



Final Report

Housing policies, social mix and community outcomes

authored by

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GLOSSARY

Area-based initiatives	Regeneration strategies that are targeted within defined areas, commonly identifiable neighbourhoods.
Area effects	The effect on an individual or household's life-chances that can be attributed to residing in any particular neighbourhood. The concept is primarily directed at areas containing concentrations of low-income households which, it is suggested, may hinder personal development. For example, this may be held to occur through association with other workless or low-income households, or because of the lower quality of essential public services to these areas.
Choice-based lettings	Approach to lettings in public housing that takes a client-centred focus, offering vacant properties on an apparently market basis. Also known as the Delft model, the approach has been associated with attempts to re-brand and popularise social rented accommodation and to encourage a greater sense of empowerment among tenants.
Community lettings	An approach associated with attempting to influence the social composition of the population in particular areas by discouraging lettings to certain groups while encouraging lettings to others.
Gentrification	A process of neighbourhood change involving the movement of higher-income households to lower-income areas leading to the displacement and replacement of this latter group over time.
Life-chances	The chances of groups and individuals to achieve those things seen as desirable and avoiding undesirable social outcomes such as education, employment, and health.
Regeneration	Processes of public intervention that seek to improve social and physical outcomes often involving linked projects focusing on employment and education outcomes, physical changes to housing and environments, resident participation.
Social efficiency gains	Improving the sum of wellbeing for all groups, regardless of how the disadvantaged fare absolutely. This may be seen to relate to an assessment of whether policies that might improve the position of the disadvantaged might represent a cost to those who are better-off.
Social equity gains	Improving the position of low-income groups relative to higher-income groups.
Social mixing	Policy goal of achieving diversity in a given area, commonly expressed around tenurial, household type and income variations and sought on the basis that greater mix may help to achieve the dilution of area effects.

Threshold effect

The idea that changes in a neighbourhood can reach a 'tipping point' at a particular level of social concentration of particular groups. Beyond this point more rapid decline (or improvement) takes place. Such effects have been associated with escalations in gentrification activity, or with increases in anti-social behaviour, for example.

EXECUTIVE SUMMARY

The question of whether areas of concentrated deprivation compound difficulties, both for their residents and for the public management of these neighbourhoods, has become a significant one for policy-makers. Interest in promoting more socially diverse populations in neighbourhoods has been primarily focused on areas of public housing. Yet the policy backdrop to this work is the further social residualisation and concentration of deprivation and high-needs tenants in the Australian public housing system. This has led to a growing interest in how to produce effective policy responses in what is a highly constrained investment context. The research had two key aims:

- To identify the international research evidence on the social and community effects stemming from various types of social concentration, and;
- To propose guidance around effective policy and practice interventions to ameliorate such effects.

The growth of social and spatial inequalities in our cities means that the identification of effective policy options is essential to help produce more socially equitable outcomes. Public housing can play an important role within these broad objectives and the purpose of this report is in large part a critical response to the question of how the geography and management of public housing can help improve household and community outcomes. These issues can be seen to focus on several key questions:

1. Is it better to be poor in a poor area or one which is more socially diverse?
2. Do concentrations of public housing create additional problems for residents?
3. Do tenants fare less well as a result of living in such neighbourhoods?
4. How can service delivery be made more effective in achieving broader goals of social equity, while ensuring that the basic supply of public housing is not diminished?

These questions are best explained through an examination of how macro housing and urban systems work, interact with, and reinforce, social and spatial disadvantage. In countries like the US and UK research evidence has underpinned shifts in patterns of housing investment and management to bring about greater social mix and produce more diverse and inclusive communities. However, both housing and planning policies have been brought to bear on the question of how neighbourhood social composition can be affected to promote better outcomes for households and communities more generally. This report brings together research evidence on the effects of living in concentrated poverty and considers the kind of policy initiatives that have been influential in countering these problems.

Key findings from the international research evidence

The research examined the range of outcomes linked to differing types and extents of social concentration and deprivation in neighbourhood settings. The key findings in relation to this evidence base were as follows:

- Concentrations of public housing, particular household types and socio-spatial segregation have become a marked feature of many housing systems internationally;
- These concentrations are widely identified as a public problem to which policies can and are being addressed;
- Quantitative empirical evidence on the impact of area effects, the idea that such concentration has negative impacts on households, is varied but commonly

suggests small yet statistically significant impacts on poorer households residing in poor areas;

- Qualitative research evidence highlights how being poor in a poor area has stigmatising effects on households that is not present in more diverse or more socially balanced neighbourhoods;
- Social diversity has become a taken for granted element of producing more sustainable, inclusive and opportunity enhancing communities;
- Measurable and negative effects on individuals and households have been demonstrated in relation to health, education, crime, employment opportunities, welfare dependence and self-esteem;
- The causal linkage between areas of concentrated poverty and these outcomes is complex and throws up a range of so-called area effects. These include the quality and availability of local essential public services (such as health and education), the role-model effects generated by living in extensively poor areas, the spatial disadvantage of excluded neighbourhoods as well as the broader attribution of personal deficiencies in residents of poor areas projected by the media and broader community (stigmatisation);
- Different area effects will imply different types of policy and practice responses such as the enhanced provision of services, the engineering of greater social diversity within neighbourhoods or work with media agencies to counter negative reporting patterns;
- The effects on outcomes for broader deprived communities lies in the development of stigmatised neighbourhood identities and stereotypes wherein communities and their constituents are labelled as being apathetic, low-skilled, anti-social or potentially deviant. Residents of such areas are not resourced to challenge such broad-brush conceptions and feel more excluded from mainstream ways of living as a result;
- Life within areas of concentrated deprivation (whether this be in public or private sector housing areas, or combinations) can be problematic because of the increased incidence of crime, the raised prevalence of anti-social and problematic behaviours and the general experience of living in a low-quality and low-amenity environment which may threaten the life-chances of individuals and households in such areas.

Implications for policy

A number of issues are raised by the variable existence of social and tenorial concentration. Since public rental housing contains significant numbers of low-income households it may be that such areas may give rise to interventions that increase the provision of services in order to offset the effects presented by concentration. A range of other mechanisms and interventions have been used internationally and within Australia:

- At the broadest level it is important to recognise and deploy fiscal, planning and housing systems to aim for community outcomes that promote greater social equity. A fundamental cause of areal concentrations of poverty is not in itself tenorial; public housing does not itself cause poverty, but lies in the distribution of economic and social opportunities. At the broadest level it must be understood that the problems to which housing policy might be addressed are the result of broader and systemic forces that are generating growing inequalities, both of opportunity and outcomes;
- A principle for any public policy intervention in relation to the challenge of area effects will require an upfront commitment by Federal, State and Territory

Governments to ensure that deconcentration measures and neighbourhood revitalisation do not compromise the existing levels of public housing provision;

- Combined losses of public rental housing, underinvestment and wider housing stress in the private sector have furthered the social residualisation and spatial concentration of public housing. This inevitably suggests that buttressed capital investment and revenue spending on public housing would be a significant ameliorative to issues of concentration and residualisation, by broadening the stock base and thus the breadth of household types within it;
- Social mix has been encouraged by mixing tenures in both new and existing development internationally. The risk for using such strategies in relation to existing neighbourhoods is that this leads to a net loss of lower cost and public accommodation. Gentrification may arise as a result of strategies deployed in higher amenity areas of public housing, typically in relatively central urban locations. Nevertheless the use of mixed tenure, mixed use and mixed dwelling types may all contribute significantly to attempts to de-stigmatise and rebalance the social profile of an area while leading to lower management costs;
- Social diversity can be promoted by selling public housing selectively within particular schemes or estates. There have been positive results from policies adopted in the UK which selectively sold housing that was already vacant. This has made areas more manageable and popular as a result of avoiding void properties in these areas but a key message is that such policies do not work in the most unpopular areas;
- Allocations policies already play a fundamental role in trying to build broader community profiles. Choice-based lettings have been used in Europe to encourage a range of household types, while lettings policies more broadly have been used to manage need, while balancing this against creating concentrations of household types (typically families, and young people);
- Policies can be adopted that select tenants to be given housing assistance to move to new and better areas, where this fits with their own ambitions. However, though such programs may benefit those moving households, the broader effect may be to further concentrate or simply maintain poverty levels in the originating neighbourhood. There seems little reason to think that such policies would help in the Australian context;
- In new public housing development there are many examples of innovative practice where good design, mixed tenure and layout options have been used to create more sustainable and socially diverse communities within which public rental housing is not identifiable. This is clearly a higher cost option and would require a commitment from State and Federal Governments to commit to a broader program that boosted supply within a broader vision for national urban revitalisation and sustainability and in partnership with private developers. Evidence from the UK suggests developers are not averse to such partnerships;
- The spatial disadvantage experienced by residents of some areas of concentrated deprivation can be softened by attention to planning policies and their coordination with public housing. It is possible to use planning measures to target transportation and employment opportunities in relation to these areas. Further options for working with the private sector to ensure shopping and other service infrastructure have also been successfully deployed in other countries;
- Empirical research on threshold effects in Australian neighbourhoods could help to identify the kinds of locations that might benefit most from public investment and tenurial strategies. The international evidence in this area broadly can be interpreted to suggest that neighbourhoods containing the lowest 10 per cent of

incomes (regardless of tenure) might be targeted first for maximum efficiency gains. Much of the evidence relating to ethnicity, tenure, welfare dependency and education would be difficult to apply to the urban systems found in Australia.

Lessons for practice

A number of core conclusions can be drawn in relation to areas of practice and public housing management that have been effectively used in Australia, and more broadly in relation to the problems arising from areas of concentrated deprivation:

- The central message from existing policies shows that partnership-working and the institutionalisation of arrangements which develop such linkages are essential tools in maintaining areas of public housing, and work effectively where these are assembled. This is commonly noted but remains a challenge. Support for tenants who are vulnerable or present broader problems to the wider community also require support through partnership-working, particularly in order to ensure that problems of demanding and anti-social behaviour do not cause additional problems;
- Ways of working that involve a public, regular and/or constant presence by someone seen to be in charge have had demonstrable positive effects on the management of neighbourhoods and have boosted the confidence and satisfaction of residents. This can take the form of neighbourhood police offices, tenancy support workers, concierges, and other caretakers who can respond to problems as they arise and ensure that adequate maintenance is directed to areas that need it. Ensuring that adequate revenue funding is directed at maintenance, environmental quality and litter and graffiti removal is essential to the prevention of broader problems emerging;
- Problems of poverty and other forms of social concentration effects are not restricted to areas of public housing. In addition, if programs of mixing tenure are seen as a viable policy option this will entail the subsequent need to provide strategies capable of managing mixed tenure areas. Mixed tenure strategies for public housing management implies a broadening of its role and need for further resources to take on some management of areas of private housing.

The question of whether attempting to influence the relative social diversity of neighbourhoods raises significant questions in a constrained funding landscape for public housing. Given that the bulk of evidence on the kinds of sub-groups and thresholds in the research evidence relate to low income, this suggests that strategies which focus on public housing may be misdirected, or will at least need to be supplemented with strategies that are less tenure-focused. This is because low-income households are both located and concentrated in areas of private rental housing. A further concern relates to the need to balance a number of factors while pursuing any particular goals of social balance. In particular this relates to the objective of targeting social need amid constrained public housing resources (itself tending to produce social concentration effects), the objective of social deconcentration (potentially yielding reduced levels of public housing and reducing the ability to accommodate those in housing need). Critically, without additional resources these present conflicting policy objectives. These issues need to be addressed before the question of social mix can be effectively resolved..

1 SOCIAL CONCENTRATION AND COMMUNITY OUTCOMES

There is a wealth of international research that has sought to understand whether it is more problematic to be poor in a disadvantaged neighbourhood than living in a more socially diverse area. This core question has an intuitive logic for many, since most of us are able to select the kind of neighbourhood we want to live in on the basis of quality and amenity, and the belief that certain places would be less beneficial to our well-being, or those of our children. Yet the more limited availability of high-amenity neighbourhoods means that these places inevitably have a higher value. This suggests an important role for State agencies to address the spatial and social disadvantages associated with life in poorer and less well-positioned neighbourhoods to improve outcomes for individuals, households and communities.

Public housing is not only provided by allocation (rather than choice) but is also comprised of those who are generally the most deprived (since this is essentially the basis of access to this tenure). These tendencies have become more evident as the sector has shrunk over time. This means that a question arises over how we might utilise research evidence to support initiatives that reduce concentrated disadvantage and which address this through housing, education, planning and other service providers. Yet even this position presupposes that concentrated public housing, poverty and particular social groups are indeed problematic to the life-chances of individuals, households and communities.

As is shown later, evidence to firmly underpin this position has sometimes been ambivalent while significant complexity in measuring these outcomes remains. Nevertheless, it remains much clearer that residents of all neighbourhoods should be able to claim a standard of living, regardless of whether such additional compound effects can be demonstrated. The research evidence shows that certain social (low income) and tenurial (public renting, because of its close link with low income) combinations and concentrations also present challenges and increased public costs. This suggests that keeping an eye on particular aspects of social balance, community harmony and inclusion and the need to promote opportunities for residents should be a guiding commitment to public housing, regeneration activities and planning bodies.

This report builds on existing international work (for example Atkinson and Kintrea (2000) in the UK, Andersson et al. (2007) in the US, Musterd, Ostendorf and De Vos (2003) in the Netherlands, and Arthurson (2002) in Australia) and was commissioned at a time of growing political interest in public housing and as its role in serving disadvantaged clients has become ever more apparent. This makes room for manoeuvre in this policy area rather tight, since investment in new public housing is at record lows and its residualisation (the growing dominance of poorer groups in social housing) is increased by moving towards needs-based allocation models. An immediate conflict arises then between adopting these models of entitlement and recognising that such directions threaten the sustainability of areas by concentrating poverty and high needs in particular areas.

Many of the policy options discussed later in this report imply a greater role for public housing and the need for more significant investment in order that such areas are made more liveable while maximising the social and economic life-chances of their residents. While we know that the possibility of introducing greater social diversity by means of new housing investment (public and private) may be complex, this remains a core means by which less problematic community outcomes might be achieved. However, research in this area also offers ways forward in identifying what housing

and other agencies might do to help resolve problems. In other words, housing policy and management may help to soften the effect of neighbourhoods on their households and communities, even where significant new resources cannot be found, but these are likely to be less effective and sustainable in the medium to long term. The key research questions framing this work were as follows:

1. Is it better to be poor in a poor area or one which is more socially diverse?
2. Do concentrations of public housing create additional problems for residents?
3. Do tenants fare less well as a result of living in such neighbourhoods?
4. How can service delivery be made more effective in achieving broader goals of social equity, while ensuring that the basic supply of public housing is not diminished?

More specifically the work considered two key areas, one relating to what the empirical research tells us about these problems, the second relating to how housing policy might contribute more effectively to these issues:

- What does the available evidence tell us about which geographically defined communities exhibit the characteristics of unsustainable, stigmatised or undesirable communities, and why? What housing tenure, income and socio-demographic (household type, age, labour market status), characteristics are associated with such negative community-level outcomes?
- What benchmarks or guidelines are currently in use to allocate household types in public housing and what are their rationales? What benchmarks or guidelines about social mix could assist policy-makers in housing, education, community services, land-use planning, and other relevant fields, to avoid inappropriate concentrations of low-income households?

