

## **Delivering mixed, balanced communities (2009)**

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## **Chapter 26. Delivering mixed, balanced communities (2009)**

### **26.1 Introduction**

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Three major reports have been used to provide some guidance and basis for discussion around what makes a balanced, a mixed, and a sustainable community, and why this should be our intention. The reports are:

#### **Balanced and Mixed Communities - A Good Practice Guide**

Prepared by Three Dragons and Halcrow for Cambridgeshire Horizons, Cambridge City Council, South Cambridgeshire District Council and the Cambridge Landowners' Group in 2006.

Case studies used: Cambourne, Cherry Hinton, Caterham Barracks, Emersons Green (South Gloucestershire), Hampton (Peterborough), Milton Keynes, Oakridge (Basingstoke), and Poundbury.

Brief: to identify examples of mixed, balanced and socially inclusive communities in the UK and elsewhere with a view to informing the achievement of a well-integrated mix of decent homes of different types and tenures to support a range of household sizes, ages and incomes within sustainable new communities in and around Cambridge.

#### **In the mix - a review of research on mixed income, mixed tenure and mixed communities**

A joint publication from the Housing Corporation, Joseph Rowntree Foundation and English Partnerships written by Rebecca Tunstall and Alex Fenton in 2006

The idea that communities ought to contain a greater mix of housing types and residents is a key component of the current Government's policies on housing and neighbourhoods. The reasons for pursuing mix include delivering social housing, meeting other social policy goals and principled opposition to division between different types of people. There are lessons for implementing planned changes to mix and for the management of new and existing mixed areas.

#### **Creating and Sustaining mixed income communities – a good practice guide.**

Published for the Joseph Rowntree Foundation by the Chartered Institute of Housing, supported by the Housing Corporation and the Town and Country Planning Association and written by Nick Bailey, Anna Haworth, Tony Manzi, Primali Paranagamage and Marion Roberts in 2006.

The government is embarking on a major housing improvement and development programme which represents a significant departure from previous initiatives. The intention is to ensure that the needs of all sections of the community are met through the refurbishment of existing estates, as well as through new construction of sustainable communities. These are communities which succeed now, economically, socially and environmentally, and respect the needs of future generations.

An important dimension of this strategy is the need to create mixed income communities which successfully integrate different housing types, sizes and tenures in areas with good

links to the surrounding urban fabric and which provide access to the full range of services, facilities and jobs.

## 26.2 Why is this part of our SHMA?

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The aim of including this chapter in our SHMA is to provide a basis of discussion and thought around what makes a community where people want to live. The Cambridge Sub-Region is a focus for growth and vital to the UK economy, and as a result we have significant plans for housing and economic growth, which are important to parts of our housing market.

Although parts of the housing sub regional are less directly affected than others, it is crucial that the planned housing growth meets both housing demands and housing need, in the most sustainable and responsible ways possible, and benefits the residents of our sub region, directly or indirectly.

We have therefore tried to draw together key lessons from these three reports, to inform thinking and promote partnership working to achieve these aims. The mix of homes we plan to deliver affects who will move in, the nature and popularity of the new communities, the affordability of homes in the long term and the way people use their homes, and their communities. By providing a mix of sizes, types and affordabilities, we can help people settle in a community in the long term, adapting homes and moving when necessary within that community, as households change in size, type, income, need and aspiration.

## 26.3 Why do we need mixed communities?

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Mixed communities are considered a policy aspiration sought by many governments. Government policy since 2003 designed to deliver significant increase in housing in four growth areas. Although policy favours the creation of mixed communities to create social cohesion, there is little detailed guidance on what constitutes mix and affordability and how they can be sustained in the long term. One of the primary objectives is to engage experienced developers and RSLs in a collaborative effort to deliver high quality.

