



nsw Federation of  
Housing Associations inc

# MULTI-TENURE DEVELOPMENTS

## BEST PRACTICE APPROACHES TO DESIGN, DEVELOPMENT & MANAGEMENT

### PREPARED BY

JUDITH STUBBS AND ASSOCIATES

### FOR

THE NSW FEDERATION OF HOUSING  
ASSOCIATIONS INC. UNDER THE NSW  
COMMUNITY HOUSING INDUSTRY  
DEVELOPMENT STRATEGY



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# PURPOSE OF THE PROJECT

There are increasing opportunities for community housing providers to be a part of developing and managing multi-tenure developments. These often feature social and affordable rental, private market rental and owner-occupied housing.

Tenure diversification is a strategy increasingly adopted by government for new developments and for urban renewal areas that include a component of affordable rental housing. This includes meeting the growing demand for ‘key worker’ housing in rapidly gentrifying metropolitan areas, and as part of the redevelopment of large-scale public housing estates.

Although it is generally agreed that mixing a range of tenures is desirable, questions remain about the exact mix, layout and design of different tenures and what will make such developments a positive place to live in the longer-term.

This project aims to throw some light on these questions, and make sure that the planning, financing, design, development and management of multi-tenure developments is based on best practice from research and practical experience.

The project also aims to position community housing providers to take advantage of increasing opportunities to partner in developing and managing multi-tenure estates and developments.

It is hoped that increased knowledge and capacity of community housing providers will help more providers transition to leading roles in the planning, financing and development of multi-tenure developments, and strengthen the capacity of providers already engaged in such activity as industry leaders.

# WHAT DOES THE PROJECT INVOLVE?

The research project involved an extensive review of Australian and overseas literature on best practice in planning, design, development, operation and management of multi-tenure developments in different contexts; and diverse case studies from Australia, Scotland and England. Case studies include multi-tenure developments in social housing estate regeneration, brownfield urban renewal and smaller scale infill developments.



# HOW IS TENURE MIX BEING ACHIEVED?

## THERE ARE THREE MAIN WAYS THAT TENURE MIX IS BEING ACHIEVED UNDER AUSTRALIA AND UK POLICY DIRECTIONS:

This project is mainly concerned with the first two strategies for achieving tenure mix.

### DILUTION

Reducing the proportion of social housing where there is a large concentration on housing estates.

### DIVERSIFICATION

Introducing 'social mix' through 'tenure mix', e.g. providing a component of affordable housing through inclusionary zoning on private land, development partnerships of government land, etc.

### DISPERSAL

Relocating social housing tenants from deprived areas into more 'mixed' communities, e.g. through spot purchasing or head leasing programs by government or the community housing sector.

THREE REPORTS WERE PREPARED FROM THE RESEARCH BY JUDITH STUBBS AND ASSOCIATES FOR THE NSW FEDERATION OF HOUSING ASSOCIATIONS INC. UNDER THE NSW COMMUNITY HOUSING INDUSTRY DEVELOPMENT STRATEGY.

These are available on the Federation's website:

**Best Practice in Multi-Tenure Development: Literature Review & Australian Case Studies** – this provides an overview of the policy context, a literature review, and detailed review of five Australian case studies in different Australian jurisdictions (Sydney, Melbourne and Adelaide);

**Best Practice in Multi-Tenure Development: English and Scottish Case Studies** – this report details five case studies from England and Scotland. The case studies provide valuable practice illustrations from countries where such developments have been occurring longer and generally at greater scale than in Australia, and where there has been more evaluation of the outcomes; and

**Best Practice in Multi-Tenure Development: Summary Report** – an overview of key findings from the literature review, and Australian and overseas case studies.