In general there has been a growing interest in how the social composition of areas might affect the broader capacity and quality of the urban system, and that such concentrations may impact in negative ways on the residents of such areas. Through the identification of these different types of area and poverty effects we can start to think about the policy levers and practice arrangements, and what sections of Federal, State and local government might be used to counter processes of areal residualisation and poverty concentration. To reiterate then, there is concern not only with ghettoisation but also the probability that such concentration tends to reproduce social inequalities by holding back the potential of residents of these areas. The research evidence on the relationship between types of social concentration in neighbourhoods and the impact of this on the people that live in them is now considered in more detail.

1.1 The housing and urban context of concentration effects

Debates about effective housing management have become increasingly connected with a series of questions which cut to the heart of the broader role of public housing and, indeed, deeper objectives relating to social inequality and inclusion. The role of public housing has become one of not only accommodating tenants, but also to consider the spatial and social configurations, quality, accessibility and prospects for those living in these areas, what are often termed the non-shelter outcomes of housing. Yet it is not only housing that is implicated in the idea of area effects, such effects imply that there are social relationships and locational factors that impact on a range of life-chance outcomes.

A range of issues dominate the management of public housing in Australia today. Demand for public housing now dramatically exceeds supply with housing stress and

social problems significantly flowing into the private rental sector in particular (Randolph et al. 2004). There are employment disincentives that this type of housing assistance creates so that welfare often works against broader outcomes because of its inflexibility and unresponsiveness to changing needs. It is also clear that the concentration of problems in public housing areas has contributed to a stigma associated with these areas and that this is often compounded by negative media representations.

As public housing has experienced these problems there have been impacts in other institutional settings so that, for example, schools see larger numbers of children with higher behavioural needs or living in households with problems that create more pronounced service pressures (health, education, welfare and so on). As public housing has become more socially residualised, these localised effects have produced the potential for reinforcing effects and the reproduction of poverty in places. Because of the higher welfare dependency and other social problems in public housing it has become less of a gateway to opportunity. Those tenants who do well tend either to leave because of poor neighbourhood quality or because tenancy allocation regimes are shifting to needs-based mechanisms that seek to reserve public housing only for the poorest. The clear implication of such policies is that public housing serves those most in need, but to the detriment of some local areas as further investment in an expanded public housing sector has perhaps become politically unpalatable.

The State Housing Authorities (SHAs) are hindered in their capacity to respond to the changing needs of public housing communities by the current debt burdens placed on them. As housing affordability problems have grown across the housing system other problems have become apparent. Deinstitutionalisation and greater numbers of tenants with complex mental health problems and drug and alcohol dependencies mean that public housing providers also have to operate in social work as well as basic housing management roles (Habibis et al. 2008). Thus the problems of public housing are systemic as well as endemic; as social inequalities and broad pressures on affordability combine with the problems within the sector itself.

An initial analysis (Housing and Community Research Unit) using the 2001 Australian census shows that there were 415 (1.07 per cent) collection districts (CDs) that had 50 per cent or more public housing and 113 such areas with more than 80 per cent public housing (out of 38,873 CDs nationally). This highlights the fact that while these might be considered to be areas in which significant tenurial changes could be achieved, such areas of concentration are not common. This report tends to focus on the public housing response to poverty concentration since low incomes in this sector are prevalent and because such neighbourhoods are more firmly available to public interventions. However, as Randolph and Holloway (2005) have consistently warned, problems of poor neighbourhood quality and poverty concentration also lie in private sector housing areas:

the creation and maintenance of concentrations of disadvantage in private housing is just as much an outcome of the way the private market allocates those with least choice to the least desired locations, as the concentration of disadvantage on public housing estates is the outcome of increasingly targeted allocation and eligibility criteria among public landlords. Indeed, with only 5 per cent of the housing stock in Sydney and 3 per cent in Melbourne, public housing can only accommodate a proportion of those on the lowest incomes or with other disadvantages. It is therefore hardly surprising that disadvantaged households are prevalent in other tenures (Randolph and Holloway 2005: 199).

They note that around three-quarters of Census Collection Districts (CCDs) with a high proportion of public housing in Sydney also had severe disadvantage scores. In Melbourne the comparable proportion was 85 per cent, although the number of CCDs involved was less than half that of Sydney, reflecting Sydney's larger public housing stock. They also show that there were around 85,000 households on the public waiting list in NSW in 2003, and 40,000 in Victoria, most of whom lived in private rental housing, so that the problem of social disadvantage is as much a problem outside the public housing sector as within it (Australian Institute of Health and Welfare, 2003). All of this suggests that to tackle areas of concentrated disadvantage will require targeting areas of both public and private housing if they are to be effective.

2 AREA EFFECTS: THE CONTRIBUTION TO LIFE-CHANCES BY PLACE

The idea that where we live influences a range of other social outcomes is important in trying to understand whether policies should seek to influence the social composition of particular neighbourhoods. If, for example, living in areas with high concentrations of workless households tends to mean that someone growing up in such an area will also be without a job, then should policy intervene to affect the relative distribution of such households? This question presupposes that there is a link between a set of outcomes for residents in an area, in this case employment, and that of the broader social composition of the neighbourhood—that such areas have an effect on individuals and households. Such effects, known as area effects, are both difficult to measure and to conceptualise, yet there has been significant interest in the distributional consequences of allocations because of the realisation that living in a predominantly deprived area may itself be a source of continued disadvantage. This can arise from factors such as neighbourhood stigma (Dean and Hastings, 2000), poor services (Speak and Graham, 2000), social networks which are disconnected from jobs and other opportunities (Perri 6, 1997), and the development of inward-looking, negative and even deviant social norms as responses to concentrations of poverty (Somerville, 1998; Atkinson and Kintrea, 2001). In this section these questions are looked at in more detail and the empirical evidence on a range of key household and community outcomes is detailed.

2.1 Gautreaux and the right to live in non-segregated neighbourhoods

Area effects suggest that a poor individual living in a poor neighbourhood experiences worse outcomes than a demographically and economically identical individual living elsewhere (Ellen and Turner, 1997, p.19). This area of research has grown significantly in recent years because this proposition fundamentally relates to the rights of all citizens to live in neighbourhoods that support their aspirations and life-chances. If where we live affects these outcomes then public intervention and management becomes implicitly linked to aiding such outcomes. This was recognised in the US in the Gautreaux case (*Hills vs Gautreaux* 1976) in which black tenants were awarded housing assistance to relocate away from a public housing project (described by the appellants as a 'negro ghetto'), recognising that they had been discriminated against by being placed in such housing away from white and more socially diverse areas. In finding that those tenants who did move to less concentrated areas of deprivation fared better, policies were then generated to aid such desegregation.

Wilson (1987) has argued that the negative effects of segregation are such that the inhabitants of a 'ghetto' have social problems simply because they live in a ghetto. So, those living in inner cities fall victim to a double mismatch: they do not qualify in terms of education (a skills mismatch) and they live far away from places where opportunities still exist (a spatial mismatch) (Ostendorf, Musterd and De Vos 2001). In the Gautreaux case the US Federal Court ordered settlements to end racial residential discrimination, which were filed against several public housing authorities, produced 'scattered-site' social housing and rental vouchers with mobility counselling (Goetz, 2003; Austin Turner et al., 2000) in order to help prevent allegations of discrimination and segregation. While arguably these have ultimately done little to challenge these systemic problems in the US, these policy cases raise the question of what role public housing should play in trying both to accommodate those on lower incomes and to

produce environments within which social opportunity is not cut-off from residents. As Galster (2002) questions:

Should housing be viewed fundamentally as an end in itself—a safe, sound, sanitary residential environment—or as a means to a greater end, reducing social stratification and exclusion? Analogously, should public policy focus more on eliminating instances of housing deprivation or on restructuring the socio-spatial configurations of neighbourhoods to enhance economic opportunities for residents? (Galster 2002: 6)

According to Somerville 'social exclusion through housing happens if the effect of housing processes is to deny certain social groups control over their daily lives, or to impair enjoyment of their wider citizenship rights' (1998, p.772). These concerns remain important in considering how housing systems can best be managed in ways that yield broader social opportunities for all residents, regardless of their tenure or location (Pawson and Kintrea, 2002). As Ostendorf, Musterd and De Vos (2001) summarise:

So, the 'battle' against ghettos is a battle against segregation, which is a battle against poverty concentrations that are supposed to negatively influence social upward mobility. (Ostendorf, Musterd and De Vos 2001: 373)

2.2 Health effects

The first key domain examined here relates to the health outcomes of individuals and households, such as this can be linked to life in communities characterised by extensive disadvantage. The benchmark studies in this area are now detailed. In a study by Sally MacIntyre and her colleagues they hypothesised and confirmed that 'the physical and social environments in our more middle class area might be systematically better than those in the more working class area, in ways which might promote the physical and mental health of residents of the former' (MacIntyre, MacIver and Sooman 1993, p.229). In Australian research by Phibbs and Young (2005) it was found that people reported an improvement in their health as a result of changes in their housing and neighbourhood situation. The main mechanisms they noted include:

- Eating better foods as a result of increased financial resources and ability to prepare foods rather than buying takeaway food
- Improvement of conditions in dwelling
- Increased self-esteem, often associated with independent living
- Extra income
- More support from neighbours
- Reduced stress due to security of tenure and more income
- Improved access to medical resources (Phibbs and Young 2005).

Such studies highlight complex causal linkages between housing and health itself and a range of mediating social factors. For example, problems of heating have been shown to lead to health problems, but the kinds of study shown here allude to the existence of a broader effect between social milieu and individual health outcomes. The work of MacIntyre, for example, suggests that poorer areas provide spaces that are less conducive to good health because, for example, they provide poorer quality options in their shops (if they are present) or because prevailing attitudes and resources to obtain better quality foods are problematic. In fact, work by Mitchell et al. (2000) in the UK indicated that areas of area-based deprivation exacerbated health

inequalities so that residents of more deprived neighbourhoods experienced inferior health outcomes even after holding their individual circumstances constant (Joshi et al. 2000). In other words, these neighbourhoods exerted an influence over these outcomes. There are policy implications that stem from this kind of research. As MacIntyre and her colleagues argue:

‘It may not be possible to make everyone middle class, but it might be possible to try to upgrade the social and physical environments of poorer areas in ways that might be health promoting. This would cut through the defeatism sometimes underlying the assumption that area differences in health are entirely attributable to the social class composition of its residents and to personal correlates of their social class position, and that there is thus nothing that can be done about these health differences.’ (MacIntyre, MacIver and Sooman 1993, p.232).

2.3 Household income and local economies

A key strand of research on area effects has considered how segregated areas tend to be spatially mismatched, or distant, from labour market opportunities. In some cases the need for cheaper land on which to develop public housing, for example, may mean that such locations are distant from such opportunities or do not provide adequate transport linkages. Work by Bolster et al. (2004) considered the relationship, for the UK, between income growth over a 10-year period and local neighbourhoods. Yet they found little association between neighbourhood disadvantage and subsequent income growth. Their results support the view that the main sources of low incomes lie in employment and demographics rather than particular neighbourhood effects (Meen et al. 2005).

However, work by Heath (1999) found that unemployed youth were much less likely to directly contact employers and much more likely to use indirect methods such as newspapers or employment agencies. She found that higher overall neighbourhood unemployment rates decrease the probability of using direct search methods and increase the probability of using a labour market intermediary. Heath concluded that the presence or absence of local job information networks may also help explain the increasing concentration of unemployment documented by Gregory and Hunter (1995).

This work connects with another strong theme in the literature, that the generally strong social ties found in more deprived areas tend to promote inward-looking attitudes and do not support information flows into these areas. Perri 6 (1997) has argued, for example, that job clubs which relied on putting several unemployed people together would do little to help engage or connect them to future opportunities—they would only know other jobless people as a result. In the context of neighbourhoods it seems plausible that spatial and social disconnection and distance may hinder the development of labour market opportunities.

2.4 Childhood development and educational effects

In a systematic review of 88 studies by Ellen and Turner (1997) they concluded that neighbourhood is an influence on important outcomes for children and adults, but that attempts to identify which neighbourhood characteristics matter have been inconclusive. However, since their review was completed a number of studies have been published which have examined interdependencies between public housing, rent assistance, homeownership and neighbourhood effects. Much of this work is focused on how deprived neighbourhoods become socially toxic to the endeavours of parents to bring up their children and to diminished life-chances for children in these

neighbourhoods as a result. These effects include witnessing violent crime as well as peer-group effects that level down aspirations. Such role model theories remain both popular and contentious.

More recent work by Bill (2005) suggests that housing systems and neighbourhoods can create problematic outcomes for employment outcomes based on concentrations of particular household types:

Thus housing remains a very important sorting mechanism across space. Interestingly independent of other factors, the higher the proportion of sole parents in the neighbouring POA, the lower a region's employment growth, net of other factors. This may suggest the presence of adverse 'neighbourhood effects', stemming from the disadvantage commonly associated with sole parenthood. In such communities the quality and frequency of the exchange of information about job openings or the perceived benefits of returns to education may be under-estimated, with adverse consequences for an individual's future employability (Bill, 2005: 125).

Similarly, work by Overman (2002) highlights that educational composition of the wider neighbourhood appears to influence school dropout rates, though it is less clear how such mechanisms work in practice—here low socioeconomic status of the immediate neighbourhood was seen to have an adverse impact on dropout rate. Interestingly, this work concludes that if government policy is to be effective in relation to social mix then quite small geographical areas need to be considered to create greater income-mixing within neighbourhoods that may dilute this effect.

Educational effects also relate to institutional quality, which itself may be linked to the relative pressures placed upon it in relation to the catchment of the school. Thus low-quality schools may in fact be linked to poorer areas. Returning to the work of Phibbs and Young (2005) which looked at the movement of renters to more diverse areas they argue that:

When pressed on the issue of why their children's performance had improved following relocation through housing assistance, respondents cited three main issues. The first really concerned the nature of the school, and included issues such as quality of teaching and having a more motivated group of peers. The second concerned changes at home. They ranged from increased happiness of the child now living in a good quality dwelling to a decrease in parental stress levels. The third issue was more pragmatic: improved performance occurred because children now had more space and could do their homework without disturbance from, or fighting with, their siblings.

Similarly, in analysing the impact of neighbourhood effects on childhood development and adult outcomes using longitudinal survey data Buck (2001) has concluded that 'current individual characteristics may be, in part, a consequence of past neighbourhood effects' (p. 2274). Yet despite their high poverty rates, low-income parents have been found to see strengths in these neighbourhoods and significant research evidence has highlighted the collective efficacy and accessibility of resources in local social networks as important sources of social resourcing, themselves responses to many of the problems of living in such areas (Galster and Santiago 2006). Similarly, work by Cunningham et al. (2002) showed that parents were important contributors to the lives of adolescent academic progress.

Box 1: Concern with sustainable communities and area effects in the UK

In 2000, the Housing Green Paper articulated strategies for upgrading social housing stock and tenancies, and promoting sustainable and affordable homeownership.

In 2003, the Deputy Prime Minister's Sustainable Communities Plan detailed new policies and spending to address imbalances between housing supply and demand in both the north and south of England, and to improve the condition of social housing throughout the country.

In 2004, the Barker Review of Housing Supply recommended reforms to the planning system now underway to help improve the responsiveness of UK housing supply to market signals while promoting sustainable development.

Finally, the recent release of the Deputy Prime Minister's Five-year Plan announced major expansions of initiatives to increase homeownership, tackle areas of low housing demand and promote greater tenant choice in the social sector (Berube 2005).

