dysfunction generally: <ul style="list-style-type: none"> ▪ possible society-wide benefits as reflected in social indicators 	Indirect	Shadow price, e.g. cost savings achieved ²	Society generally

Notes.

¹ Not normally included in a ‘theoretically pure’ cost–benefit analysis.

² Costs and benefits that would benefit from wider research into appropriate shadow prices.

Source: Spiller Gibbins Swan (2000, p.42).

Public housing estates with community renewal programs, New South Wales

Airds
Bellambi
Bidwill
Booragul
Cranebrook
East Nowra
Goonellabah
Inverell
Macquarie Fields
Miller
Minto
Riverwood
Waterloo
West Dubbo
Windale

Source: NSW Department of Housing website,
<www.housing.nsw.gov.au/new_publications/brochures.htm>, accessed 7 April 2003.

Community renewal in Riverview and Goodna

Statement by the Member for Bundamba, Jo-Ann Miller
20 December 2002

Delivered: Community Renewal Riverview And Goodna

Member for Bundamba, Jo-Ann Miller, today announced the state government has invested more than \$1.4 million in Riverview and Goodna during 2002 to improve the quality of life for local residents.

Mrs Miller said 18 new projects approved this year through the Community Renewal Program enhanced community pride and the physical appearance of the local area.

“This has been a big year for renewal activities in Riverview and Goodna,” she said.

“New projects including new public facilities and support programs have strengthened the community and given residents an opportunity to participate in shaping the area’s future.

“A great example is the new Community Police Beat in Albert Street which was officially opened in October.

“Since Community Renewal began in 1998, more than \$4.8 million has been provided by the State government to fund 56 projects in Riverview and Goodna.”

Mrs Miller said other projects funded during 2002 included:

- † \$198,720 to encourage young people’s involvement in the arts and cultural development;
- † \$167,819 to purchase a 30-seater bus to provide school and community transport in Riverview and Dinmore;
- † \$155,979 to coordinate community health staff visits to Goodna’s caravan parks;
- † \$99,445 to expand the family support service in Riverview;
- † \$88,000 for continued funding of the Goodna Service Integration Project;
- † \$86,189 for counselling services through Goodna’s crisis intervention and family support project;
- † \$78,333 to provide Riverview residents with access to extended counselling and support services for a further 12 months;
- † \$41,079 to fit out the Gailes Community Housing with disability access, air conditioning, fencing, landscaping, shed and deck;
- † \$40,000 to encourage community members to participate in university based education; and
- † \$40,000 for community capacity building and youth leadership training through the Lead On Australia Program.

“These projects are already delivering benefits for residents with better facilities, employment and training opportunities and services — making communities stronger and safer” she said.

Mrs Miller said Community Renewal is a state government initiative coordinated by the Department of Housing. Renewal activities in Goodna and Riverview are delivered in partnership with local residents, community groups, Ipswich City Council and other government and non-government agencies.

Source: Queensland Department of Housing, Community renewal - news details, <www.communityrenewal.qld.gov.au/riverview/riverview.htm>, viewed 7 May 2003.

Shelter NSW: Policy on public housing estate management

This policy was adopted by the Shelter Board at its meeting of 29 July 1999. It was developed following consultation with Shelters members at a policy development workshop on 3 March 1999.

The context

From the 1950s to the 1970s, several large public housing estates were developed in NSW. A number of factors have combined to create difficulties for the tenants who live in estates and for the administrators who manage them. These factors include that:

- many of these estates were and still are poorly located. As such, they provide residents with minimal access to transport, a range of social services and work.
- following reductions in spending on social programs, access to services has been further diminished. This has occurred at a time when there is expanding demand for these services as a result of structural changes in the economy which have led to increased unemployment, the casualisation and lessening security of work, and growing differentials in income levels.
- the standard of housing in these estates has suffered through the neglect of past administrations.
- resources contributed to public housing have diminished. Total funds available to NSW for housing have declined by 15% from 1994/95 (\$361.5M) to 1998/99 (\$308.5M). Although resources allocated to social housing have been reduced, demand has grown so that there are now around 100,000 households waiting for public housing in NSW. To deal with this mismatch, eligibility guidelines for public housing have been tightened and public housing has been targeted to those most in need.
- people most in need have tended to be concentrated in public housing estates due to the generally shorter waiting times for housing in these areas.