**This booklet provides an overview of key findings, followed by highlights from three Australian and two international case studies from the ten case studies featured in these research reports.**



**The Nicholson** multi-tenure mixed use development on a brownfield site in Melbourne.



**Washington Park**, an urban renewal precinct within Riverwood Social Housing Estate, Sydney.



# WHAT IS THE BEST LAYOUT OF TENURES IN MULTI-TENURE DEVELOPMENTS?

“  
Negative feelings or a strong sense of difference or division tended to run highest when the architectural distinction between the different tenures was clearly visible...On schemes where ‘tenure blindness’ had been positively encouraged and there was a mix of attractive properties of different sizes and types, residents tended to be less aware of difference and reported good neighbourly relationships.”

NHBC FOUNDATION

There are three main types of tenure mix, or ways that different tenures can be laid out or configured:

- **‘Fully integrated’** – affordable rental housing is sprinkled or ‘pepper potted’ across floors and buildings;
- **‘Clustered’** – tenures are separated by floor, ‘core’ or building, but with opportunities for social and physical interaction through common facilities, shared entries, etc;
- **‘Segregated’** – tenures are clearly separated by walls, different street accesses, no shared open space, etc.

The research indicates that there is no ‘right way’ to configure tenures, and there are different preferences among residents, developers and tenancy managers.

Of the three types of tenure mix, ‘clustered’ development tends to be favoured by tenancy managers for ease of management.

In particular, clustered development allows the community housing manager to be more flexible about levels of servicing and the cost of strata fees, etc, and provides more control over tenancy problems that may arise. For example, problems with behaviour of private tenants can arise where there are many absentee landlords or poor management protocols.



Tenures in UNO Apartments in Adelaide (pictured above) are partly ‘pepper potted’ and partly ‘clustered’, with strata arrangements flexibly structured.

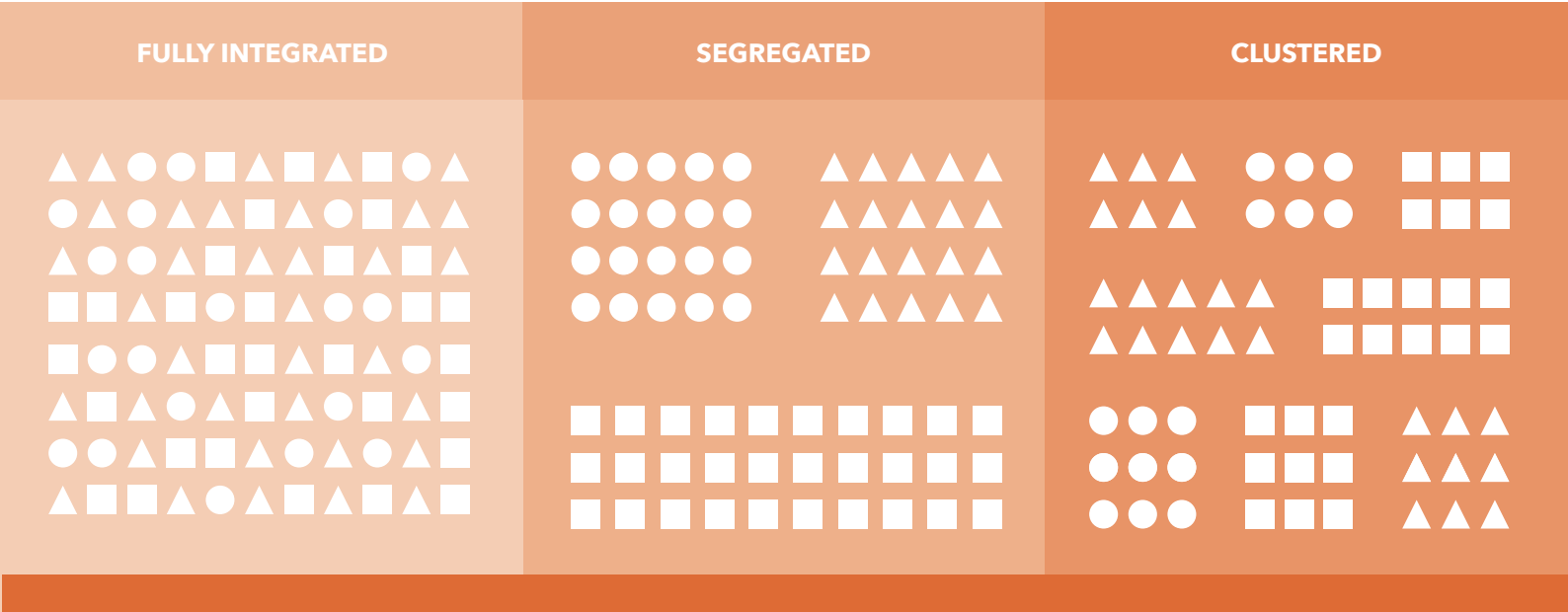
**‘Segregated’** layout tends to result in greater stigma for affordable housing tenants, and lower satisfaction and casual social interaction across all tenure groups. It is generally best avoided in multi-tenure development.