The 2007 Housing Green Paper has set out plans for significant new-build of homes in all sectors and will ensure that all new development is mixed tenure to ensure that it is sustainable.

2.5 When do areas become problematic?

Clearly neighbourhoods change in their social composition over time, and this can occur in 'virtuous', benign or more problematic ways. Understanding how these changes take place and how problematic changes can be managed has been captured in the idea of threshold effects, that social shifts can be non-linear over time. In practice this means that when certain types of concentration are reached then further unit changes lead to more rapid declines. An example of such processes could be the increasing co-location of families with young teenagers in a development. Such shifts would be unproblematic up to a certain point, after which it is possible that increased management costs might result from activities like ball games, overuse of grassy areas in the area and so on. Such effects have been noted in relation to crime and anti-social behaviour or to the increasing poverty rate of neighbourhoods after various levels are reached.

The research evidence does not generally permit a simple reading of what levels, and of what types, of social characteristics create such problems. This is not only because each such social dimension may affect different areas in different ways, but also because there may be interactions between dimensions that may exaggerate or counteract each other. In fact, allocations and planning policies across Australia already tacitly acknowledge that certain forms of social concentration should be avoided, either by stipulating discretionary ambitions for social balance, or by more prescriptively setting out desired levels of dwelling type or tenure (see Table 1 below). However, the idea of threshold effects has been applied through empirical research and some of the messages from this work are worth relaying, with the important caveat that these effects are difficult to import directly into the Australian urban context.

Table 1 below highlights the kinds of threshold effect that have been identified and the key points at which additional and problematic effects have been observed to increase more significantly. There are two ways of interpreting these effects from a policy perspective. First, such general social characteristics and levels concentration present increased housing and public management costs across a range of government agencies as well as having the potential to impact negatively on households. This means that research evidence might be used to identify areas which might be at risk of creating such downward spirals so that housing and planning policies could be applied to help prevent such outcomes. Second, data on the distribution and location of neighbourhoods with high concentrations of low income could be used to trigger

additional housing, planning and public service resources in order to combat the kinds of area effects that might be present for households and communities in such neighbourhoods. Writers like Galster (see Table 1 below) have, for example, argued that the poorest 10 per cent of neighbourhoods might be seen as a useful target for such resources:

As a neighbourhood falls below the median on a variety of socioeconomic and housing reinvestment indicators, several nonmarginal behaviour adjustments occur for residents and owners in that neighbourhood that tend to reinforce a downward trajectory. Should the neighbourhood fall into the lowest-status tenth, a wider range of negative impacts on residents would ensue; still more would transpire were it to fall into the most-disadvantaged percentiles of neighbourhoods (p.160)

Table 1: Evidence on threshold levels beyond which accelerated negative social problems increase

<i>Social threshold levels identified – Indicator and threshold observed</i>	<i>Author</i>
Poverty/social housing —Relationship between these variables and other outcomes could not be detected.	Buck 2001
<p>Poverty/social housing</p> <p>Relationship between poverty and social housing areas could not be detected but a 'Threshold effect is present when a neighbourhood reaches a critical value of a certain neighbourhood indicator that triggers more rapid changes in that neighbourhood's environment' (p.723).</p> <p>The study found no threshold effects for high school drop out rate and unemployment rates.</p> <p>A distinct threshold effect when neighbourhoods exceed a poverty rate of about 54 per cent > for these neighbourhoods there is a rapid and apparently ever-increasing growth in poverty over time.</p> <p>Neighbourhoods with lower poverty rates are relative stable.</p> <p>Percentage of workers not employed in professional or managerial jobs when greater than 77 to 83 per cent was predictor of threshold-like changes in 3 indicators: female headship, unemployment and poverty rates.</p> <p>Renter occupancy good predictor of threshold-like changes in same three indicators (when at more than 85.5 per cent).</p>	Galster et al 2000
<p>Tenure/Public renting</p> <p>Social renters gain in neighbourhood environment terms from living in areas of high owner occupation.</p> <p>Owner occupiers 'have a lot to lose from living in areas with an above-average proportion of social renting'.</p> <p>Areas with high levels of owner occupation have lowest incidence of neighbourhood problems.</p> <p>Areas with substantial proportions of both owner occupation and private renting perform well in neighbourhood problems and best in having lowest desire for improvements to services and amenities.</p> <p>Problems and desire for improvements rises with increase in proportion of social renting.</p> <p>Identification of problems in areas (for both social renters and owners) where social renting makes up around 25 per cent of housing market is double or treble that in areas where owner occupation comprises majority of housing market and social renting is at half this level or less.</p>	Kearns and Mason 2007

<i>Social threshold levels identified – Indicator and threshold observed</i>	<i>Author</i>
<p>Unemployment</p> <p>Beyond 16 per cent unemployment level in a neighbourhood probability of staying in unemployment does not increase further (linked to capacities of the welfare state, i.e. labour market policies and employment offices).</p>	<p>Musterd and Andersson 2006</p>
<p>Crime—Property crime no significant difference between high and extreme poverty neighbourhoods, both have at least 20 per cent higher property crime rates than low-poverty neighbourhoods. Suggests that a threshold around the 20 per cent neighbourhood poverty rate is significant in increasing problems.</p> <p>Race—Census tracts with 55 per cent or more black population in 1970 experience highest rate of racially motivated turnover. Goering (1978) finds no conclusive evidence in support of or against the racial tipping hypothesis (wherein number of black residents in an all-white neighbourhood suddenly changes to black occupancy). Tipping points in articles reviewed ranged from 25 per cent to 30 per cent black.</p> <p>Poverty rate—Higher the higher its poverty rate a decade earlier, but effect is attenuated the greater the beginning-of-decade poverty rate.</p> <p>In other work (poverty rate, percentage receiving public assistance, male employment rate, percentage of professional occupations, and percentage of dropouts) no impact found of neighbourhood conditions on black girls and only linear effects of several neighbourhood attributes for white girls.</p> <p>Neighbourhood effects on rates of dropping out from high school—rates of dropping out higher if percentage of workers holding professional or managerial jobs is less than approximately 4 per cent. Only when neighbourhood share of professional-managerial occupations exceeds 50 per cent do males' dropout rates begin to fall noticeably</p> <p>For adult average labour income, average wages, and average family income to needs ratio, there is no significant variation by childhood neighbourhood quality until one examines those who grew up in the lowest quality 10 per cent of neighbourhoods, whereupon these indicators are 24 per cent, 23 per cent, and 44 per cent lower, all else equal</p> <p>For average time as adult below the poverty line - neighbourhood quality matters, but there are three distinct thresholds. Compared with those growing up in the highest quality 10 per cent of neighbourhoods, those growing up in the 34th to 90th percentiles have 13 per cent to 16 per cent longer adult periods in poverty, those in the 11th to 33rd percentiles have 26 per cent longer, and those in the lowest 10th percentile have 48 per cent longer adult periods in poverty, all else equal.</p> <p>Likelihood of exiting welfare (for particular groups and via particular methods) drops significantly when neighbourhood exceeds median of neighbourhood non-professional workers or female employment rates and the 25th percentile of poverty rates.</p> <p>Housing investments by current owners likely to drop if social cohesion of neighbourhood drops below median and/or fraction of other owners reinvesting nearby drops below roughly one-half.</p>	<p>Quercia and Galster 2000 from a review of literature on threshold effects</p>

A further policy question is raised by these issues relating to whether we should act to keep neighbourhoods from moving beyond such thresholds (if, indeed they can be directly applied to different kinds of housing, welfare and urban system and neighbourhood within them)? Policy is thereby hindered in two respects. First, how it should act if threshold effects can be empirically measured for Australian neighbourhoods on indicators, such as household income and poverty. Second, that localised and contextual forces, social groupings and physical differences make the

idea of basic thresholds contentious to operationalise. Instead it would be more fruitful to consider these ideas as guiding, or sensitising concepts, informing localised information gathering systems (such as those of local housing allocations policies). Nevertheless the idea of targeting areas of pronounced neighbourhood poverty holds out some attraction in relation to a more concerted urban policy program that steps between State and Territory housing and planning administrations.

As long as we do not have a full understanding of the drivers of neighbourhood effects, it is difficult to say what kinds of policies may be helpful. One thing should be kept in mind in this respect. That is, even if we can say that neighbourhood effects occur in certain environments, this still does not necessarily imply that these effects are also caused by the housing stock or by the environmental or social composition of these places. Societies, cities and neighbourhoods are interrelated systems and policy responses to neighbourhood problems, therefore, should take these various levels into account simultaneously. The welfare state at the national level, the labour market and economy at the regional—and global—levels, social networks, socialisation and stigmatisation processes at the local levels, all play a role in understanding these issues:

... the notion of local residents working together to produce social organisation and develop social capital is not the whole picture. As shown what takes place within neighbourhoods is influenced by socioeconomic factors linked to the wider economy...Housing-based neighbourhood stabilisation (through renovation of existing low income housing) and dispersing the concentration of new public housing are two examples of bottom-up approaches to supporting social cohesion and safer neighbourhoods. At the same time, Government should not ignore top-down approaches, such as policies to reduce income inequality, as a possible way of promoting social capital. Knowing that what happens within neighbourhoods is important but does not imply that inequalities between neighbourhoods can be ignored. (McCulloch 2003, p.1437)

Box 2: The use of threshold effects in current Australian policies

In the mid-1990s, the Queensland Department of Housing formulated a 'Social Mix Checklist', which states that the concentration of public housing should not exceed 20 per cent in any one locality. The South Australian Housing Trust (SAHT) considers 25 per cent an acceptable benchmark for concentration of public housing at The Parks community, which represents a 58 per cent decrease in overall concentration (Source: Arthurson 2002)

2.6 What mechanisms connect households to neighbourhoods?

Understanding how areas change and why neighbourhood social composition can feedback onto individuals and households requires some conceptualisation of the range and type of area effects. Following research with households in Scotland Atkinson and Kintrea (2001) identified the following effects and mechanisms implied under each (see Figure 1 below). There appears to be an emerging consensus that neighbourhood effects could transpire through one or more of the following key mechanisms (Friedrichs 1998; Leventhal and Brooks-Gunn 2000; Sampson, Morenoff and Gannon-Rowley 2002):

- Neighbourhood resources: reputation of place, local public services and informal organisations, accessibility to jobs, recreation, health and other key services.

- Model learning via social ties and interrelationships: nature of interpersonal networks, peer groups, socialisation and collective efficacy: commonality of norms, sense of control of local public space.
- Resident perceptions of deviance, such as crime, drug dealing, physical decay of buildings and general state of disorder (Friedrichs, Galster and Musterd 2003)
- Exposure to crime and violence (Musterd and Andersson 2006)

Of real importance in understanding how areas affect their residents is the related question of what kinds of policy response can be developed to respond to these social and economic forces. For example, if it is the physical quality of housing that leads to stigmatisation this may imply a need for renewal and investment, rather than tenure-diversification. Similarly, if crime and localised anti-social behaviour are problematic this might suggest a bolstering of criminal justice interventions, design solutions or, potentially, changes in the socio-economic profile and stressors in the neighbourhood. Importantly, variations in local neighbourhood contexts and levels of relative diversity and spatial layout imply a need for contextualised knowledge and information gathering so that sufficiently attuned policy responses can be set in motion. As Galster has commented (2007a):

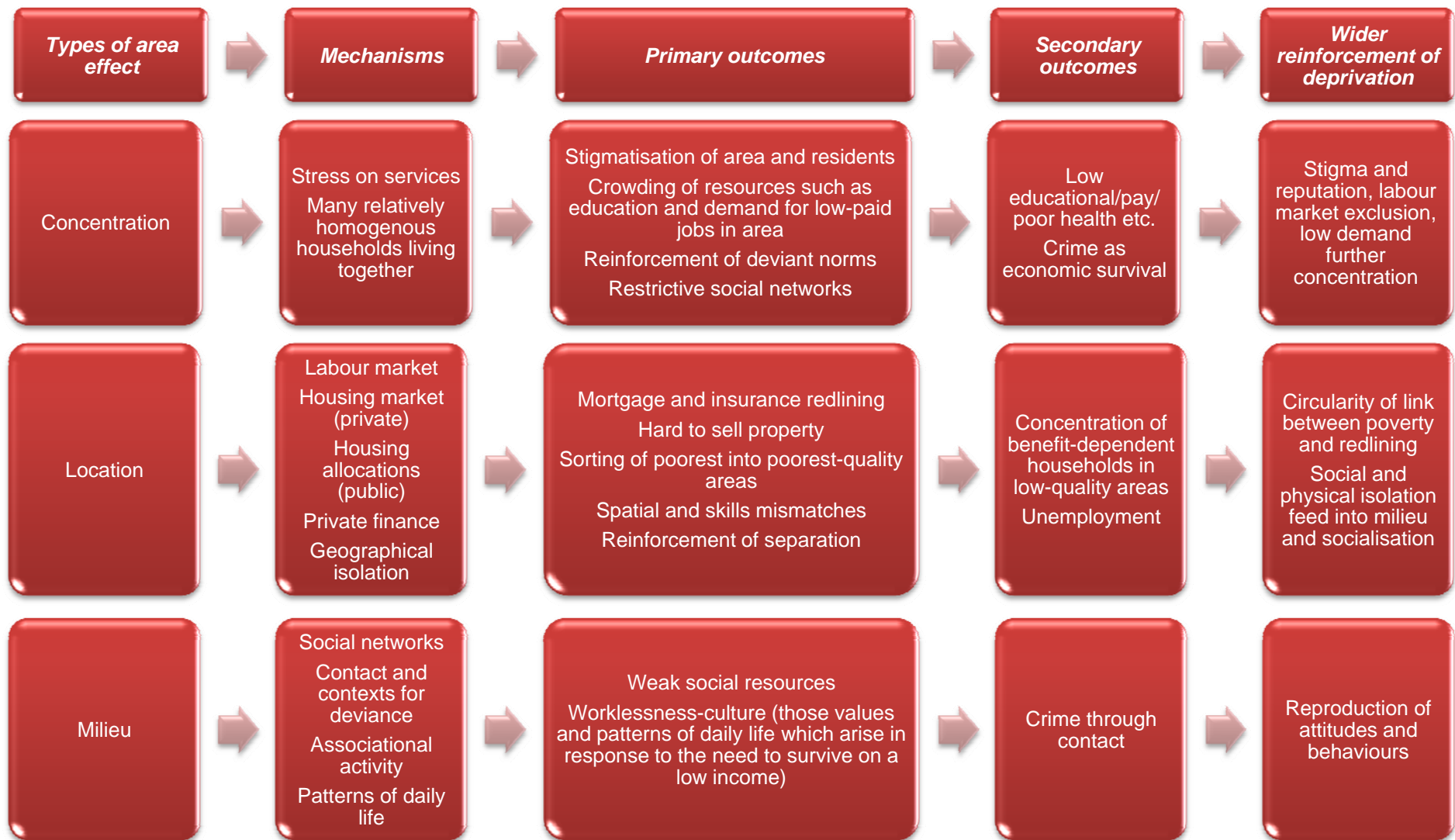
even the crudest guidance for policy aimed at achieving an optimal mix of household among neighbourhoods depends on the careful, explicit delineation of precisely which mechanisms of neighbourhood effects are operative, and perhaps the relative magnitudes of the externalities involved if multiple effects are operative. By implication, information on what sorts of social externality processes actually are occurring in their nation's neighbourhoods must be of paramount importance to policymakers (p.35).

