Renewing the Middle Suburbs: Processes, Prospects and Policies

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What’s the problem……?  

• Growing social diversity and physical obsolescence of the older suburbs built broadly between 1940s and 1960s – the issues here are social as much as physical, but driven by the housing market  
• Growing concentration of disadvantage in some aging suburbs – the Stressed Suburbs  
• Few examples of strategic approaches to address these issues  
• Planning has permitted ad hoc renewal often with poor outcomes  
• No obvious housing policy options for these areas – only urban consolidation and Rent Assistance (the ‘Waiting List’ suburbs)  
• New metropolitan planning policies now targeting these areas for higher density renewal – but this may intensify problems  
• Lack of integrated policy response to these areas – housing and planning
The suburbanisation of disadvantage
Proportional change in 1971 and 2001 LGA unemployment rates compared to the Sydney average
The suburbanisation of disadvantage
Proportional change in 1981 and 2001 LGA median household incomes compared to the Sydney median
Spatial polarisation is intensifying…
Change in the Proportion of CDs that are Severely Disadvantaged by LGA, Sydney 1996-2001
Stressed suburbs in Sydney..... Census Collectors Districts with Severe Disadvantage Melbourne, 2001
It's not just Sydney..... Census Collectors Districts with Severe Disadvantage  Melbourne, 2001
Middle ‘Stressed’ Suburbs: What are the issues?

- Typically built between 1940 and 1970 – poor quality housing & amenity
- A range of problems have become concentrated in these areas
- **Issues:**
  * Interrelationship between social and physical problems
  * Migrant reception areas
  * Private rental and higher density – poor quality urban consolidation has made the problem worse
  * Affordable housing stress due to low incomes
  * Marginal home ownership and an ageing population
  * Loss of higher incomes to the new suburbs
  * Stock condition and repair/renewal – no incentives to upgrade

- **Few policy levers or resources** to manage and direct change in these areas?
- **Undergoing pressure for change** – urban consolidation (town centres and rail/road routes) under new urban renewal planning policies.
Ripe for renewal? But what will replace them?
The ‘traditional’ higher density urban renewal: Delivering opportunities for affordable housing and housing choice? What will these places be like in 20 years time?
The new urban renewal model under the Sydney Metro Strategy? Higher density to maximise value gain
Sydney’s high density future: Renewal of the Central Corridor
Future dwelling growth in the next 25-30 years by sub-region, Sydney
(Source: DIPNR Media Release December 2004)
Social reality of the higher density market: Flats for Battlers in town centers and rail corridors......

- 43% families with kids
- 43% income <$400
- 3% income > $1500
- 70% rental
- 36% no car
- 80% overseas born
- 9% managers and professionals
- 24% adults unemployed
Social reality of the higher density market: Four middle suburb town centers in 2001: Dwelling Type
Social reality of the higher density market:
Four middle suburb town centers in 2001:
Mobility and Australian born

<table>
<thead>
<tr>
<th>Location</th>
<th>Same address 5 years ago</th>
<th>Australian born</th>
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<tbody>
<tr>
<td>Bankstown</td>
<td>30%</td>
<td>45%</td>
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<tr>
<td>Blacktown</td>
<td>25%</td>
<td>35%</td>
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<tr>
<td>Fairfield</td>
<td>30%</td>
<td>40%</td>
</tr>
<tr>
<td>Liverpool</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td>Sydney Flats</td>
<td>35%</td>
<td>55%</td>
</tr>
<tr>
<td>Sydney SD</td>
<td>40%</td>
<td>60%</td>
</tr>
</tbody>
</table>
Social reality of the higher density market:
Four middle suburb town centers in 2001: Income
Social reality of the higher density market: Four middle suburb town centers in 2001: Tenure
Social reality of the higher density market: Four middle suburb town centers in 2001: Household Type
Why good housing is critical to building sustainable communities in these locations

- Housing markets put low income households in the lowest value areas
- High proportions of private rental lead to “churning” housing markets
- High mobility rates prevent stable and sustainable communities
- Households moving out are replaced more disadvantaged households
- Is management and maintenance of flats adequate?
- Poor environments to bring up children – poor amenity and overcrowding?
- These housing markets offer the worst housing in terms of quality and value for money – and are not affordable for those on lowest incomes
- Poor social outcomes for the investment of Rent Assistance
Planning for Stressed Suburbs: Will The Metro Strategy deliver?

- Focus on renewal through high density development – the numbers game
- No explicit recognition of the social outcomes of higher density housing
- Limited to town centres and a few major roads
- No recognition of the need to retain affordable housing in these areas
- Flat building may only perpetuate the problems of the gun barrel strips
- No policies to retain upwardly mobile *family* households in these areas
- No recognition of the need to address current issues of higher density housing in these areas
The Case for *Locally Integrated Urban Renewal Policy*: Overseas lessons

- Tackling areas with high social disadvantage needs integrated social and physical/housing interventions

- Overseas examples reliant on housing focused and locally-based non-government agencies or partnerships to deliver outcomes – e.g. Housing Regeneration Companies (UK), Community Development Corporations (US)

- Government itself is not the principle deliverer of these interventions at local level – it sets the framework and local partnerships and alliances deliver

- Flexible range of affordable housing options – rental and sales – social mix

- Mixed funding or planning gain incentives are common, but within an explicit subsidy structure (no chasing the “Holy Grail” of subsidy-free renewal)
New Strategies for Stressed Suburbs: A proposal

Six key components for a new community based *Urban Renewal Program* – *bringing planning, housing and social interventions together*:

- **Local Renewal Strategies in Target Areas**
- **Local Renewal Masterplans – part of the LEP process**
- **Local Renewal Corporations or Trusts**
- **Local Renewal Fund**
- **Affordable Housing Investment Strategies**
- **Integrated Place Focused Policy Framework**
- **State or Federal Government could set up this framework**
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16,500 moved in but 31,600 moved out. 13,400 came from overseas (1996 – 2001)

51% (7,710) of net migration losses from Fairfield went to Liverpool (1996 – 2001)

Of these:
• 77% were in families with children (56% in Fairfield)
• 56% were in households with incomes over $1,000 p.w. (31% in Fairfield)

38% of arrivals had incomes over $1,000 p.w.

Only 29% of overseas arrivals had incomes over $1000 p.w.
Planning for Stressed Suburbs: What to do?

A number of interconnected planning issues:

• Replacement or upgrading of private housing at the end of its life
• Integration of land use, social planning and social interventions needed
• Improvement of local amenities and public space
• Provide housing and services to retain upwardly mobile residents
• Devise mechanisms to allow site assembly and integrated renewal strategies – but who would do this?
• Address the long term problem of replacing strata-title flats – the new slums
• Councils need more control over poor land use outcomes, not less
• Develop planning strategies that link job market interventions to land use plans, including improved transport and access policies to link job-rich areas
• Provision of secure affordable housing to replace the worst of the private sector – stabilise churning neighbourhoods