Because of the combination of these factors problems such as high turnover rates for housing, higher levels of crime and vandalism, and reduced amenity for tenants have been noted in public housing estates (NSW Department of Housing and NSW Office of Community Housing, 1999: 2).

Notwithstanding these problems, it is important to remember that functioning communities do exist on estates and that positive initiatives have been introduced to improve the living conditions of tenants. Tenants have been key participants in these initiatives and there is a need for a greater level of investment by governments to encourage this community building in public housing estates.

Principles for public housing estate management

A range of strategies has to be implemented to address problems on public housing estates because these problems have a number of quite different causes. There are no quick fixes and local factors have to be considered in developing solutions. Consequently, each estate should be considered on its own merits.

The problems existing on public housing estates are not just related to housing they include: health, employment and education issues, etc. Consequently, solutions will be multi-sectorial. They will involve a range of players - tenants, other local residents,

government agencies (housing, health, employment, education, police, etc) and community organisations. Such initiatives would bring together these parties to build safe communities which offer people employment, social and educational opportunities and responsive services.

Tenants must have opportunities to be closely involved in plans to 'revitalise' or 'destigmatise' (DoH & OCH, 1999: 5) public housing estates. This involvement should occur at local, regional and state levels. Furthermore, the agreement of tenants should be sought before any process to improve estates is undertaken. It is, therefore, a matter of concern that tenants have not been consulted in the development of strategies contained in the forthcoming Housing Charter which aim to improve the amenity of public housing estates.

Stock sales

Given the high demand for social housing stock, stock sales are generally not supported.

As noted above, the factors that have led to problems on housing estates are complex and it is clear that stock sales are only one possible strategy in addressing some of these factors, such as poor standard of stock. Stock sales may be appropriate on some estates but not others as each estate is different and, therefore, has to be considered on its own merits.

Stock sales should only be considered where it can be demonstrated that either it is uneconomical to upgrade a dwelling, or that there is no demand for dwellings in the area. In these cases an equivalent number of properties should be purchased in high demand areas generally within the same region with money gained from sales and other funds.

Management diversity

Tenancy and property management should be responsive to tenants' needs, open to tenant participation and efficient in its use of resources. All tenancy and property managers should seek to achieve these outcomes using a variety of management styles to do so if necessary. In situations where it is considered that a change of manager may help to achieve these outcomes an assessment of alternative options for management within the social housing sector should be made.

Stock transfers

Where a housing manager is attempting to transfer tenanted stock, stock transfers should be voluntary. That is, tenants should have a choice about whether the property they are living in is transferred to another manager or not. Where it is proposed that a group of dwellings (e.g. a street or block) is to be transferred, an information campaign presenting both 'yes' and 'no' cases should take place. Following this a ballot would be held. 75 per cent of existing tenants would have to support the transfer for it to take place.

If tenants consider that they have not been given adequate choice they should have the ability to appeal the decision to transfer managers to an independent body.

Different rental and tenure arrangements between community and public housing constitute significant barriers to tenants who wish to transfer managers. Attempts should be made to remove these barriers. Tenants who transfer managers should not be disadvantaged. That is, their position regarding rent, security of tenure, rental bonds, et cetera, should not be worse after a transfer. Furthermore, tenants who change managers

should be assured of an adequate standard of service through a service agreement signed by the new housing manager.

Redevelopment

Tenants who are required to move out of a property that is to be redeveloped should be given the option of moving back to the site when the redevelopment is complete.

Common waiting list

The waiting list system should ensure that all applicants have equal opportunity to apply for social housing. The operation of a number of lists, some of which are not well publicised, may hinder the achievement of this objective. The development of a common social housing waiting list has been proposed to solve the problem, but there is a need for more information and discussion within the housing sector about the proposal.