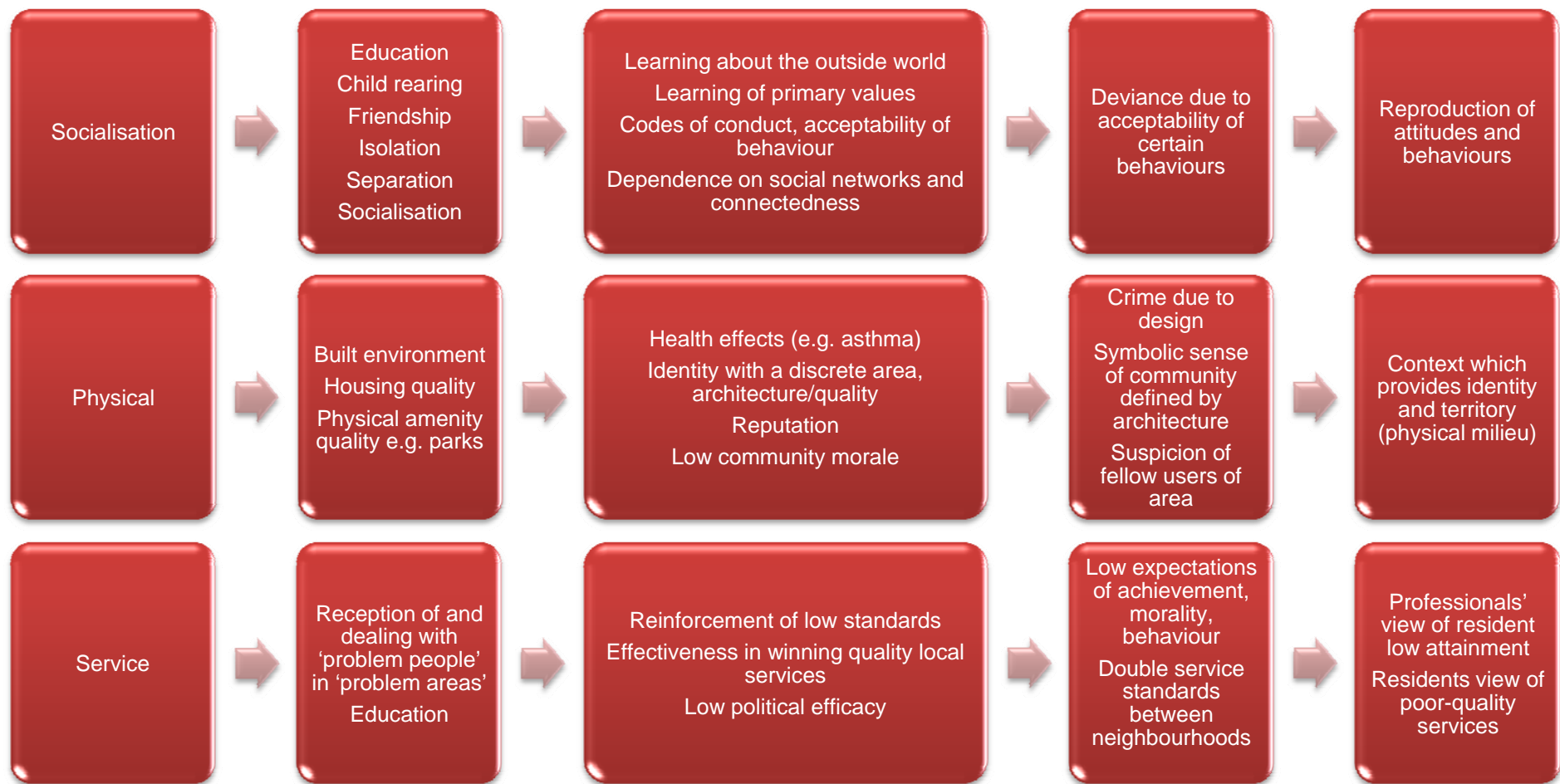
Work by Galster and Santiago in the US which used interviews with parents in deprived neighbourhoods is also instructive. Here they asked residents to consider what they thought were the key effects on their children of living in these deprived areas. This work showed these views to be consistent with conclusions derived from the literature. Three key influences were identified. First, the degree to which a neighbourhood could support the enforcement of social norms. Second, the impact of exposure to crime and violence and the effect of peers. Finally, and to a lesser extent, the quality and range of resources and services that existed (Galster and Santiago 2006). Such qualitative work connects with a number of factors raised in the literature but others in the international evidence base were often not commented upon by the parents—such as quality of schools and spatial stigmatisation by educational and employment administrators.

In general the literature concerned with the precise mechanisms by which areas affect their residents has focused on social composition and the role of homeowners in particular. In this it has generally been assumed that owners are more likely to maintain their dwellings, defend against unwanted land uses, and perhaps also to provide better environments for child development and supervision/intervention into problems that might arise within the neighbourhood (Galster et al. 2004). Yet it is also acknowledged that the causation underlying these behaviours may result from the fact that owners are more likely to have greater resources. Thus the question remains as to whether increasing homeownership can simply be applied as a tenure 'fix' to existing residents or whether it necessarily involves importing higher-income groups. Even if the latter is the case it may be that stabilising effects become apparent, or that a greater balance in resident profile is achieved. Yet there also remains the possibility that such shifts diminish the scale of affordable accommodation in a locality and put increased pressures on other neighbourhoods within the housing system.

Figure 1 below highlights the range of mechanisms involved in the different kinds of area effects. These mechanisms again help to highlight the different kinds of policy interventions that might be suggested, depending on the particularities of a locality or urban system more generally.

Figure 1: Typology of area effects in deprived neighbourhoods





Source: Atkinson and Kintrea (2000).

2.7 What kinds of social mix promote better outcomes?

The research evidence does not permit us to aim for particular types or levels of social mix, yet research also highlights that certain types of mix, and at certain thresholds, can be problematic. Of course, social mix, or diversity, can be defined in a number of ways including:

- Household type
- Income
- Tenure
- Age
- Education
- Ethnicity
- Gender

Table 2 below highlights some of the key research in this area by highlighting the population sub-groups that have been associated with problematic outcomes. The main message from this research is that it is household and, by extension, neighbourhood, income levels that are central to an understanding of related problematic outcomes in the neighbourhood and the life-chances of residents. In other words this research has found significant associations between income, or socioeconomic position, and outcomes in relation to health, education and employment. In terms of broad guidance for policy-makers it would seem that adjustments around this key variable should be the focus for efforts to improve broader community outcomes. However, the range of mechanisms by which this might be achieved is significant. For example, direct measures through welfare payments, increasing co-location of employment opportunities and improving educational systems and training opportunities. However, such measures may not lie within the sphere of influence of housing policy or practice responses.

Table 2: Sub-groups associated with problematic concentration and social and economic outcomes

<i>Key sub-population groups identified</i>	<i>Outcomes</i>	<i>Key sources</i>
Socioeconomic position and income of households	Finds that socioeconomic composition of neighbourhoods is most important dimension in terms of individuals' incomes	Andersson et al. 2007
Socio-demographic mix of households in areas	Length of time in education, income, education	'Valley of sadness', Andersson, 2004
Neighbourhood poverty, educational attainment and employment outcomes	Neighbourhood poverty negatively correlated with educational attainment and employment outcomes	Galster et al. 2004
Social rented housing	Areas dominated by social rented housing performed worst for neighbourhood problems and desired improvements to facilities and services by residents	Kearns and Mason 2007
Socio-demographic and physical context of residential area	Factors were seen to affect subsequent socioeconomic career	Andersson 2001; 2004

<i>Key sub-population groups identified</i>	<i>Outcomes</i>	<i>Key sources</i>
Levels of household unemployment	Only small neighbourhood effects were found: 'The conclusion can be drawn that the chance of escape [from unemployment] is dependent on the environment, but only to a minor extent'	Musterd, Ostendorf and De Vos 2003
Mortality, neighbourhood and individual characteristics (no link)	No location specific factor could be identified in areas defined as deprived. For men, increased risk of death associated with living in such areas were explained by levels of personal disadvantage Disadvantaged individuals did not receive any 'protection' from risk by living in areas of relative affluence	Sloggett and Joshi 1994

All of this makes it more difficult for policy-makers to find clear messages about the kinds of programs that might help to make areas of poverty concentration more pro-social in their outcomes for their residents:

A review of the literature from 1990 until 2004, which included 52 journal articles, 7 conference papers, 13 reports and 3 book chapters is informative. Much of the research is concerned with the question of 'whether social mix works'. The empirical studies often attempt to compare and measure the effects for residents of living in neighbourhoods with different levels of social mix. This is a difficult task given that the effects of mix are often conflated with other aspects of particular neighbourhoods, along with efforts at regeneration. (Arthurson, 2005a: 521)

It goes without saying that there is enormous variability between differing neighbourhood contexts in terms of the wider metropolitan systems they are located in, transport and work linkages, social and physical structures and so on. In addition to these issues the international research literature is difficult to interpret or transpose to the Australian context in which segregation is growing but remains a much less marked feature of cities than in the US or UK, for example. On one key dimension at least the particularities of place are significantly different. Whereas much of the debate about public housing and desegregation in the US has been focused around race, such concerns are much less evident and patterns entrenched in Australian cities. So we find, for example, writers like Andersson et al. have debated the differences in their work for Sweden and Denmark from that of the US:

The findings of the current study do not support the hypothesis that the ethnic dimension is the most crucial one. On the contrary the study finds that the socio-economic composition of neighbourhoods is the most important dimension, at least in terms of individuals' incomes (Andersson et al. 2007, p.656).

The clearest example of attempts to re-balance areas and to reduce areas of concentrated deprivation has been around housing tenure. This has often been pursued as a significant policy objective, (a) because it is a relatively clear variable to manipulate through the planning and housing systems, and (b) because it implies, at least to some extent, a proxy measure of relative income differences, particularly in relation to public housing. However, the risks run by such changes in local tenurial structure, are that the net supply of affordable housing is eroded or that particularly

wealthy owners are introduced into poor areas in ways that do not soften the problems of low-income households and that lead to community friction.

Housing is a complex element of welfare in that it not only provides the resource of shelter, but has implications for social position, reputation and stigma, access to services and to jobs, social cohesion at the neighbourhood level, and hence to life chances for the citizen (Lee and Murie, 1997). Therefore, housing processes have the potential to be a force for social exclusion by creating and maintaining social and spatial divisions and thereby providing barriers to jobs, education and other services. Alternatively such processes could be a force for social inclusion by helping to overcome these divisions (Pawson and Kintrea, 2002). In a large study of such tenure diversification strategies in the UK Tunstall and Fenton (2006) concluded that there should be 'measured optimism' about the benefits of socially mixed communities and that the large majority of the mixed neighbourhoods have become broadly successful places where people want to live (these strategies are dealt with in detail later). As de Souza Briggs summarises the possibility of such policies:

Simply put, it's not just the neighbourhood but how you got there and what you do with it that counts. Good policy will enable more positive moves, to be sure, but it will also help families bridge, buffer, recover, and move up—in social and economic terms—no matter where they live (De Souza Briggs 2004, p.26)

2.8 Social mix, public housing and community outcomes

As reported by Randolph et al. (2004), all of the SHAs have either implemented, or were in the process of implementing, estate renewal programs in which stock or land on targeted estates was to be redeveloped for sale in areas previously dominated by public housing. The precise rationales for these programs may vary but, as conceived in this way, the reduction in tenurial and, thereby, poverty concentration appears to come at the cost of a net reduction in the available public housing pool. It is difficult to reconcile these policies while similarly emphasising the needs of allocations systems to move more explicitly towards a needs-based approach. The effect of these policies in combination has been to further ratchet the links between housing tenure, poverty and place in Australia ever more closely.

The research literature highlights that areas of poverty concentration programs have potentially significant non-shelter outcomes. The key areas in which housing assistance programs may influence non-shelter outcomes include physical and mental health status, education, labour market outcomes, crime, community participation and social cohesion, income/wealth distribution, poverty outcomes and locational advantage (Bridge et al. 2003). Bridge et al.'s review also highlighted that housing assistance programs can favour human capital development by improving the physical, social and economic foundations of neighbourhoods that can be positive influences on education and training processes and outcomes. But it is not this resource per se that leads to problematic community and household outcomes, as they conclude, 'the empirical evidence, both Australian and US, suggests that the receipt of HA measures per se is not associated with poorer educational outcomes. Poor education outcomes is associated with other characteristics, measured and unmeasured, of HA recipients' (Bridge et al. 2003).

2.9 Conclusion

International research highlights that concentrated deprivation and other social attributes may combine to produce negative, reinforcing and reproduced inequality over time. The implication is that where one lives can have important impacts on life-chances in relation to key domains such as health, education, employment and so on.

However, these results derive primarily from international, rather than Australian, studies and it is clear that research gaps exist. In addition, the issue of the social and spatial complexity of contexts and outcomes also raises itself. For while we can plausibly posit that being poor in an area of poor public housing will not be life-enhancing there are many aspects to individuals, areas, service arrangements and local economies that may impact on these outcomes. Yet the social constitution of areas of public housing, and thereby the concentration of particular social groups, may have important impacts not only on these outcomes but also on the lived daily experience of being in a poor quality environment. In other words, regardless of whether poverty and other social concentrations create negative feedback effects for local residents there is reason to assert a need for concerted action to ensure minimum standards in local area quality for the benefit of all communities.

In this sense mix may be one of a range of resource-intensive responses to the question of concentration and disadvantage. Others may include ensuring that a range of public services achieve minimum standards, boosting the physical quality of dwellings, building new and mixed tenure areas as well as locating affordable and public housing options closer to economic and other service opportunities. The difficulties of establishing what precise thresholds tend to create additional problems has been discussed. The literature on this point suggests that it is concentrated low incomes that are central to a range of problems and this raises the important issue that responses to such problems should cross public and private tenures.

Conceptualising the links between areas, households and individuals implies significant complexity. There is a tension in the research and policy literature on how specific levels of mix might yield more positive social outcomes for households and it is not possible to give definitive indications of what thresholds, and on what social dimensions, will lead to particular problems. In terms of the management of public housing it is already clear that lettings and planning policies operate with tacit assumptions about such thresholds. It is clear that these do and should operate in tandem with close contextual knowledge that will help to anticipate problems and opportunities that might arise in pursuing a re-balancing of the local relative social mix.

3 POLICY RESPONSES TO CONCENTRATION EFFECTS IN PUBLIC HOUSING

In the preceding section the effect of social and spatial characteristics of neighbourhoods on residents was considered. In this section we move to examine the policy responses that have been documented in the research and policy literature, insofar as these have been set up to tackle areas of concentrated disadvantage and the negative feedback effects on their residents. Where possible we detail these programs and their problems and advantages as well as giving examples from the Australian case of public housing and planning activities that have been used to enhance these objectives. In Europe and the US, a wide variety of programs have been adopted. These can broadly be characterised into three types:

- Revitalisation programs designed to make neighbourhoods more attractive to middle-class households.
- Programs designed to move low-income households to better-off neighbourhoods.
- Subsidies to moderate-income households in order to persuade them to live in the worst neighbourhoods (Meen et al. 2005).