Part of the Carlton Public Housing Estate redevelopment (pictured below) has what became known as ‘the wall’. This feature restricts access to open space overlooked by social and private residents to just private residents, which raised significant controversy during development and post-occupancy.



“  
Purchasers often have different expectations regarding specifications. This can lead to differences in service charges which are not always transferable across tenures. Keeping the affordable housing and private housing in separate cores or buildings works best. But we do insist that our designers incorporate shared space for all residents to enjoy together and encourage ‘tenure blindness’. All buildings look the same, share entrances on to the same street, and enjoy the same high standard of maintenance.”

DEVELOPMENT MANAGER  
Swan Housing Association, East London.





## HOW MUCH AFFORDABLE (INCLUDING SOCIAL) RENTAL HOUSING SHOULD BE IN THE MIX?



*Vivo and So Stepney in Ocean Estate East London (pictured) are surrounded by Council housing on most sides, and provide affordable and private housing in the same buildings. I don't believe this has affected the marketability of private homes. On the contrary, there is strong and growing demand. The last stage all sold off the plans. Excellence in design and management is the key. "*

### PROJECT MANAGER

East Thames Housing Association,  
Ocean Estate.



Australian policy and tender documents often set an upper limit of 30% for the social (or affordable) rental housing component of public housing estate redevelopments and new multi-tenure developments. This is mainly due to concerns that the development will attract a negative perception from the community, that private homes will be less marketable, and that the development will experience more social problems if higher proportions of affordable rental housing are included.

However, the evidence from the literature and case studies is that there is no 'ideal' tenure mix, and no one-size fits all regarding the exact proportion of affordable rental housing. Despite having much more than 30% social housing, most of the UK case studies had major increases in property values and highly marketable private dwellings.



*...in the present environment, it is almost impossible to engineer a precise tenure mix, but nearly all researchers agreed that rather than concentrating on the correct spatial configuration of tenures, the focus should be on place-making and maximising the quality of design and layout."*

Rowlands et al 2006

Our case studies also show that good design and management, and social investment can lead to successful developments even where there are very high-need tenants such as formerly homeless people living alongside wealthier owner occupiers.

New Gorbals renewal area in Glasgow (pictured) has transformed former tenement and high rise development, using the traditional tenement design.

Private dwellings and social rental housing are located in adjoining separate buildings or clustered around cores in the same building. All access a generous shared open space area (like the traditional 'backcourt') centrally located within a quadrangle created by the buildings.



## PROJECT START-UP PHASE?



*The partnership worked well. It's important to have a certain 'human chemistry' - people you know you can work with. Trust, openness and transparency are crucial. And you've got to spell out the deal. You've got to put in the time at the front end if you want a sustainable partnership and a successful development. "*

**DEVELOPMENT MANAGER**  
Poplar HARCA, East London.



Above: New affordable and private apartment buildings at Aberfeldy Village - lead agency, Poplar HARCA Housing Association.

THE CASE STUDIES SHOW THAT MOST OF THE FINANCING AND PARTNERING ARRANGEMENTS WERE NOT OVERLY COMPLEX, AND THAT THERE ARE MANY WAYS OF PUTTING A SUCCESSFUL 'DEAL' TOGETHER. COMMUNITY HOUSING ASSOCIATIONS WERE GENERALLY THE 'LEAD' AGENCY IN THE ENGLISH AND SCOTTISH CASE STUDIES, THOUGH NOT IN THE AUSTRALIAN CONTEXT.