A mix of housing sizes, types and tenures meet residents' needs because they:

- Meet changing needs through life stages, household shapes, sizes & incomes.
- Enable higher-income social housing tenants to buy without leaving the area.
- Enable parents to remain close to children if separated or divorced, particularly if private rental is available.
- However private rented is associated with high turnover, so while providing choice it may build movement into a community.
- Help preserve age balance in rural communities.
- Older people can move to smaller or rented homes in their neighbourhood.
- Promote resident and community stability through mixes including ownership.

Policy assumes that achieving mixed tenure means a range of incomes will be reflected across the development.

The quality of development or its location makes it attractive to particular sectors of the market and therefore forces up the price in the longer term. May widen income differentials and attract more transient tenure groups such as those rent on the open market. Likewise local letting policies may result in particular income groups predominating the rented homes.

The attractiveness of areas emerges as a key to success. There is no magic recipe of particular designs or layouts, and the conclusions of this study do not put tenure at the centre of policy debate.

As social housing this is the most affordable housing tenure, designed and used to support those unable to afford market housing, areas of solely social housing can mean areas of low-income households. Therefore by mixing tenures in an area, poverty is “de-concentrated”. Concentrations of low-income households can affect support for and viability of shops and services. However income may mask other factors which lead to

- Disconnection from job-finding networks
- High levels of crime
- The absence of employed or educated role models
- Peer groups lacking educational aspirations (for children and young people).

Difficulties on large mono-tenure estates is a factor convincing politicians of the benefits of mixed-income, mixed-tenure communities, as mixing private, social and intermediate housing can reduce concentrations of poverty.

#### **26.4 A mix of uses**

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Both the overall balance of jobs and homes and the physical relationship of the two have a bearing on the way a community develops. Whilst genuine integration of the two is more likely to reduce car borne commuting, the degree to which this will impact on travel to work patterns is far from clear.

But local workers can make use of local facilities (where provided) and this will increase the viability of those facilities and the potential range which can be provided. This in turn provides knock-on benefits for those local residents who either do not work or work from home, all of whom will benefit from a wider mix of facilities.

Integrated land uses can also contribute to more effective informal daytime supervision of residential areas.

The offer of facilities within the case studies did not compare favourably even with that which is available within a small market town, despite the fact that in several cases total numbers of workers and residents equalled the population of a small town. This relative barrenness of local attractions could reduce sustainability as people ‘escape’ in their car and potentially seek to move to more stimulating environments.

These facilities can include:

- Good schools.
- Multi-use facilities.
- A ‘drawcard attraction’ which other people would travel to (e.g. a museum, swimming pool, art gallery or county library).
- Public transport provision including bus services.
- Green infrastructure.
- Sports, faith and cultural facilities.

## 26.5 The development process

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Design and planning of new housing developments is crucial because at planning stage key decisions about density, mix, the design of individual houses and the lay out are made. Early decisions will determine the future viability of the development and the quality of life it will sustain. The housing needs of all sections of the community should be included.

The size, timing and mix within phases of a larger development affect how residents are distributed and how social relations develop across the whole site. A series of small phases can act like a series of separate developments and create distinct group identities amongst residents and non-residents, despite the design and layout across the development. The character of early phases may shape the reputation of the whole development.

## 26.6 The current local housing market and demand for housing

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The current local housing market will limit the mix of tenures, housing costs, incomes and types of residents who will be attracted to a development.

Attempts to create mix need to be aware of these limits, and conscious of how the new development will fit in to the existing options. Creating balanced housing markets and sustainable neighbourhoods needs to consider filling in gaps in existing markets. The potential income, age, household type and ethnic mix will clearly be limited by the nature of the local populations.

New or redeveloped housing areas and residents in it are affected by the mix of the surrounding neighbourhood. The effect will be greater if the new or redeveloped site is linked by lines of sight, paths and roads to its surroundings, which make it more likely to be seen as a neighbourhood in its own right or as part of an existing area, rather than as a distinct neighbourhood.

## 26.7 Housing mix

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There is no magic tenure mix. The ideal mix of tenures and households will depend on:

- Local need
- The local economy
- Demographic trends.