To paraphrase the preceding section we can see that areas that have a concentration of households which are low-income or vulnerable in other ways (e.g. single-parent headed, managing disabilities etc.) are more likely to experience problems and be perceived to be undesirable locations to live (Martin and Watkinson, 2003). As the report has already outlined, such locational problems have been observed in areas where there are high levels of public housing in Australia since the 1970s. A response to such problems has been the pursuit of policies that promote greater social mix in such areas. The apparent benefits of social mix are extensive as Sarkissian (1976) observed in her seminal piece on social mix these included:

- Raising the standards of 'lower classes' via a 'spirit of emulation'
- Encouraging aesthetic diversity and raise aesthetic standards
- Encouraging cultural cross-fertilisation
- Increasing equality of opportunity
- Promoting social harmony by reducing social and racial tensions
- Promoting social conflict in order to foster individual and social maturity
- Improving the physical functioning of the city and its inhabitants
- Helping maintain stable residential areas
- Reflecting the diversity of the urbanised world more generally.

As Martin and Watkinson (2007) point out, such benefits have often been the unintended consequences of social housing providers acting out of adversity (e.g. declining budgets). However more recently governments (mostly in North America and Western Europe) have deliberately sought to generate social mix outcomes as a means of managing negative area effects. Such an approach is beginning to be applied in the Australian context and in an evaluation of the benefits of tenure diversification Randolph et al. (2004) found that the idea of greater social mix was widely supported by stakeholders, tenants and others. In this section we provide an evaluation of:

- The international and Australian literature that has investigated the impacts of a variety of such social mix policies, and;

→ The implications of this literature for future social mix policy development.

3.1 Social mix through tenure diversification in public housing areas

3.1.1 The evidence

Perhaps the primary mechanism associated with programs of poverty deconcentration and housing management sustainability is that of tenure diversification. The key benefits associated with social mix through diversifying the tenure mix in an area includes lowering management costs (Nixon et al. 2003) but also a reduction in the turnover of residents/tenants (itself also a cost to landlords), thus resulting in greater community stability (Pawson et al, 2000; Bailey et al. 2007). Greater interaction across different social and cultural groups has also been found in research on these policies (Randolph et al. 2004; Bailey et al. 2007). There is perhaps much appeal to such programs.

Box 3: Mixed Communities, UK Department of Communities and Local Government

Increasing concentrations of deprivation have led to the physical polarisation of the poor and the affluent. The three drivers of area deprivation are a weak economic base, poor housing and local environment and poor performance of public services, but the physical polarisation is largely a function of the operation of housing markets and the inadvertent consequences of housing policy. There is evidence to suggest that the concentration of deprivation itself exacerbates the problems of those who live in deprived neighbourhoods. Thus to create more mixed and less polarised communities will build on what's already been achieved. (DCLG, Renewal.net)

A reduction in negative area effects (e.g. crime) which in turn leads to a reduced stigma associated with these areas has been noted in several studies (Pawson, 1999; Nixon et al. 2003). According to Kleinhans (2004) there is a growing consensus that tenure diversification also leads to improvements in the physical characteristics of homes and neighbourhoods. Work by Bailey et al. (2007) has indicated that increased diversity in housing areas contributes to that of other important local institutions, such as schools. In research in Edinburgh it was found that the creation of tenure diversity had reduced turnover (a source of perceived instability in the area) but not that this had stabilised the community as a whole. Satisfaction with the area was not found to be high but it was much higher than in a control area where crime and neighbourhood dissatisfaction were much higher (Pawson 1999).

An economic multiplier effect has been associated with the increased prevalence of individuals with higher disposable incomes living in public housing areas (Bailey et al. 2007) so that improved employment opportunities and services have been associated with these local changes (Nixon et al. 2003; Bailey et al. 2007). Perhaps more contentiously some work has found that the new diversity in the community has led to new values being introduced into the existing community (Kleinhans 2004; Randolph et al. 2004). Kleinhans (2004) observed that the insertion of owners has an indirect positive effect on areas through the behaviour of owners, independently of the characteristics of renters. In particular, their increased emphasis on maintenance and on the outlook of their immediate neighbourhood was argued to spill over to the community's benefit.

3.1.2 Policy notes and discussion

Mixing tenures to achieve greater local social diversity appears to offer distinct benefits. However, the first cautionary note to sound is in relation to the potential for such schemes to generate net losses in public housing stock where such mixing implies that new development 'takes' from the existing stock in some way. In addition

studies have regularly found that social networks between different tenorial groups have not tended to overlap (Atkinson and Kintrea 2000; Nixon et al. 2003; Jupp 1999; Martin and Watkinson 2003; Randolph et al. 2004; Arthurson 2002). However, Jupp (1999) recommends that mixing at the street level rather than the estate/suburban scale may help to ensure greater interaction. Kleinhans (2004, p.378) also concludes that the little social interaction evident between owners and tenants is not surprising since tenure is not the single cause of cross-tenure interaction. Lifestyle and socioeconomic characteristics are important determinants, it may also just be a matter of time in place to aid these linkages (Randolph et al. 2004).

The key gains stemming from tenure-mix policies appear to lie in their ability to reduce the stigmatisation of public rented areas. This may also mean that employment outcomes are improved for residents. Promoting social diversity at the scale of the neighbourhood has been seen as a positive way forward in alleviating a range of critical social outcomes.

Much of the thrust of public action relating to anti-social behaviour is directed at areas of social rented housing since it can be governed in ways that private homeownership cannot. In areas of mixed tenure these issues may become difficult where the impact of ASB in one or other tenure may impact on another (Nixon et al. 2003).

Nixon et al. (2003) have noted some negative outcomes of policies that pursue tenure diversification, such as displacement of the poor, the challenge to local communities and the disruption of local histories that such social changes represented. In addition, there is the potential for high levels of private landlords to be introduced inadvertently through such schemes, which may then yield different but similarly problematic concentrations in some areas. Clearly this will depend on the wider incentivisation and local market dynamics of particular neighbourhoods and should be considered carefully in considering plans for mixing tenures locally.

Another inhibiting factor to the success of tenure diversification is community opposition. Kleinhans (2004) found that while residents favour social mix generally, they often do not want different tenures in their area, particularly if the area is already dominated by home ownership. Kleinhans (2004) also points out that a lack of 'social interaction' may not be of concern if the priority of tenure diversification is to restructure the housing market and provide opportunities for housing career mobility.

While recognising the benefits of mixed tenure there are a number of other factors that may contribute to sustainable communities including environmental layout, good liaison with other services/agencies and mixes of different dwelling types. These aspects are discussed later in this section.

Box 4: International policy approaches to mixed communities

A concern with concentrated deprivation and public housing have underpinned policy in the UK where the Mixed Communities and Housing Market Renewal programs have both been underpinned by academic research. Social housing and capital investment in the UK has been increasingly targeted at reducing concentrations of public housing, ensuring tenure and social diversity in new private development and the provision of high quality essential services for all new neighbourhoods by establishing aspirational 'floor target' outcomes.

The new British Prime Minister has also announced that there will be significant new investment in public housing. In the UK this has resulted in a target that areas should not contain more than 50 per cent social housing which highlights the kind of policy implications that stem from the assertion of these effects.

In the US the HOPE VI program has documented variable advantages stemming from a move by deprived residents from public housing areas to new, more socially diverse, neighbourhoods building on similar concerns. A key provision in the UK has been a national planning policy statement (PPS 3) which has set out provisions for local housing market profiles of need, socially diverse development and emphasis on family dwellings. Social diversity is now clearly at the heart of many policy initiatives and brings with it an array of assumptions about the benefits of neighbourhood social composition.

3.2 Encouraging social mix through sales programs within public estates

3.2.1 The evidence

The literature identifies a number of positive outcomes associated with achieving social mix through sales programs, both of public sector stock. In the Australian context such programs might be discounted because they self-evidently diminish the net levels of public stock provision. Yet in considering the local quality of particular areas there may be significant benefits to such programs were these to be offset by the provision of new capital investment in other locations.

Sales schemes have the benefit of being shown to improve the perceived value of the area and the existing housing stock (Randolph et al. 2004; Martin and Watkinson, 2003; 2007). Where this occurs such changes may also support the increased asset appreciation of public stock which may create further possibilities for leveraging finance for new development. A further immediate benefit may be that for certain neighbourhoods sales help facilitate a reduction in the density of public housing in an area (Randolph et al. 2004). Like tenure mixing programs, the use of sales has been shown to reduce the stigma associated with particular areas (Randolph et al. 2004; Martin and Watkinson 2003).

Sales may help to enable portfolio reconfiguration (Randolph et al. 2004; Martin and Watkinson 2003), especially in terms of stock that is perceived to be obsolete or with high maintenance costs. Clearly this may raise risks where such sales are made to marginal or over-stretched homeowners who may themselves present an unsustainable position in the area, or may be unable to maintain their investment thus leading to maintenance problems that impact negatively on the broader neighbourhood. Nevertheless, as with the initial conception of the British right to buy policy, restructuring the stock mix and location to match emerging patterns of demand can be achieved through sales as well as 'asset farming' wherein higher value stock is sold to generate revenue for new stock development (Randolph et al. 2004).

There are recorded positive social flow-on effects that result from homeownership (e.g. educational attainment, see Bramley and Karley 2005; 2007) and ownership does appear to have an additional, independent and positive impact on school

attainment. It appears to work both at a micro-neighbourhood and at a school level, although the additional school-level effect is not statistically robust in the secondary sector (Bramley and Karley 2007, p.718, see also Bramley and Karley 2005). It is not clear whether such effects could be anticipated in the Australian context.

Another benefit to sales policies is that areas will generally require less management which will in turn reduce budgetary pressure on SHAs (Martin and Watkinson, 2003; 2007). Estates that have been 'rebalanced' through selective sales (or other approaches such as selective market renting) can be expected to require less management in the longer run than when displaying more concentration of poverty and other social problems. Key savings can be expected from reduced void rent loss, reduced turnover and lower rent arrears (Martin and Watkinson 2003) as overall popularity of an area increases. Another side-effect of such policies appears to be reductions in crime because of the infrequency of voids in an area (Samuels et al. 2004) thus also leading to stronger market demand for the area and tenant satisfaction (Martin and Watkinson 2003).

Sales may also provide an alternative regeneration strategy to demolition (Martin and Watkinson 2007). Voluntary sales policies, provided they are matched by equivalent reinvestment, can be a method of relocating the mix and supply of affordable rented accommodation to meet current priorities. Where selective sales prevent the need for longer-term demolition, there is clearly a positive impact on supply (Martin and Watkinson 2007).

3.2.2 Policy notes and discussion

There are, however, some concerns with this approach, particularly that sales may represent a loss of public housing stock at a time when demand is extremely high (Atkinson and Kintrea 2000; Martin and Watkinson 2007). The key dangers of sales schemes is that receipts are not reused to provide new housing to offset stock losses. In addition there is the possibility that local communities see both tenure diversification and sales schemes as creating a pressure for gentrification and the possible further displacement of public housing stock.

In addition this approach appears to be successful only in those areas that are not already of very low demand: 'lessons from the case studies indicate that so long as the estate has not yet become desperately unpopular, then sales of voids can have a major beneficial impact on preventing further decline' (Martin and Watkinson 2003, p.17). If a key underlying cause of problems is poor housing management, or excessive anti-social behaviour by a few households, it is unlikely that selling properties to homeowners will significantly improve the situation (Martin and Watkinson 2007). Work in this area highlights a number of good policy elements:

- Sales should be part of a long-term regeneration strategy
- Sell houses rather than flats—houses are generally more popular than flats and occupiers feel more in control with maintenance issues
- Ensure that properties sold are in good condition to prevent future problems of disrepair if the new owners are unable to afford major works
- Use professionals to sell properties—few social housing managers have the specialist skills to handle open market sales, and using professional estate agents assists in raising the profile and sales price
- Use covenants to prevent unintended tenurial outcomes (e.g. sub-letting)—to avoid the problems of irresponsible private landlords purchasing and reletting either to the same disadvantaged groups at higher rents or to antisocial

households evicted from neighbouring properties (Martin and Watkinson 2003; 2007)

As Randolph et al. (2004) explain: 'The focus on sales, in the first instance, therefore appears to be predominately in order to realise land values, to improve the valuations of the remaining stock, to reduce densities of public housing and to implement policies which sought to "normalise" the tenure mix in public housing estates, often associated with explicit targets to which the stock would be reduced in an area.' In the case of the Joseph Rowntree sales scheme in York (SAVE—Sales of Alternate Vacants on Estates, since 1997), the landlord selected properties to be offered for sale, thereby maintaining a balance of social mix and dwelling type for each tenure. The scheme also maintained a buy-back clause to reacquire the property later if this seemed appropriate in order to restore some degree of further balance.

As with tenure diversification strategies there may be the benefit of a positive effect on the reputation of an area. There are also significant financial savings for the landlord from reduced void rent loss, reduced arrears and lower turnover leading to lower management costs and reduced maintenance and security costs. Nevertheless, it is also important to consider the kind of critique that has emerged in Australia in relation to sales of dwellings in areas being regenerated and which suggests that maintaining a clear strategic vision that does not contribute still further to the problems of particular communities:

tensions emerge between meeting housing authorities' social mix objectives that dismantle existing communities and other regeneration goals to improve community integration and self-reliance. In circumstances where positive and cohesive community networks already exist, there are convincing arguments for retaining communities rather than undertaking large-scale changes to social mix. These collective support structures need to be taken into account, rather than being undermined, as the latter is often the case in regeneration policy (Arthurson, 2002, p.254).

Box 5: Exclusionary Impacts of Modifying Social Mix

The four major impacts arising from varying social mix on the estates relate to: First, the supply of public housing stock; second, the effects on existing estate communities; third, questions about moving disadvantaged tenants around rather than addressing the sources of problems; and finally, which community regeneration is targeted to assist. Do tenants benefit from sales of public housing for home ownership in estate regeneration? Overall, home purchase is unlikely to be an option for the 95 per cent of public tenants nationally who are defined as being in need of housing assistance. At Inala in Queensland, for every three public housing sales in regeneration only one replacement can be purchased elsewhere. A contradiction exists in that implementation of social mix policies assumes that high concentrations of public housing and cohesive or inclusive communities are mutually exclusive factors (Arthurson 2002)

3.2.3 Case examples

Sales policies have been actively pursued in a number of States. These include, for example, the New Living Program being undertaken by the Ministry of Housing in Western Australia, HomesWest in Sydney, the various Urban Improvement Programs undertaken by the South Australian Housing Trust (SAHT) and initiatives such as the Inala and Leichhardt Urban Renewal projects by the Queensland Department of Housing (Queensland DoH). In New South Wales, considerable activity has been undertaken as part of the Neighbourhood Improvement Program which ran from 1995 to 1999 to bring forward stock sales in key estates (Randolph et al. 2004), although

here, as in Victoria, large scale stock disposal is only now being actively pursued as part of estate redevelopment strategies (Randolph et al. 2004).

Box 6: Western Australia, Department of Housing and Works: New Living Program

Initiated in 1995, the Western Australian Department of Housing and Works 'New Living' Program seeks to create social mix through refurbishing properties and offering them for sale to existing tenants and members of the public. Through this program tenants can purchase their renovated homes, continue renting or relocate to other areas. By doing this the Department argues that entire neighbourhoods gain as property values rise, jobs are created and old public housing areas are transformed. The program aims to reduce the presence of public housing to 12 per cent. The Program has reduced concentrations of public housing and altered local social mix. The Department has suggested that there have also been benefits in the form of reduced crime rates in the redeveloped areas'. The Department also identified that funding had not been an issue because the Program was operated in joint venture with private sector partners that have funded the redevelopment and refurbishment work.