Things that matter most in the start-up phase of a project were:

- Being clear on the objectives of all partners, a shared vision and high levels of trust;
- Reaching clear agreements on management and maintenance arrangements, including maintenance standards, roles and responsibilities of partners, and apportionment of costs on common areas and facilities;
- Engaging all partners meaningfully in planning the design and layout of the development and dwellings;
- Being aware that multi-tenure developments can involve special challenges, and require a long-term commitment, including making sure that housing and facilities are maintained to a high standard over time.



## DESIGN AND LAYOUT



*The innovative architecture mirrors the surrounding area's creative boom with fun touches such as brightly-coloured balconies and spacious private courtyards. We have likewise inspired and influenced design in surrounding developments and communities. We've been especially sensitive to the interfaces between the different precincts of Ocean Estate and existing urban areas."*

**PROJECT MANAGER**  
East Thames Housing

High quality design across tenures and public areas is crucial, including the following:

- The design 'knits' or integrates with the existing urban fabric of surrounding areas as far as possible;
- The development is physically integrated with surrounding communities through good access to public transport, and good pedestrian, cycle and vehicle connectivity through the surrounding areas;
- Private market and affordable dwellings and/or buildings are of equally high quality design and are indistinguishable from the outside ('tenure blind');
- Design takes into account 'whole of life costs', and elements that could increase long-term management and maintenance costs for the housing and facilities manager;
- The mix of dwelling types and sizes encourages a mix of income groups and family types;
- Quality build that reduces the risk of building defects, and clear responsibilities post-occupancy;
- Crime Prevention Through Environmental Design principles are included in the design of dwellings, and communal and open space, e.g. passive surveillance, clear distinction between private and shared spaces, etc;
- Casual social interaction is encouraged at the 'street level', for example, through the creation of shared entranceways, pathways and streets, parking, etc, and ensures that there are no exclusionary design elements.



# PLACE-MAKING INCLUSIONS & ACTIVITIES

“We’ve found that high quality communal space and facilities and design excellence are more important to the community than tenure mix and tenure separation. We have high reported resident satisfaction across tenure groups.”

**DEVELOPMENT MANAGER**  
Swan Housing Association, East London.



PHYSICAL DESIGN AND PLACE-MAKING ACTIVITIES PROVIDE OPPORTUNITIES FOR ‘SHARED EXPERIENCES’ AND CASUAL SOCIAL INTERACTIONS THAT SUPPORT GOOD NEIGHBOUR RELATIONS AND RESIDENT SATISFACTION.

This includes:

- Well-designed, welcoming and well-maintained shared open space areas, and shared community facilities;
- The creation of attractive areas surrounding the development to ensure positive perceptions of the project;
- Incorporating shops, services and community facilities into developments, which offer opportunities for inter-tenure contact through everyday interactions;
- Including a community service hub that provides a mix of shops and services (e.g. supermarket, health services, library

- or other recreation facility) in a central location in larger developments for easy access by all residents;
- Locating a tenancy management office on-site in larger mixed-tenure estates/sites;
- Design and layout encourages walkability, cycling and outdoor recreation opportunities;
- Incorporating children’s playgrounds to bring families together, as well as well-designed open space should include seating, shelter, and welcoming outdoor ‘rooms’ to allow for quiet enjoyment by different age groups;
- Investment in social programs to overcome disadvantage, e.g. apprenticeship programs as part of construction.



# HOUSING & FACILITIES MAINTENANCE

“Providing for a uniformly high standard of maintenance in a timely way across Bow Cross is important for the marketability of the development and for resident satisfaction. Swan [Housing Association] provides all housing and facilities management and maintenances, so we can guarantee the standard.”

**DEVELOPMENT MANAGER**  
Swan Housing Association, East London.

A long-term commitment to a high standard of maintenance is also vital in ensuring higher levels of satisfaction for all residents, improving marketability of private dwellings, and reducing problems.