Specification of a wide range of house types was identified as a better way of creating mixed communities than focussing on affordability.

A wide mix of household types requires a wide mix of dwelling types. Whilst any guidance on housing mix contained in Local Development Documents is likely to be indicative only, it is recognised good practice for masterplans and area action plans to provide more specific guidance on the mix of housing to be delivered. Such guidance should take into account the desirability of providing housing for a range of household types and age groups, as well as creating pathways of housing choice to enable people to mature and grow old within the same location should they choose to do so, as well as offering accommodation for a range of households from the same family should they wish to put down roots in the new communities.

Desirability in market terms is not the same thing as establishing a vibrant community. It is possible for an area to be relatively lacking in prosperity whilst still being viewed by residents as a good place to live and playing an important role in the housing market.

Local plan policies on density will have a material impact on housing mix and nationally have substantially increased the proportion of smaller units provided. This factor will need to be recognised and provided for in planning the overall dwelling mix for the new communities. By measuring density across each community it should be possible to provide a wide range of densities within each community so as to accommodate the maximum range of household types.

Various stakeholders and case study interviewees raised concerns that high levels of social rented housing meant high levels of child density and this in turn leads to higher levels of anti-social behaviour. We did not find any robust evidence to support or rebut this case. But we consider that it would be prudent to keep overall child densities under review and planning should be sensitive to development approaches which lead to very different child densities in different tenures.

Crime and anti-social behaviour contribute to unpopularity. Changing the mix may reduce problems as private tenures, employed and higher-income residents might affect crime levels by enforcing social norms, increasing community organisation and reducing numbers of children amongst residents. However problems may be more difficult to tackle if many different owners and agencies.

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## 26.8 The resulting mix

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The actual mix achieved is likely to evolve from initial ideas, as new information emerges on costs of development, practicalities of design and layout, housing needs and demand in the area, and as partners negotiate section 106's and other arrangements. The longer schemes take to develop, the more likely it is that mix will diverge from initial expectations, for example:

- The initial number or proportion of affordable housing may differ or even reduce from original plans.
- Later phases of low cost home ownership and resale of early phases may sell for much higher prices, affecting the predicted income mix.
- Tenure mix may vary from what was predicted as developers and first buyers make decisions reflecting market and demand conditions at the point of completion or soon after.
- Low-cost home ownership schemes may fail if no buyers came forward or homes are switched into the private rented sector
- Affordable homes may not be purchased within time limits and revert to market prices.
- Low-cost home owners may not be able to sustain payments and homes are repossessed, perhaps ending up being rented privately.
- Very popular private developments may become dominated by large private landlords particularly in the growing buy-to-let and buy-to-leave markets.

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## 26.9 Who might move in?

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The Census provides data on tenure, house type, dependent children, employment, but not income. Typologies developed by combining the Census and other data incorporate features

of the households, their attitudes and consumption patterns, and the housing stock and market down to postcode area level. However, reproducing a mix of dwelling types and tenures in a new development won't necessarily produce the same mix of people elsewhere.

Another important factor which affects who might move in, is the type of development and its surrounding community. If a large new settlement or urban extension is planned, there may be little previous experience to help inform who might move in, who is living elsewhere waiting for the right property to become available, and whether or not it will be either appropriate or affordable for them.

This creates interesting issues for the new town of Northstowe and the City's major extension sites, which will provide the homes needed to meet our RSS targets. However there are significant risks in relying upon past trends, patterns of housing consumption from other settlements such as Cambourne.

English Partnerships has commissioned a specific research project from Cambridge Econometrics to look at the projected demography of Northstowe in future.

As part of the development of the SHMA, EP and Cambridgeshire Horizons are planning to commission a further piece of work to investigate the likely patterns of housing choice by in-migrants moving to new settlements and major urban extensions in future. This aims to help inform understanding of the effect of housing size, type and mix on the people likely to move into the new homes.