Box 7: Queensland, Department of Housing: Sales to Tenants

The Queensland Department of Housing identified that sales to tenants have been another important way in which has sought to achieve a pathway out of social housing for tenants and to diversify public housing areas by introducing homeowners into estates with a large proportion of public housing stock.

3.3 Achieving social mix through allocations policies

3.3.1 The evidence

Research in the 1980s concerning allocation outcomes demonstrated that allocation processes tended to concentrate the most disadvantaged people in the least popular places (e.g., Henderson and Karn 1985; Clapham and Kintrea 1986). As Pawson and Kintrea (2002) identified, the allocation policies of social housing authorities contributed to social exclusion and the concentration of disadvantage in three ways:

First, a large proportion of social landlords restrict eligibility for social housing thereby contributing directly to exclusion. Second, mechanisms within allocation systems continue to segregate the most excluded to the worst residential areas. Third, through the 1990s allocation policies became increasingly coercive, so reducing or eliminating tenant choice over their own housing in distinct contrast to the choice that is available in the private market.

Whilst such outcomes are a product of budgetary constraints on SHAs and the behaviours of individuals, social landlords can take some steps that would create the conditions which are conducive to the development of supportive communities. The literature identified that an alternative approach to this problem in how allocations can be made through introducing 'community', 'sensitive' and 'choice-based' lettings.

Community lettings strategies typically seek to influence the social or demographic composition of the population in particular areas by discouraging or preventing lets to certain groups while encouraging lets to other groups (Griffiths et al. 1996). Mostly, landlords are attempting to avoid concentrations of young single people or the creation of high child densities. At their most sophisticated, such approaches use an 'estate profiling' method to determine specific local targets for lettings to certain types of households (Cole et al. 2001).

Closely related to community lettings are 'sensitive lettings', which involve bypassing applicants at the head of a waiting list in order to take into account applicant and area characteristics (e.g. avoiding placing vulnerable people in high-crime areas). Sensitive lettings may offer a practical approach to attempting to balance communities (or at

least seeking to circumvent major problems for individual applicants or their would-be neighbours) but run the risk of excluding the individual, and perhaps heightening the social exclusion of some individuals, for the benefit of the community. They also run counter to the prevailing ethos that officer discretion should be minimised in order to reduce the risk of unfair discrimination (Pawson and Kintrea 2002).

Choice-based lettings introduce a level of choice for the tenant, while the above are about the social housing provider making locational choices on behalf of the tenant. Choice-based lettings involve allowing the tenant to identify (within the capacity of the provider) their preferred location and making a housing choice from a limited range. Such approaches have been found to be quite successful in terms of achieving higher client satisfaction and reducing turnover in an area. For example (Cheshire, 2007, p.35) identified that when tenants had 'choice in where they currently live, the evidence of their location shows they value other things more'.

A corollary of these lettings approaches is that they may result in social housing requiring lower levels of intervention and management, compared to the high management costs of dealing with concentrated deprivation and stress on service providers (Cole and Goodchild 2000; Goodchild and Cole 2001).

3.3.2 Case example

Box 8: Australian Capital Territory, Department of Disability, Housing and Community Services: Allocations

The ACT has recently reformed their allocations system making it more targeted and employing a multi-disciplinary panel (i.e. including those from health and community services as well as experts from the housing field) to assess the applications. The goal was to ensure that those in the top segment of the waiting list (i.e. those most in need) were housed within 90 days. The new system has an 85 per cent success rate in achieving this target. To improve the waiting list length, the list is also reviewed more regularly to remove redundant applications. These changes have resulted in the waiting list being reduced by almost two thirds from 3000 applications 2 years ago to 1300 today. The ACT is also beginning to trial 'choice-based lettings' in certain instances where tenants are presented with a number of housing options in different locations—this is hoped to encourage more stable tenancies.

3.4 Achieving social diversity through the dispersal of poverty

3.4.1 The evidence

Another approach to poverty deconcentration has proved popular in the US. This involves the movement of poor households from public housing areas. The most obvious initial problem to such programs is that the result is to leave areas of poverty concentration behind those who move away. While there may be some merit to the idea that these poverty neighbourhoods are seen as escalators upward for those who might do well, the overall rationale seems highly questionable. In the context of Australian public housing, which is already a very small sector by international standards, such a program seems to offer little in the way of effective resolution, particularly given that more affluent areas may find such programs problematic if they were pursued at any significant scale. It is also unclear what would happen to the remaining neighbourhoods and whose sustainability would inevitably be compromised.

Some benefits have been attributed to dispersal programs. They have been found to be more effective than policies that seek to 'dilute' concentrations of disadvantage. Kearns and Mason (2007, p.687) found that: 'the examination of residents in

contrasting circumstances offers more support for dispersal policies than for dilution policies, since social renters appear to gain a great deal in neighbourhood environment terms from living in areas of high owner occupation, where as owner occupiers appear to have a lot to lose from living in areas with an above-average proportion of social renting'. To some extent such programs may also be more manageable for implementation since they are addressed through income transfers, rather than the building and management of housing stock. For the movers themselves, as with the Gautreaux beneficiaries, it is also suggested that the result is life in increased diversity and greater economic independence. It is important to note that counselling has been seen to improve these outcomes to assist in 'dispersal' of recipients (Galster and Zobel 1998).

3.4.2 Policy notes and discussion

In an Australian study of such programs such positive effects were not found (Samuels et al. 2004) and 'there is precious little evidence to justify housing dispersal programmes ... on grounds of social efficiency' (Galster and Zobel 1998, p.607). In addition, low-income renters tend to make the least favourable moves (De Souza Briggs 2004). Meen et al. (2005) also note that where ties with local family and friends are very strong, there is a disincentive to move. Most household moves in England, for example, are only over very short distances in order to avoid disrupting these ties. There is also anecdotal evidence to suggest that households are not prepared to move away from deprived areas, even if given the opportunity to do so, because they do not wish to lose the support (and sometimes security) provided by their local social networks.

Minton (2002) has argued that dispersal programs lead to the further residualisation of the remaining stock and estate areas leaving deprived areas even worse off than they were before. There is also the issue of opposition by 'receiving' communities (Galster and Zobel 1998; Randolph et al. 2004). This issue is likely to become more important for mixed tenure estates. The related problem of 'dumping' disruptive tenants from renewal estates in other public housing areas not currently undergoing renewal has also been raised (Randolph et al. 2004). Galster and Zobel further note the 'main source of opposition has come from middle-class communities who fear an upsurge of social problems and erosion of overall quality of life as the result of relocating poor families into their midst' (1998, p.607). There is little reason to believe that the Australian context and NIMBY attitudes would be significantly different.

3.4.3 Case example

Box 9: Estate remodelling and sales in NSW

The Departments of Planning and Housing have worked jointly on projects in West Dubbo, Mount Druitt, and regional NSW through selective demolition, sales and tenant transfers. A strategic planning approach has been used to how to moderate concentrations and improve areas through better social mix and design. The Departments see an opportunity for areas of public housing to include more 'yield'—to contain more social mix or private housing with a view to creating more sustainable neighbourhoods as well as hoping to provide more public housing. In more affluent areas strategic plans have been used to hold onto existing hostels and multi-occupation dwellings in central urban areas or to seek contributions for affordable housing in other places where these units are lost. A key difficulty has been to encourage new development that contains public housing and the housing department has struggled, like other SHAs to sustain what it already has. In Dubbo a sales scheme has been instituted with some properties being repaired and sold with the aim that greater social mix might help to improve levels of internal deprivation.

3.5 Asset improvement and demolition

3.5.1 The evidence

A clear option, but one that requires resources, is to invest in and improve public housing assets and neighbourhoods to make them more liveable and functional for residents. This helps to improve the value of existing stock without building anew, facilitates other social mix policy approaches by making homes more attractive for sale, and helps with major repairs backlogs through renewal work (Randolph et al. 2004).

Demolition, as mentioned in the section on 'sales', is potentially problematic because of its impact on the overall supply of public housing if it is not offset by new dwellings. However, it can be a preferred approach if the stigma or ASB problems associated with a particular area are deeply entrenched. Demolition also enables stock reconfiguration and enables social housing providers to better respond to diverse needs and introduce social diversity into an area. It may also help to facilitate the deconcentration of public housing stock in an area. Both asset improvement and demolition may contribute to improving local amenity and landscaping (Randolph et al. 2004).

Limitations of demolition may include a loss of public housing and subsequent repercussions on the housing waiting list for those in housing need (Randolph et al. 2004). Randolph et al. (2004) also note that some tenants were dissatisfied about the level of effective participation in estate renewal programs, especially in terms of the decisions about their homes and neighbourhood. In this study reductions in crime and anti-social behaviour were perceived to have occurred by tenants. Improvements to local shops in one estate had occurred, but this was part of an integrated local renewal strategy rather than a spontaneous response to the renewal itself. The impact on locally provided welfare and social services was unclear, although there were concerns that the drop in client base would make locally-based service providers unviable in the future (Randolph et al. 2004).

3.5.2 New public housing investment

Public housing remains important as a tool for addressing concentrations of disadvantage because it can be used as a policy tool in ways that that private supply of housing and forms of tenure cannot (Nixon et al. 2003). Yet there is a critical need to consider the location of existing housing and that of new development in relation to social and economic opportunities. On this theme several researchers have argued that even where there is an observed need this should not necessarily mean that more social housing is built in deprived areas. As Meen et al. (2005) show, most new social house building takes place in areas where the social stock is already the largest, thus concentrating deprivation further. Similarly, Atkinson and Kintrea (2005) note that social housing providers should 'consider directing spending on social housing ... away from regeneration areas, except where it is part of genuinely socially mixed development, where social housing is in the minority'. For example in the period 2001–02 in Scotland, 44 per cent of expenditure on housing capital works by housing associations was made in Social Inclusion Partnership areas which almost without exception, are dominated by social rented housing. In cities this rises to 63 per cent and in other urban areas to 48 per cent.

3.5.3 Case examples

Box 10: Queensland, Department of Housing: One Social Housing System

Social mix approaches have been part of the Queensland Department of Housing's, 'One Social Housing System' strategy. Specifically, the Urban Renewal Program (URP), established in 1994, seeks to physically revitalise and diversify the tenure of large public housing estates. The program has been implemented in 14 areas across Queensland since being established. There were three main goals associated with the Queensland Department of Housing's URP:

1. Transform the targeted areas into attractive neighbourhoods that offer an improved quality of life for current and future residents;
2. Improve the remaining useful life and annual maintenance burden associated with public housing in the renewal areas; and,
3. Create stronger property markets in the urban renewal areas in order to improve the value of the Department's portfolio and reduce portfolio risk.

The program employed a combination of upgrading to existing public housing, small-scale building of new, more diverse stock and selected sales in the urban renewal areas to meet these goals. An evaluation of the program was completed in 2006. The overall finding of the evaluation is that the URP has been successful to varying degrees in regards to all the set objectives of the program. In particular, the URP has been effective in addressing asset management issues and the individual property and portfolio levels and, to a lesser extent, in contributing to community wellbeing and quality of life outcomes for public housing tenants.

Box 11: South Australia, Housing SA: Urban Renewal

Urban renewal programs have been implemented in South Australia. These programs are targeted to specific areas based on socioeconomic characteristics, proportion of public housing of total stock, age and quality of public housing stock. In the interview it was identified that URP are often used in conjunction with asset management plans, however, this has been under some pressure with scheduled sales brought forward to service SHA debt.

3.6 Housing design and development layouts

3.6.1 The evidence

In both new and existing developments, housing design and layout can have an ongoing impact on the sustainability of socially mixed areas. To take one key example, adequate soundproofing of homes can have an important impact on the future frequency of noise problems. How social and affordable housing is provided in an area is also important to the sustainability of a community. British authors in particular support more 'pepper potting' of tenure because of evidence that neighbourhoods remain or become more segmented despite tenure diversification policies (Kleinhans 2004).

Diversity of housing design in an area is not necessarily an important feature of a successful community. As Musterd and Andersson (2005) report: 'In this study, it has been shown that the association between housing mix and social mix is not very strong... Actually, most of the areas that are homogenous in terms of housing structure are far from the most problematic areas ... Many of these areas turn out to be the areas in which the better off are living' (p.786).

Social mixing and social interaction cannot necessarily be determined by physical means within the context of a residential development, but it can be facilitated. The sharing of streets, cycleways and footpaths provide places in which residents may form contacts with each other. This implies both that identifiable streets and spaces are available and that they are sufficiently safe and attractive to encourage residents to use them (Bailey et al. 2007, p.50). Nevertheless, this kind of mixing is in fact a

relatively insignificant explanation of neighbourhood satisfaction; that is, it is more to do with environmental quality, privacy and perceived safety (Kleinhans 2004).

Work by Bailey et al. (2007) has stressed the need and use of non-housing facilities in creating more sustainable mixed-tenure development. They argue the need for effective transportation and pedestrian links, community halls, shops, green spaces, schools, recreation spaces and facilities (e.g. playgrounds, swimming pools, sporting fields, clubs etc.). In addition, they highlight certain characteristics of development that more effectively supports social interaction and feelings of security. These include:

- Clearly identifiable streets and public spaces
- Streets designed to encourage pedestrians
- Connected streets with short, direct routes
- Streets that are attractive and safe to use at night
- Continuous frontages with few blank walls
- Fronts of buildings facing streets, backs facing private courtyards and private areas
- Buildings that provide a sense of enclosure
- Well-defined entrances onto streets at frequent intervals
- Streets that encourage safe vehicle use
- Clear differentiation of fronts and backs of buildings (Bailey et al. 2007).

3.6.2 Policy notes and discussion

The work by Bailey et al. (2007) is instructive in thinking through how design and layout can be used to ensure longer-term sustainability, in areas where sales or tenure diversification are applied, or in new development. To ensure that adequate interaction and social cohesion is developed they develop extensive lists of principles and ideas including:

- Mix of uses and integration of scheme into wider neighbourhood
- Even mix of housing types and sizes between tenures
- Social rented housing evenly dispersed through development
- Careful integration of different densities
- Shared streets and public spaces for near neighbours from different tenures
- High-quality public realm with continuous building frontages
- Attractive landscape and green spaces
- Walking and cycling encouraged
- Shared children's play areas
- Shared parking areas between tenures
- Consistent architecture and design across tenures (Bailey et al. 2007).

The team also identify areas that serve only to discourage integration:

- Segregation of scheme from wider development
- Social rented housing grouped together
- Different dwelling types grouped together

- Separation of housing types and sizes into different tenures
- Separate route system for different tenures
- Separate play areas, parking
- Poor design and maintenance
- Lack of resident empowerment (Bailey et al. 2007).

Box 12: Case example: Victoria, Office of Housing: Flexible rents

At the time of conducting the interview the Victorian Office of Housing was due to implement a 'fixed rental' period as a means of removing the employment disincentives associated with public housing and the automatic increase in rents tenants usually experience if they obtain employment. The Victorian Office of Housing intended to apply a type of 'amnesty' on rent rises for 26 weeks after a tenant obtains employment. This also has the additional saving of reducing the administrative costs associated with backdating rental increases and chasing tenants for the rent owed.