This includes:

- Developing an effective, long-term system of facilities maintenance, determined and agreed at project start-up;
- Excellent, proactive maintenance of all external and common areas to ensure a positive image;
- Negotiating agreements on maintenance standards and protocols for areas not under your direct control, e.g. public areas owned by the local council;
- Avoiding dual standards of maintenance by considering having one organisation responsible for management of housing, private and public amenity spaces;
- If one maintenance entity is not possible, ensuring that there is a ‘single management system’ across the development or site, and a single point of contact on maintenance issues, complaints, response, etc;
- Developing consistent policies across tenures to avoid differences in external appearance, e.g. what can be placed on balconies; differing standards in garden and home maintenance, upkeep of the public domain, etc;
- that there are no exclusionary design elements.



## HOUSING & TENANCY MANAGEMENT



*Being upfront about tenure and family mix right from the start is important. It would have been far better had we told everyone moving into the Vivo development about the mix of tenures and family types. The problems weren't really between tenure groups - it was really about lifecycle stage. Our next marketing campaign showed families with children as well as the smiling singles sipping wine on the balcony, and we've had far less problems "*

### TENANCY MANAGER

East Thames Housing Association.

A long-term commitment to inclusive management is particularly important in multi-tenure development.

This includes:

- Ensuring inclusive management practices, where residents of all tenures can participate equally in decision-making, share in the leadership structure, and have their needs and priorities heard;
- Developing a local allocations strategy for social housing, e.g. avoiding a high concentration of formerly homeless people or those with high support needs such as mental health issues in high density developments;
- Prompt action on problem behaviour (in private or affordable rental), and on anti-social behaviour and low-level crime issues as they arise, including clear complaints pathways and regular report-backs;
- Particular strategies to engage absentee landlords of private renters (likely to be a significant proportion of higher density developments) in maintenance and management arrangements to avoid poor maintenance, problem tenancies and to reduce turnover and increase stability;
- Openness and transparency about the nature and likely mix of the development at the point of sale or letting.

## COMMUNITY PARTICIPATION & ACCOUNTABILITY



*Of course we had extensive consultation about the master plan and various stages of the design. There were changes based on community input as far as possible. And of course the tenants of the existing [social housing] estate had to vote on whether to transfer management [from London Borough of Tower Hamlets to East Thames Housing Association]. They had to be satisfied that our proposal [for estate renewal] was sound. But that's just business as usual for us. There's also a lot of ongoing engagement with all residents. That's a critical part of managing a mixed tenure development sustainably. "*

### DEVELOPMENT MANAGER

East Thames Housing Association,  
Ocean Estate.

A commitment to early and ongoing community engagement is also vital.

This includes:

- Ensuring that existing residents are meaningfully engaged in the planning and design of the proposed development, and have a clear understanding of the extent of influence that is possible;
- Tailoring engagement approaches to the specific context, e.g. with the 'host' community in a largely private area; or with affected social housing tenants and surrounding residents in estate renewal;
- Having a detailed staging and rehousing plan that minimises disruption for existing tenants;
- Implementing 'welcoming' activities across all tenure groups at occupancy, and making sure that genuine community engagement is a 'core' and ongoing part of 'business';
- Providing opportunities to solve issues across tenures, including supporting formal and informal structures that meet regularly;
- Providing a single point of contact for emerging issues, complaints, etc;
- Ensuring regular report-back on concerns and issues raised, including action taken.



## EAST LONDON CASE STUDIES



THE TWO EAST LONDON CASE STUDIES FEATURED BELOW ARE LOCATED IN SOME OF THE MOST HISTORICALLY DEPRIVED FORMER INDUSTRIAL AREAS OF LONDON. FOLLOWING EXTENSIVE BOMBING DURING WWII, LOCAL GOVERNMENT ENGAGED IN AN EXTENSIVE PROGRAM OF POST-WAR RECONSTRUCTION FROM THE 1940s TO THE 1970s, INCLUDING DEVELOPMENT OF LARGE TRACTS OF SOCIAL HOUSING MAINLY UNDER COUNCIL CONTROL.