At the same time, the County Council is also undertaking surveys of satisfaction of newcomers to new housing developments. Already undertaken at Cambourne and initiated on two new developments in Huntingdonshire, these surveys help identify where people have come from, their plans for the future, and their reaction to the community they have moved in to.

## 26.10 Marketing

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Developers, estate agents and potential buyers may not have experience of and thus lack confidence in mixed communities. Understanding between partners on lettings, immediate service and ongoing management before homes are occupied can forestall concerns and build confidence.

There is growing experience with lettings plans for initial and ongoing occupancy, and agreements between partners to ensure an ongoing strategy and liaison. Developers and estate agents may tend not to talk to potential residents about the mix planned for an area in case prejudice affects sales. However, clarity is the best policy.

We recommend that house builders be required to indicate the tenure of affordable units in their marketing literature.

## 26.11 Delivering affordable and intermediate housing

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Some mixed tenure areas arise as a side-effect of funding regimes and the planning system. Section 106 agreements are a main source of new social housing being included in mixed developments. Similarly, there is currently support for intermediate housing and for extending home ownership down the income scale as part of an asset-based welfare strategy.

The subsidy available and details of criteria can affect tenure mix, design quality, and population mix. This is a complex and evolving area, with a variety of schemes supporting intermediate housing, and the emergence of new sources of subsidy, and different impacts according to the local housing market.

There are potential trade-offs between the number and the size and tenure of affordable units provided.

Resources (both public and private) will have an impact on the range of affordable housing provided. It may be better to provide a smaller number of affordable units which are targeted to meet the full range of needs than to provide 50% affordable units, of which the majority are small units.

The local authorities will need to work closely with the various agencies involved in the provision of affordable housing if genuine mixed communities are to be achieved.

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### 26.12 Pepper-potting

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There is no obvious 'best' method of mixing tenures, although 'ghettos' of affordable housing are best avoided. We found examples where physical integration had been achieved through pepperpotting, buffering (i.e. providing a graduated range of different house types within the same street, starting from small affordable units and going through to large executive market housing), clustering and development of separate sites but to the same physical appearance.

We recommend that consideration should be given to the use of all four techniques in developing affordable housing in the new communities in Cambridgeshire. This will offer maximum flexibility to accommodate a range of household types.

Pepper-potting of different tenures and mix within the same street helps promote interaction between residents. However, it is worth considering mix at the 'five-minute walk' level or primary school catchment area, as this scale of mix may help to create markets for local shops and to mix school peer groups more effectively.

If residents who are not employed observe others going to work, acting as role models to re-ignite aspirations or to demonstrate the daily patterns needed for work, this may increase their chances of employment. However, this assumes that residents not only observe each other, but interact with each other, allowing patterns of behaviour and information about job opportunities to rub off. From the evidence available, we conclude that mixed communities do not, on their own, significantly increase employment rates for social tenants & lower income groups.

There is quite strong evidence to show that interaction between residents from different tenures and income groups in mixed areas is limited. It seems that literally living next door provides the best contact between residents, but many mixed communities cluster different tenures and home sizes, grouping them in blocks, streets or ends of the site. Perhaps the most significant potential areas for interaction are

- Nursery and primary schools
- Community centres
- Shops
- Pubs
- Parking areas

- Paths and communal areas

which may all depend on initial planning and design.

People most likely to interact are those with close to average incomes and who have lived in the area for a long time. Estate management forums and community organisations for the whole development allow interaction while carrying out their work. However, we cannot expect rapid or dramatic progress on goals of mix which rely on interaction.

### 26.13 Relationships with existing communities

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New development should contribute to fulfilling the needs of the existing community, and its impact on existing communities should be carefully monitored.

Where new development is provided to a higher standard than neighbouring existing communities (e.g. with less traffic congestion or more green areas) consideration should be given to upgrading facilities in existing areas so that they are not obvious 'poor relations' to their newer neighbours.

We recommend that in planning for new development in Cambridge, consultation on priorities, needs and aspirations of the existing community should be key in developing the vision and priorities for urban extensions, and should be ongoing as nascent communities evolve within development areas.