3.7 Strategic planning issues: Connecting social housing to opportunities

3.7.1 The evidence

It is worth commenting on the need for planning approaches in housing provision and social deprivation concentration. There is a clear need to ensure the spatial targeting of policies so that areas of spatial disadvantage are managed effectively. Quercia and Galster (2000, p.157) observe 'the need for initiatives to be spatially targeted ... Programmatic resources will not achieve the maximum positive social impacts if they are widely scattered across neighbourhoods; rather, they must be targeted strategically'. Similarly, Meen et al. (2005) argue that 'incentives should be targeted on those most likely to move into the area, that is the young and highly skilled without children. The probability of attracting back older households who have already left urban areas is much lower, at least up to retirement age'. They also point out that local authorities need to decide whether to retain the 'newcomers' at a later stage of their life cycles or accept their loss and target the next cohort of the young. Aiming for younger groups will entail the provision of high-quality schools and other elements of infrastructure to retain such migrants.

This work suggests that the Federal Government needs to intervene at the State and local scales of government to provide over-arching guidelines on planning and social mix and in working with the States to direct education and health service spending so that this meets wider objectives in relation to neighbourhoods that are less popular. In other words, it is important that services are brought to deprived locations where possible so that their spatial disadvantage is reduced and their broader amenities improved. It is clear that research in this area supports such approaches and that these have been effective in practice.

A further essential feature for deprived neighbourhoods is the need for these spaces to be 'permeable' by supporting the co-location of transport to enable labour market opportunities to be realised (Atkinson and Kintrea 2005). In other cases, existing bus routes, for example, can be re-worked in order to ensure cross-town routes or the incorporation of key employment centres linked to the skill sets of existing or desired residents. As Musterd and Andersson (2005, p.786) warn 'Societies, cities and neighbourhoods are all interrelated systems, and policy responses to neighbourhood problems, therefore, should take these various responses into account simultaneously'.

3.7.2 Case example

Box 13: Queensland, Department of Housing: Community Renewal

Queensland's Community Renewal Program is a 'whole of government' response targeting areas of high locational disadvantage. Local plans are developed and implemented to address specific objectives identified through collaboration with residents, community organisations, local government, other State and Australian Government agencies and local business. Renewal areas are selected on the basis of their relative need on a range of socioeconomic indicators. Examples of Community Renewal assistance include skills development, improved access to employment and community services, improved community safety, improved community facilities and activities to build community pride and capacity.

3.8 Working with private developers to increase public housing supply

3.8.1 The evidence

The literature identifies two roles for private sector: regenerating already existing areas, and making social mix a feature of new developments. It is also important to integrate principles of social mix into the planning and design of future housing and residential areas. As Meen et al. (2005) explain, 'a planning system which encourages social mix, is the other key weapon in the policy armoury necessary for the creation of balanced communities'. Such approaches have not been used with any great vigour in Australia for a variety of reasons. However, this approach is one of the most important means by which more sustainable communities and social housing supply are being effected in Western Europe. It would seem to be an important potential tool for much more widespread use in this context.

Box 14: Planning gain and social housing

A number of mechanisms have been used through planning systems to encourage greater social diversity. Some systems are quite prescriptive in their use of these measures. In Holland, VINEX areas are locations earmarked for new housing, 30 per cent of which must be affordable. In Ireland new 'set aside' policies stipulate that 20 per cent of all new development must be set aside for affordable housing while 'inclusionary zoning'. In the UK the system is known as planning gain and the thresholds for affordable housing are normally set at around 25 per cent, with the exception of London where the percentage is being raised to between 30 per cent to 50 per cent.

Successful mixed communities are able to attract a diversity of household because of the quality of housing designs and the amenity of the locality. Design and layout principles, like those mentioned earlier, have ensured that any increase in the supply of public housing in these locations is not visible in the built environment so that these areas remain attractive to a broad range of households.

3.8.2 Policy notes and discussion

Meen et al. argue that for effective regeneration to occur, neighbourhoods need to be helped to reach a 'take-off point' (another example of the idea of the threshold effect), whereby private sector support is facilitated by focusing on reducing deprivation and unemployment. Since there is only a limited amount local authorities can do in this respect we are led back to national-level approaches wherein poverty reduction needs to be targeted by national, regional approaches to local economies and improvements in the local skills base (Meen et al. 2005).

Research evidence from the UK in particular highlights that private developers are not opposed to mixed estates or working with social housing landlords. Rowlands, Murie and Tice (2006) have shown that developers are often blind to private owning

outcomes and that the precise social mix that emerges is not directly attributable to the tenure mix, but rather to a combination of factors that determine the role and position of the estate in the local and sub-regional housing market. These factors include tenure, dwelling type and dwelling size, but also include location and comparative advantage related to the rest of the market. In line with earlier comments about the complexity of specific neighbourhood contexts and outcomes Rowlands, Murie and Tice (2006) show that similar estate design formulas parachuted into different market contexts produce different outcomes and dynamics (p.71).

However, the present system encourages a trade-off between affordable housing units and housing densities which often results in an imbalance between larger social rented family houses and smaller apartments designed for sale:

‘Our conclusion from the evidence of this research is that there is no over-riding problem in developing mixed-tenure estates and that the concern about the attitude of developers or the impact of tenure mix on saleability or property values is not the central issue in this debate’ (Rowlands, Murie and Tice 2006, p.71).

In their report on developer and purchaser attitudes to mixed tenure estates in the UK Rowlands, Murie and Tice (2006) argued that if governments were to achieve their vision of sustainable communities, new mechanisms would be required to ensure that new estates met housing needs and offered the opportunity for social mix. This would involve:

- Planning with the detail needed to steer development and sustain social mix, including: quality of design, size and type of properties and estate management.
- Effective governance structures for these estates. Agreement and managements.
- Long-term planning of estates.

3.8.3 Case examples

Box 15: South Australia, Planning SA

In March 2005 the South Australian Government adopted a target for all new significant development to include 15 per cent affordable housing, within that target 5 per cent (or one-third) was to consist of high-need housing.

Box 16: Australian Capital Territory, Government

There has been an increased focus in recent years on the role of planning and addressing the problem of housing affordability. In April 2007 the ACT released its ‘Affordable Housing Action Plan’. As part of this plan the ACT Government introduced a requirement that 15 per cent of the blocks released each year in new housing estates were ‘affordable’ (this was defined as house and land packages priced between \$200-300,000).

3.9 Sustaining mixed-income areas

3.9.1 The evidence

Creating socially-diverse areas with households on some viable range of incomes is the starting point for most attempts at some vision of regeneration. Yet this is only the start of a broader development and planning process. While in many ways neighbourhoods are self-governing entities, it is important to recognise that public sector intervention and maintenance are implicated in any longer-term solution to issues of poverty concentration and that management approaches to new, mixed-tenure and mixed-income areas are an essential aspect of planning. This is important both in order to maintain a certain standard of living in these neighbourhoods and suburbs, but also to ensure that social diversity is maintained over time – by

preventing either lower-income units being lost, or through the exit of higher-income households over time:

In aiming for sustainable mixed communities this suggests that projects should be large-scale: 'well-planned, durable and large-scale interventions are required to have the kinds of impacts we have seen. The interventions have to be large enough to allow areas to reach a take-off point' (Meen et al. 2005: 32).

- Maintaining mixed income areas can more successfully be achieved by thinking through a number of essential issues
- Projects should pay attention to the temporal and group dynamics of an area to understand how neighbourhood processes operate (Meen et al. 2005)
- Responsibilities and a lead organisation should be identified to avoid conflicts and a management organisation should have a local presence in the form of a neighbourhood office easily accessible and known to residents
- It is important to involve people from all sectors in management decisions
- Repurchasing of properties can be carried out to adjust tenure mix over time
- The management organisation should have responsibility for the housing and public amenity space to avoid dual standards in maintenance
- Management systems should be put in place to address problems with local services where these might impact on housing quality (e.g. schools or health services)
- Residents should be made aware of covenants and tenancy agreements before they become tenants OR owners
- Lettings should be reviewed to assess whether they promote the broader vision of the development e.g. enabling households to move to a larger or smaller property within the development
- Service charges should be affordable and evenly distributed between tenures
- There should be a clear strategy for tackling anti-social behaviour and low-level crime (Bailey et al. 2007, see also Berube 2005).

4 IMPLICATIONS FOR PRACTICE

In line with the preceding section two key areas in which social concentration effects provide challenges, particularly in relation to public housing management, are outlined. Much of this suggests, inevitably, the need for effective partnership working between a variety of agencies. Where the preceding section identified areas for policy development and the strategic issues raised by concentrations of low-income households, here the emphasis is on the lower resource practice responses that these issues raise. A potentially generalist account of housing management and officer practice is avoided here and, instead, the focus is on the specific issues raised by practice in larger areas of public housing and with significant levels of poverty and social distress.

4.1 Partnership working to address concentration effects: Crime and anti-social behaviour

4.1.1 *The evidence*

All of the SHAs interviewed identified the importance of partnerships in the delivery of public housing. As several departments alluded, inter-departmental cooperation was seen as essential if SHAs are to provide effective support programs for tenants, particularly for those with complex needs or having difficulties in maintaining their tenancies. Hence there is a need for 'joined-up' government approaches to supporting and maintaining tenants in their housing. Memorandums of Understanding (MOU) are a popular means of establishing and formalising such partnerships with a number of SHAs implementing these. However, some SHAs also noted that a major barrier to establishing and sustaining effective partnerships in service delivery was the different regional geographies used for administration purposes between government departments and NGOs.

A key area where partnerships have been used is in relation to crime and anti-social behaviour. While these are not issues that are confined to areas of public housing as Samuels et al. have found, it tends to be both higher and for residents of such areas to experience higher rates of victimisation. Crime is a major concern of residents living in high concentrations of public housing, with young males in particular a major factor in crime (Samuels et al. 2004). This study found that on several Australian public housing estates:

1. Crime was both endemic (widespread) and recurrent (concentrated at hotspots)
2. Crime was strongly associated with public housing concentrations
3. Crime was evident in adjacent areas of private ownership as well, and hotspots occur there too, although to a conspicuously lower degree (Samuels et al. 2004).

The results of this work showed that social and partnership interventions were the most effective in tackling these problems, rather than particular physical and design changes. Samuels stresses the need for whole-of-government strategies and intensive inter-agency collaborations to create contexts within which these interventions succeed. They stress that sensitive housing management and non-traditional' community policing interventions at the neighbourhood level seemed effective in reducing crime (see also the following section on caretakers and wardens).

A number of linkages between housing and crime are identified in the Samuels research. These include the links between design features of public housing and poor 'defensible space' that inhibit monitoring and other crime prevention activities by tenants. In addition, public housing allocation mechanisms may result in individuals with a predisposition to engage in crime being concentrated in particular estates. It is also possible that self-selection processes operate whereby individuals willing to living in crime prone estates are also predisposed to engage in crime.

In work by Bridge et al. (2003) they also argue that there was some evidence that sense of community or its lack might be partly responsible for crime problems. Again design may feature in these issues whereby certain designs may limit community interaction. In addition, allocation policies may result in individuals without a sense of community responsibility being concentrated in a neighbourhood. In both cases the central message is that effective partnership working, between agencies and with communities, is more likely to engage and lead to more positive outcomes for communities—memorandums of understanding between housing and police agencies are seen to be at the core in the Samuels et al. work (2004):

This more holistic approach reflects the growing recognition of the importance of whole-of-government approaches to addressing problems of spatially concentrated disadvantage and crime. All but one area had some degree of community consultation and participation process involving housing management and tenant groups. While police engaged with the local community at some level in all study areas, those with falling crime tend to have strong community partnerships in place. This might include a visible local police presence (shop front, or street beat) and/or a range of community-involving strategies (safety audits, crime prevention education, graffiti management, and liaison with multi-cultural elders), and early intervention programs (Samuels et al. 2004).

In an analysis of the international literature on the linkages between poverty areas and crime (Atkinson 2005), in fact the social composition of areas was only seen to have a small effect on individual delinquent behaviour (interpersonal aggression, theft and vandalism and drug involvement). While in what were termed socially-disorganised areas researchers found more negative peer influence and less commitment to school for males, but higher rates of property crime were also found for males living in more affluent areas, an effect that was present regardless of the age, race or socioeconomic status of the respondents. In work by Oetting et al. (1998) diverse communities were seen to have generally low levels of deviance if the various groups in the locality had strong sanctions against deviance. Sampson and Groves' work in the UK (1989) showed that high rates of deviant behaviour were associated with low economic status, ethnic heterogeneity and high population turnover.

4.1.2 Policy notes and discussion

A number of policy implications emerge from these studies. First, there is support and apparent effectiveness for integrated, multi-agency approaches to crime reduction in areas that experience higher crime rates, often areas of concentrated public housing. While design, layout and physical issues still appear to have some influence over the effectiveness and propensity of communities to be engaged and to help reduce disorder it would seem that social interventions and partnerships are more effective in relation to issues of anti-social and criminal behaviour. All of this suggests that, in line with Meen et al.'s comments (2005) in relation to achieving some kind of take-off point, that community renewal needs to be firmly attached to effective strategies in relation to crime and disorder that are significantly off-putting to potential new residents. In short, if greater social diversity is seen as a key goal for the remaking

and improvement of neighbourhoods, then work on these issues is core to broader success. In addition, success clearly requires effective multi-agency working, both 'horizontally', between state and other similar bodies, and 'vertically', between engaged communities and these agencies.

Returning to issues of allocation, writers like Samuels argue that such policies need to be reviewed in light of the tendency for the concentration of socio-spatial disadvantage which may itself lead to concomitantly higher levels of crime than would be experienced were such disadvantage to be thinned out through the housing system.

4.1.3 Case example: Partnership working

Box 17: Department of Housing, Queensland: Partnership working

A number of formal and informal partnerships have been developed between the Queensland Department of Housing and other government and community agencies, which provide a framework for: improved communication and knowledge transfer; reducing barriers and gaps in access to services; and enhancing flexibility and responsiveness to clients. Formal agreements include Memorandum of Understandings (MOU) with Disability Services Queensland, Queensland Department of Health, Queensland Department of Child Safety and Queensland Corrective Services.

Box 18: Department of Housing and Works, Western Australia: Practical Support

The Department provides an 'In-Home Practical Support Program', which is designed to improve the sustainability and longevity of Indigenous housing in remote and regional areas by developing the home-living skills of Aboriginal people participating in the program. The program is administered and delivered by local Aboriginal people. The IHPSP connects with other programs and services to deliver a joined-up approach to address environmental health, community development and social issues.

4.2 Effective caretaking approaches

4.2.1 The evidence

In line with some of the key messages from the preceding section it is important to find ways of co-locating authority figures and those with some responsibility in particular neighbourhoods. Work by researchers like Jupp (1999) and the general approach of the UK Blair Government have been strongly supportive of the role of a variety of local intermediaries, such as caretakers, wardens, posties and so on. In line with a broader attempt at engaging communities and to providing greater support and responsiveness to problems as they emerge these ideas have significant appeal. To highlight that there are both people who care and who are potentially in charge the UK neighbourhood wardens scheme has been lauded both by communities and policy-makers as a means of building the capacity of communities who may be significantly concerned about getting involved in local problems. Importantly such interventions are geared at a wide range of neighbourhood management issues such as graffiti control, refuse collection and the control of unruly behaviour (in the case of wardens, see below). As Jupp, Sainsbury and Akers-Douglas argue:

The policy agenda for mixed tenure estates is to develop the positive features of community – trust, common standards of public behaviour and collective action – while recognising that most people's social networks lie beyond the estate potential lies with people and institutions who straddle the informal–official divide. Community workers, wardens, senior caretakers and community police who are rooted in local conditions but also bring some external authority are examples of that principle (Jupp, Sainsbury and Akers-Douglas 1999: 12).