Despite these earlier waves of urban renewal, by the 1990s, the area faced intensified social deprivation and a worsening urban environment and housing quality. There was major private and public investment in areas like the Docklands from early 1990s, with housing and infrastructure investment flowing out to surrounding suburbs. This has been accompanied by significant gentrification of these formerly working class communities.

A key feature of the policy environment has been the large-scale transfer of council housing, often whole estates, to registered community housing associations. The transfer of properties with title, often accompanied by significant public investment, has led to the growth of a number of small local associations to large entities operating across relatively wide geographic areas. Such housing associations often have significant in-house planning, development and management capacity, and have taken the lead in large urban renewal projects under varying contractual arrangements with the private and public sector.

**The case studies featured here are in the London Borough of Tower Hamlets, and are regarded as current best practice in multi-tenure development and management.**

## CASE STUDY BOW CROSS REGENERATION AREA



*...improving the estate's image and facilitating a better sense of community and place, giving greater local control over estate management issues, delivering high quality refurbishments of the estate's iconic trio of tower blocks and establishing a mixed, balanced community."*

LBTH goal for the Bow Cross Regeneration under the EOI.

BOW CROSS WAS FORMERLY KNOWN AS CROSSWAYS ESTATE (PICTURED IN 2000). BUILT IN THE 1960s AND 1970s, IT CONSISTED OF THREE 23-STOREY TOWERS, 22 MAISONETTES AND A LARGE AMOUNT OF POORLY DESIGNED OPEN SPACE. OF THE 320 DWELLINGS, 75% WERE SOCIAL HOUSING, WITH THE REST OWNED BY TENANTS UNDER THE RIGHT TO BUY POLICY.

## BACKGROUND

Physical isolation and poor amenity was a problem from the outset. The estate was built in a former railway cutting six metres below the level of the surrounding streets, with bridges and walkways the sole means of crossing the estate and accessing the towers. Poor amenity contributed to very high rates of crime, anti-social behaviour, turnover and very poor public perception of the estate. By the late 1990s, almost 40% of dwellings were vacant or inhabited by squatters.

London Borough of Tower Hamlets (LBTH) embarked on a stock condition and feasibility assessment and extensive community consultation from 1999-2001 as the first stage of planning for renewal. An EOI process, based on clearly set-out objectives and deliverables, followed. Swan Housing Association was successful in the EOI, and the whole estate was transferred to Swan with title in 2004, following an 80% vote in favour of the transfer from existing tenants.



## CASE STUDY BOW CROSS REGENERATION AREA



*Improved road, cycle and pedestrian connectivity to public transport took advantage of its prime location near the DLR, job centres and recreation. "*

### DEVELOPMENT MANAGER

Swan Housing Association, East London.



Above: Bow Cross Tower Refurbishment in 2016, and in 2011 (left)



### RENEWAL OF BOW CROSS REGENERATION AREA INCLUDED:

- Full refurbishment of the 3 towers, inside and outside;
- Demolition of maisonettes, and construction of 150 new dwellings in modern low and medium-rise buildings;
- New social housing was built first on under-utilised open space so existing tenants could be rehoused on the estate;
- Extensive public domain improvements, tree planting and landscaping for a 'leafy feel';
- A service 'hub' with a community centre with open access, a crèche and nursery, an IT suite and small business facilities, a children's playground, a multi-use outdoor games area, and major safety and jobs initiatives.



Tenure configuration is mainly 'clustered' in adjoining buildings and around 'cores':

- Two towers are 'affordable' housing and 1 is private;
- Some of the medium-rise buildings separate tenures, while there is a full mix of tenures in some buildings 'clustered' around 'cores' (lift or stairwells);
- All medium-rise buildings are clustered around shared open space, and open onto a large internal courtyard;
- All dwellings/buildings are 'tenure blind'- they look the same from the outside, have equal access to shared open space, and exits near each other on to the same street;
- There is a very high quality of design throughout the development, shared open space and public domain.