Existing parish councils may not be the most appropriate mechanism for community liaison and there may be a role for settlement based bodies which cross local boundaries and can negotiate from a position of strength with all relevant local authorities and public bodies. Stakeholders highlighted the role of Community Development Trusts in this context.

The new communities cannot be considered in isolation. Who lives there will have an effect on who lives elsewhere and will alter the balance of existing neighbourhoods. If new communities are seen as the most desirable places to live (in both the market and the affordable sector) this will impact on the mix of households living elsewhere in the locality and may be sufficient to tip marginal areas or estates into failure unless delivery of attractive new residential neighbourhoods is balanced by measures to enhance the attractiveness of existing neighbourhoods and ensure that they share in any general uplift in prosperity or housing standards.

### 26.14 The evolution of mix over time

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Social and tenure mixes do not remain static from the point of completion and occupation. Gradual tenure and social change continues in most neighbourhoods. Household transitions that are particularly likely to result in moves include the birth of children, alterations in perceptions of crime and safety and changes in economic circumstances.

Some household transitions may be partly predictable from information about age and household profiled at the time residents moved in, for example those relating to children reaching the ages for entry to primary school or transitions to secondary school.

The private rented sector is associated with rapid turnover of households, and can house very varied populations. In high-rent areas, the market for private rented housing may be polarised between young singles and couples on high incomes and family households who can pay the rent through housing benefit.

Mix can evolve as homes transfer between different tenures. Social tenants may buy their homes, and then sell them or rent them to new residents; social or private landlords may take on properties and may change allocation policies; private owners may rent their homes out too. Mix can evolve through housing development or demolition.

### 26.15 **How can tenure mix be maintained long term?**

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- Responsibilities, and a lead organisation should be identified to avoid conflicts over roles and responsibilities.
- Management organisation should have a local presence.
- Involving local people from all sectors of the management process.
- Decision making needs to be robust to maintain original long term vision, while also being flexible so that it can respond to changes at a national and local level.
- Lettings and nominations policies should be fully reviews in order to assess whether they promote the broader vision of the development.

### 26.16 **Update to August 2009**

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Since publication of the original SHMA in 2008, in September 2008 a new round-up of evidence has been published by the Joseph Rowntree Foundation, titled *Developing and sustaining mixed tenure housing developments* (authors Nick Bailey and Tony Manzi).

The report evaluates the strategic and policy context for housing development and neighbourhood renewal, arguing that mixing tenure is important but other aspects of sustainable communities need equal weight.

#### **Key points**

- Existing research suggests that well managed, mixed tenure communities have the potential to facilitate social interaction between residents without imposing on residents' privacy. They may help counteract social exclusion and adverse neighbourhood effects associated with mono-tenure estates.
- According to the research, existing residents are not normally aware of tenure as an issue in selecting where they live and who their neighbours are.
- The quality of design and master-planning of new developments has proven to be a major influence on social interaction.
- There is no evidence that mixed tenure adversely affects house prices or the ability to let or sell property.
- Mixed developments require careful management and monitoring – for example, systems need to be in place to maintain streets and public spaces.
- Further research is required into:
  - whether the mix of housing creates more opportunities for social interaction between different sections of the community, compared with mono-tenure developments
  - whether there are different patterns of social interaction between residents in different tenures and differential usage of local facilities
  - whether mixed communities are more expensive to develop than single tenure developments, and how these costs fall on the public and private sectors

- if there are additional management costs, whether these are offset, for example, in the reduction of crime, improved educational attainment and lower levels of unemployment
- what factors residents take into account in deciding to transfer between houses and tenures in the same development as family size and household income changes; and
- whether the proportion of housing in different tenures increases or decreases over time, and whether there is a tipping-point where the mix strategy is undermined.

The full round-up is available from: <http://www.jrf.org.uk/publications/developing-and-sustaining-mixed-tenure-housing-developments>