4.2.2 Case example

Box 19: What are Neighbourhood Wardens?

Neighbourhood wardens provide a highly visible, uniformed, semi-official presence in residential and public areas, town centres and high-crime areas with the aim of reducing crime and fear of crime; deterring anti-social behaviour; fostering social inclusion and caring for the environment. Their overall purpose is to improve quality of life and contribute to the regeneration of an area. The wardens have a number of roles depending on local needs, such as:

- Promoting community safety and assisting with environmental improvements, such as litter, graffiti, dog fouling and housing.
- They also contribute to community development and provide a link between local residents, key agencies such as the local authority and the police.
- Wardens engage well with local residents. For example many schemes have organised 'litter picks' with young people, helped set up football teams and visited schools. Wardens are providing an information service to the public. Many are escorting and providing a visiting service for vulnerable groups such as the elderly, the disabled and victims of crime.

From: DCLG website

5 CONCLUSIONS

This report has considered whether poverty and other forms of social concentration are associated with problematic household and community outcomes, as well as the policy responses that stem from these issues. The fundamental areas of concern in this respect relate to low incomes and housing tenure as the primary areas where responses might be directed in the Australian context.

Area effects appear to be significant for low-income residents, this is particularly the case in public housing areas, for a number of reasons. First, the concentration of low-income residents in these areas means that life tends to be lived side-by-side with others who have few resources. This has led to the stigmatisation of these neighbourhoods (as well as areas of low-income private sector housing). Second, the concentration of low-income residents in such neighbourhoods places additional strains on essential services which means that residents may be further excluded from, or ineffectively treated by, these services. Third, the spatial disadvantage of areas of public housing may be expressed in their general isolation from key sites of opportunity, including places of work.

The evidence of recent research suggests that area effects are important and have implications for effective policy-making. One of the most recent substantial contributions in this area has been the special issue of *Housing Studies* on *Frontiers of Quantifying Neighbourhood Effects* (Issue 5, 2007). Blasius, Friedrichs and Galster (2007) summarise the work contained in this volume as follows:

1. Household mix of neighbourhoods matters, yet policies need to be designed which consider which aspects of mix (such as tenure, income, age and so on) are to be focused on.
2. There is often a mismatch between administratively defined areas which are often quite large since such neighbourhoods often already have significant levels of mix. A key message here is that many of the key effects of social concentration relate to smaller spatial scales so policies need to be 'finely grained' in focus.
3. Most importantly, mix per se is less important than the absolute proportion of particular disadvantaged groups. The implication of this for Blasius, Friedrichs and Galster is, in fact, that policies of deconcentration and dispersal of poorer households may be more important than diluting areas of deprivation with a few upper-income homeowners.

Blasius, Friedrichs and Galster's conclusions are also important in highlighting the need for attention to national contexts where different kinds of contexts, welfare arrangements and concerns with relative social equality will vary considerably, and whereby particular policies will clearly be influenced by their bedding down in particular localities.

All of these factors contribute to a considerable challenge for policy and this relates to the way in which poverty, when concentrated in small areas, may have additional and compounding effects, compared with those effects for low-income residents living in more socially-diverse areas. The challenge for public policy is to know where and how it can be effective in assisting the creation of better neighbourhoods and in better outcomes for residents more generally. In relation to housing policy there are certain kinds of concentration effects, such as service and amenity effects, that would be difficult to directly challenge from this policy domain. Area effects imply a variety of such responses and the linking of public services and agencies in order to tackle problematic community outcomes.

5.1 Principles for effective policy intervention

The implications of concentrated poverty and public housing for policy and practice have been discussed with a series of underlying principles in mind. Notably, that systemic social and economic inequalities have become more spatially concentrated through the operation of the housing system. It is evident that socio-spatial segregation is being driven both by income inequality across Australia as a whole and as this is expressed through the housing system, notably the patchwork of low-income areas of private rental and public housing. This increasing social residualisation within suburbs and functional housing market areas now means that these places are both more visible and stigmatised as a result. These issues also highlight that a focus on public housing agencies as the key agencies to deal with these problems would be mistaken and that a broader, urban policy, perspective would be fruitful.

Policy-makers are increasingly cognisant of seeking to work at two key scales wherever possible – at the national level within which welfare and fiscal systems drive these inequalities, and at the level of housing markets and public housing areas which collect and potentially reinforce these inequities which are capable of being reproduced and amplified where they exist in concentration. The broader cost of acting only on areas of concentrated relative deprivation is that this will only provide temporary amelioratives to the problems of area-based poverty. Since neighbourhoods do not directly cause poverty, their social reorganisation cannot be expected to solve these problems more generally.

The second key principle is that the evaluation and weighing up of any particular policy options needs to be carried out in such a way that new ways of working, whether these be sales or tenure diversification policies, do not lead to any further reduction in the overall provision of public housing. It is not possible to address disadvantage by stressing the importance of needs-based approaches to allocations (which themselves appear to be leading to greater concentrations of disadvantage in public housing) while advancing incompatible goals which lead to losses of stock. At both the levels of the State, Territory and Federal Governments, it is essential to acknowledge the need for some expansion of public or community housing delivery. First, to address existing and direct deficits in the capacity to address social need, and second, in order to boost the relative social diversity of the tenant base in these neighbourhoods. In order to reduce the running costs of the sector while aiding the reduction of stigma associated with public renting. It is not possible for the reorganisation of concentrations of poverty to substitute for the need to address this policy fundamental.

5.2 Policy and practice

In relation to housing policy a range of initiatives that have and are being used, both in Australia and internationally, have been evaluated. Among these it is important to highlight the role of tenure diversification and planning gain strategies, as well as design and layout principles in new-build developments. These approaches appear to offer much, in terms of addressing problems in both public and private sector areas (and most areas are of course a combination of both) while also offering the propensity to increase overall supply of affordable and public housing. The possibilities for involving community housing providers in these scenarios has not been evaluated here but may be a way forward in addressing some of the stigma that has so firmly attached itself to Australian public housing.

There are few examples of housing practice that go beyond many of the basic principles of housing management, but some key messages can be reiterated. First, it is clear that partnership approaches between relevant stakeholders offer much in the

way of effective action, both in terms of tenancy support and in combating problems with anti-social behaviour. Second, approaches that emphasise the regular and constant presence of caretakers, officials, police and housing officers are significant areas of practice that could be developed further and have offered important solutions elsewhere. It is clear that the residents of areas where such initiatives are actively used feel more assured and able to go about their daily lives with a greater sense of predictability and security than might otherwise be the case in many areas currently.

5.3 Final key messages

All communities operate within larger social and economic contexts that go beyond the immediate neighbourhood (Arthurson 2002). Policies need to be developed in ways that consider the needs of communities and that do so in ways that see them, not as sealed boxes, but as open local systems that are more or less integrated into the opportunities around them. It is important that planning and housing approaches are married in ways that support the ambitions of remaking places in line with concerns about problematic social concentrations, while also understanding the needs of many such communities to see resources, investment and opportunities brought, where possible, closer or made more accessible.

We need also to be aware of the limitations of social-mix approaches, given the concerns with the broader overlay of social and material inequalities discussed earlier. This means that while it may be seen as important to 'thin out' poverty in some locations, the identification of these neighbourhoods should be made cautiously and with the backing of their communities. There is a real danger that gentrification and community displacement may eventuate from policies that do not think through the social costs of importing more affluent groups in significant numbers, for example. Equally there remains the difficulty of publicly legitimising approaches which remake particular areas while leading to the net loss of units devoted to addressing social and housing needs overall.

Finally, it seems likely that approaches to tackling concentrations of poverty take, as their object of attention, areas of concentrated public housing. This is because such areas offer possibilities for intervention that are harder to achieve in private sector areas. Yet the danger of this approach is that other areas of housing and deprivation are sidelined even while their need is great. Approaches to private sector renewal and regeneration have long histories in other countries but with fewer initiatives in the Australian context. Innovation in planning and housing approaches more widely imply an active and well-resourced approach to these issues. As Randolph and Holloway have argued:

... over the past decade policy responses to area-based disadvantage in Australia have almost entirely been associated with public housing estates, with the state housing authorities taking the leading role in directing investment in physical renewal and coordinating human service agencies and others in community renewal activities. However, as argued below, there are significant areas beyond the public housing estates in both Sydney and Melbourne that are equally disadvantaged according to national statistical indicators, but they do not benefit from anything like the integrated social and housing policy interventions that public housing estates have benefited from (Randolph and Holloway 2005: 197)

It is essential that policies that might target the 'break-up' of concentrations of public housing take into consideration the location of communities with existing mutual support structures and histories. This suggests that both the scale and targeting of areas for action need to be selected carefully and with plans put in place that ensure

existing populations are not disenfranchised by such actions. Arthurson (2002) has questioned whether policy-makers overemphasise the extent to which social mix assists community regeneration. She argues that some of the negative impacts of social-mix strategies include disrupting existing communities, moving problems such as crime to other neighbourhoods and decreasing the supply of public housing. Nevertheless it is clear that where community and household life-chances are themselves compromised, by the social structure of such neighbourhoods, that effective and sensitive housing and planning actions are used with sensitivity and with sufficient resourcing.

5.4 Future work and goals for policy development

While significant research has been carried out on area effects internationally, the literature in Australia has been less extensive. However, a question remains as to whether the demonstration of area effects, as such, are the key issue at stake here. It is already clear from research on poverty and its concentration in Australian cities that this is a growing problem and that segregation more broadly has begun to be a more significant issue. In light of this an agenda which tackles the baseline issues around how to develop more liveable, life-enhancing and better-served neighbourhoods would seem to be a key area for future research and policy development. Such an agenda also favourably attaches itself to wider and current policy concerns about transport, employment and environmental sustainability and the broader public management of urban systems.

All of these issues imply integrated policy innovation that cuts across existing and traditional areas of responsibility. The new Federal Government and a broader interest in developing research capacity around social inclusion present an opportune moment to consider these high-level issues and to think through the horizontal, vertical and institutional cleavages that may prevent policy implementation that gets to the heart of these—what kind of cities and neighbourhoods do we want to live in? In this report the fundamental role of public housing, its fit with aspirations to develop the capacities and opportunities of its residents and the need to see increased investment as a means of reducing its problems and those of society more broadly have been considered. It is important, therefore, to consider how areas of concentrated disadvantage present additional problems, not only for their residents and for public administration, but also that the social composition of areas may have a more deleterious effect on ambitions to create greater social inclusion and prosperity more broadly.

RECOMMENDED READINGS

Arthurson 2004b – On the Australian policy context and social mix

This and several other papers by Arthurson are important for their consideration of the area effects and social-mix arguments in relation to the Australian context. The central argument of this body of work is that social mix cannot be seen as a panacea and may not effectively target the problems of areas. In addition, the social networks and support mechanisms that exist in some areas can be threatened by ill-considered policy programs that introduce tenure diversity at the cost of existing public housing stock levels.

Atkinson and Kintrea 2000—On area effects and tenure diversification

This article considers whether the introduction of homeowners to deprived public rental neighbourhoods impacted positively on the life of these communities. The paper discusses the mechanisms by which area effects are transmitted to residents and the ways in which owners appeared to be a positive means of addressing the stigma of these neighbourhoods. This paper would be worth considering for those interested in an accessible treatment of the policy issues on social mix and area effects.

Atkinson and Kintrea 2004—On the housing policy implications of area effects

This policy discussion paper asks what housing policy issues are raised by the possibility that the social and tenorial composition of neighbourhoods may have negative impacts on residents. A series of implications are set out around desegregation, permeability, service provision and related areas for policy intervention.

Bailey et al. 2007—On good practice in creating sustainable and mixed tenure neighbourhoods

A useful guide to promoting mixed income and tenure development processes that walks public landlords through the process of consultation with developers and working towards quality design solutions that create effective, empowering and socially-cohesive communities. Many lists of do's and don't's as well as further guidance to the management and development literature that has come out of the UK.

Blasius, Friedrichs and Galster 2007—On measuring area effects (Special issue of Housing Studies)

Reports on state-of-the-art empirical research detailing the challenges of measuring area effects but also considers the kinds of policy directions suggested by investigations in a range of countries.

Ellen and Turner 1997—On the general balance of evidence on the area effects argument

Seminal paper that summarises enormous amounts of research evidence. The researchers argue that, on the balance of this evidence, area effects are generally small but that small, discernable impacts have been measured around child development and education.

Quercia and Galster 2000—On threshold effects

This journal article gives an extensive treatment of the different kinds of causation implied in the idea of threshold effects. It reviews a very large US literature and provides a summary table of effects on particular groups. This work comes with perhaps the precautionary warning by the authors that such effects cannot be universally applied but are important in considering where policy resources should be applied.

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APPENDICES: METHODOLOGY

Appendix 1: The systematic review

A systematic review was undertaken of all of the international research literature relevant to the research questions. Essentially this means that an attempt was made to identify every relevant piece of research from 2000 to 2007 on the question of how social composition in neighbourhoods may affect communities and what housing policies have been applied to these outcomes. Clearly this is a complex research question in its own right. The review had three key stages to ensure that, as far as possible within these protocols, maximum coverage of this literature was achieved:

Stage 1—Keyword searches were carried out by a consultant at the British Library. The precise search was as follows:

(social mix* or mix or diversit* or heterogen*)
AND
(tenur* or commun* or neighbour* or neighbor* or hous* or dwell* or residenti* or localit*)
NOT
(health or medic* or surg* or clinic* or asia* or afric* or water or sea or ecol* or communicat* or police or environment*)

Several terms had to be added to exclude (NOT) false hits that were not relevant to the study. In some cases the consultant had to drop the term 'mix' as it was generating many more irrelevant references. Asterisks indicate wildcard searchers so that all possible permutations beyond this mark could be included initially, for example neighbor* would include neighboring, neighbourhood and so on. The bibliographic databases searched were as follows:

- ASSIA 2002–2007
- Planex 2004–2007 (A unique policy-relevant database from the UK containing much unpublished literature)
- Sociological Abstracts 2003–2007
- Social Services Abstracts 2000–2007
- Family & Society (Australian) 2004–2007
- British Library Direct (with no satisfactory results)
- Urbadoc 1998–2007

Stage 2—Sifts of the resulting hits were carried out independently by both researchers on the basis of the key aims of the research exercise. This involved working through titles and abstracts for more than 2000 hits, the absolute bulk of which were not relevant. Two passes were performed in order to mutually identify research and literature that was relevant and of high enough quality. At each meeting the researchers discussed the criteria for selection to ensure that the final list of results accurately reflected the aims of the research. Finally, the most eminent experts in the field were contacted to ensure that any more recent work by them could be gathered.

Stage 3—Division and reading. Finally the readings were divided between the researchers and a proforma was filled out to ensure comparable extraction of relevant data from the final list of around 80 references. This final stage involved the loss of several references which proved not to be relevant to the work.

Appendix 2: Interviews with housing and planning officials

The second stage of the research involved brief telephone interviews with representatives from all of the State and Territory planning and housing departments. Ultimately we did not succeed in contacting all of these representatives but sufficient information was gathered to get an impression of policy responses in all of the jurisdictions. The main purpose of this stage was to generate further insights into how the problems of social concentration are being interpreted and what kinds of policy responses have been put into place.

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