## TENURE MIX AND LAYOUT



*Tenure mix was driven by economic feasibility and council objectives. LBTH wanted at least 50% affordable housing - more if possible. "*

### DEVELOPMENT MANAGER

Swan Housing Association, East London.

A total of 680 new and refurbished homes:

380 affordable (mainly social) rental;

100 shared ownership (part-rent, part-buy);

200 private sales (some investors);

= 70% affordable and 30% private sales or rental homes.



## MANAGEMENT & MAINTENANCE



*Purchasers often have different expectations regarding specifications, and this can lead to differences in service charges which are not always transferable across tenures. There are different internal inclusions and maintenance schedules. But all enjoy the same high standard of maintenance."*

### DEVELOPMENT MANAGER

Swan Housing Association, East London.

Swan provides an integrated management service & single point of contact across the development:

- Swan is responsible for:
  - Tenancy Management of the affordable dwellings;
  - Maintenance of externals of buildings and public domain;
  - Internal and external cleaning.
- HMS (a Swan subsidiary) manages the private homes.

### Financing of management and maintenance:

- Rents on affordable housing include an embedded service fee;
- Private properties pay a service fee and 'ground rent' (long-term leasehold);
- Differential service fee charged on private and affordable dwellings.

## PARTNERING & FINANCE



*Swan's original financial model provided for a reasonable level of debt financing. But due to the rapid increase in property values, the loan facility taken out during construction could be paid back in its entirety on completion of the project. We had no problems at all selling the private homes."*

### DEVELOPMENT MANAGER

Swan Housing Association, East London.

The partnering model was not overly complex:

- Swan was successful in the EOI and contracted directly to LBTH;
- Swan was the lead agency, and used its own in-house project management, construction, property and tenancy management teams, and contracted international architects to lead the design process;
- Refurbishment of the two affordable housing towers and medium-rise apartments were completed under a design and construct contract following a competitive tendering process;
- Swan's in-house construction team did the private tower refurbishment.

The financial model was also straightforward, but relied on a high level of public subsidy:

- Swan was given title to the whole estate and dwellings on transfer from LBTH;
- Original financial model for affordable housing construction and refurbishment (£110 million);
- £50 million government grants; and
- £60 million debt equity, private sales, and its own resources.

Swan Housing Association started life as a small, tenant led association that was established in 1994 to take on a council stock transfer. It has grown through other transfers and entrepreneurial activity, and now has around 13,000 affordable dwellings across a wide area of London.



Above: Simon Terrill, 2011



*We were amazed. The average price of a 2 bedroom unit went from £110,000 in 2010 to more than £400,000 in 2015 "*

### DEVELOPMENT MANAGER

Poplar HARCA, East London.

## ACHIEVEMENTS & OUTCOMES

**BOW CROSS REGENERATION PROJECT HAS WON MANY AWARDS, INCLUDING THE PRESTIGIOUS LONDON PLANNING AWARDS 2016: MAYOR'S AWARD FOR PLANNING EXCELLENCE; AND BEST PROJECT FIVE YEARS ON (FOR THE FIRST STAGES OF THE PROJECT).**

- Very low affordable housing turnover.
- High satisfaction across all tenures.
- Private dwellings in last stages all sold off the plans.
- Sales prices of private units increased fourfold from 2010-15.
- A 90% reduction in crime over a seven-year period.





## CASE STUDY OCEAN ESTATE REGENERATION AREA



*The whole estate was really run down. It was heavily stigmatised, with high turnover, lots of abandoned homes that had been taken over by squatters and drug dealers making life terrible for other residents. It was a very unloved place."*