Shelter NSW: Draft principles for redevelopment of public housing estates

Department of Housing redevelopment projects are increasingly making the news. Most recently there has been media attention for planned redevelopment of the Minto and Erskineville estates, but these are only the latest in a succession of such projects.

What is Shelter NSW to say of redevelopment proposals generally? There are some things, at least, we need to bear in mind:

For most people in general, there will always be resistance to unexpected change, or to change for which they have not been adequately prepared. This will be even more the case when the people most immediately affected come from disadvantaged backgrounds, have experienced economic hardship, are alienated from the prevailing social structure, are accustomed to being acted upon and pushed around, and quite possibly have also suffered any number and mixture of personal traumas. This does not *per se* mean that change is necessarily bad. Any proposals for change clearly need to bear these elements in mind and factor them into the planning process.

There are sound reasons why the Department of Housing might want to reconfigure and redevelop its estates. These include obvious factors like

- Both the broad-acre urban fringe estates and the inner-city tower-block estates have always been problematic, and probably should never have been built. There were, however, good reasons why they were built at the time, given the need to undertake rapid development to meet demand, and to cut costs as far as possible.
- The need for rapid expansion at minimal cost meant that in the earlier years cheap construction methods and materials were employed, and the Department is now reaping the harvest from this understandable, if flawed, form of building: Much of that housing is now reaching the end of its useful existence, and even if it is not it requires substantial maintenance and renovation.
- Well-meaning experiments with design of estates have sometimes led to social disasters – like the development of the Radburn-style estates in western and south western Sydney. The Radburn model no doubt works well in middle-class suburban US enclaves with a strong sense of communal values, but creates massive problems in the forced communities of low-income residents of broad-acre urban fringe estates. To change the structure of these estates – and in the worst one or two cases entirely demolish them – has proved hugely expensive.
- The very fact of developing large estates – particularly those on the urban outskirts, remote from jobs, services and facilities – and filling them with people from disadvantaged backgrounds – has inevitably both created and exacerbated a range of social problems and hardships.
- Such factors have led to a demand for social mix, by way of estate reconfiguration and selective sales of stock.
- Over the last few decades, as well, the demography of demand for public housing has changed. Forty years ago, the emphasis was on housing families. Today there are much higher levels of demand from single people and single-parent families. At the same time family sizes in general have also changed. Housing is an inflexible

item, and this means housing built forty years ago is not necessarily appropriate today.

- In addition, a range of factors have left the Department strapped for cash. These include a long-term rundown in finance from the CSHA, escalating maintenance and renovation costs with older stock, and the shrinking of rental returns to a trickle because of the tight targeting of public housing in recent years to people on very low incomes and with high levels of need.
- Increasing pressure from the growth in numbers of the working poor trapped in an unaffordable private rental market, but who are ineligible for public housing or for Commonwealth Rent Assistance. These sorts of factors have led to calls for affordable housing for low-moderate income earners.

All of these things combined have led the Department to develop strategies to address the increasingly serious issue of sustainability. One way to do this is to encourage a diverse range of partnership deals with the private sector, local councils and non-government organisations on major development projects and to redevelop estates.

Tenants should be involved in the process from the beginning, and consultation processes should be ongoing and should involve direct engagement in the master plan and feeding of ideas to architects, planners and departmental staff.

In addition, it should be noted that in moving people around, established community networks – along with the social capital that these engender – are likely to be disturbed, and that it is a serious matter to uproot people from their homes. Inconvenience and dislocation should be minimised. This should include:

- Guarantees that tenants will not have to move unless it is absolutely unavoidable;
- If tenants do have to move, guarantees that they will be able to return to the area if desired;
- If tenants have to be rehoused during construction (and this should be a matter for negotiation, and its avoidance so far as possible made a condition of any contract), that they will be rehoused nearby or in an area of their choosing;
- If tenants have to be moved or rehoused, all of their costs will be paid upfront;
- If tenants have to be rehoused during construction, any additional costs they incur, e.g., in the way of transport for school, shopping, services, etc., should be met by the Department.

Source: *Around the House*, no.52, March-April 2003, pp.4-5.

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