**PROJECT MANAGER**  
East Thames Housing Association

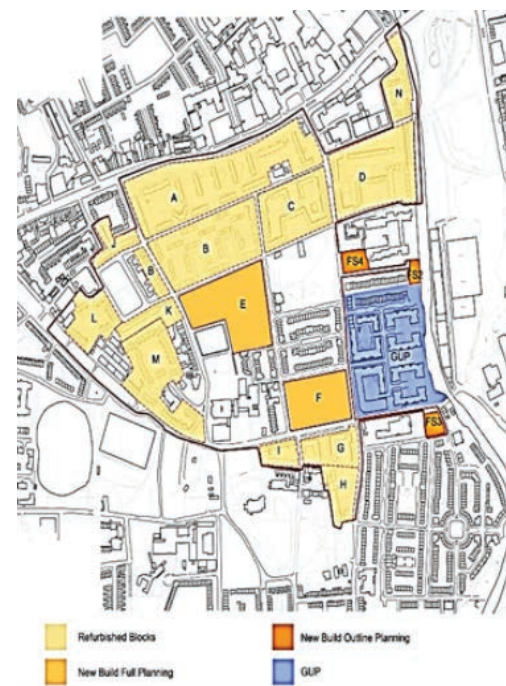


## BACKGROUND

OCEAN ESTATE IS A POST-WAR COUNCIL HOUSING ESTATE BUILT FROM 1940s TO 1960s. BY THE LATE 1990s, THE ESTATE WAS AMONGST THE TOP 10% OF MOST DEPRIVED ESTATES IN ENGLAND, WITH A HIGH CRIME RATE, HIGH UNEMPLOYMENT, POORLY LAID OUT AND MAINTAINED PUBLIC AREAS, AND MANY HOMES IN POOR CONDITION.

In 2010, Ocean Estate was identified as a priority area for regeneration under a policy initiative to improve housing and living standards for deprived communities by Prime Minister, Tony Blair.

Following an assessment of stock condition and viability, London Borough of Tower Hamlets (LBTH) initiated an EOI process for an agency to undertake an urban renewal process. An East Thames Housing Association-led consortium was selected due to its track-record in refurbishment, quality new build and value-adding activities, including successful delivery of employment and training programs.



## CASE STUDY COMPLETED IN 2014

The £220m project saw the demolition of social housing not deemed to be economically viable, the building of 819 new homes on these sites, the extensive refurbishment (bathrooms, kitchens, windows, roofs, etc) of 1,200 existing homes considered worth retaining, extensive landscaping of the surrounding open spaces and other improvements to the run-down urban fabric under a master planning process.

The Ocean Estate regeneration was completed in 2014, and delivered in a number of stages, including the progressive rehousing of existing tenants into new and refurbished homes.



*The creative architecture mirrors the surrounding area's creative boom with fun touches such as brightly-coloured balconies and spacious private courtyards. We have inspired and influenced design in surrounding developments and communities. "*

**PROJECT MANAGER**  
East Thames Housing Association.

LBTH sought 'a **total change in the perception of the estate**' and to produce '**exemplary new homes that will set new standards for regeneration projects into the future.**'





## TENURE MIX & LAYOUT

Tenure mix of the 2000 dwellings is 80% affordable & 20% private, driven by economic viability and requirements of the EOI:

- 1200 refurbished units are retained by LBTH and mainly social housing;
- 819 new build are 49% affordable (mainly social) housing and 51% private (mainly owner occupied);

**= 80% affordable housing and 20% private housing.**

The Vivo [Site E - pictured left] consists of 12 unit blocks in 3 separate quadrangles, each with central open space, and a fourth as public open space. Heights vary from 4-9 storeys, and homes from 1-5 bedrooms.

Tenure configuration is mainly 'clustered':

- LBTH retained stock is in discreet blocks with good physical integration and connectivity to precincts and urban areas;
- Affordable and private housing in the new build is 'clustered' in different buildings or around 'cores' in the same building. All are 'tenure blind' regarding design, and all share generous, well-designed central open space, like the internal courtyard of The Vivo (pictured).



## PARTNERING & FINANCE

East Thames Housing Association was formed in 1979 with strong tenant management. It was originally a small, locally based association that grew through stock transfers, new build, and the management of social and private rental dwellings. The association 'bought in' the diverse skills needed to grow and take a leading role in development. ETHA now owns and/or manages around 15,000 homes, and is engaged in merger negotiations that would lead to major growth.

Partnering arrangements were relatively straightforward:

- East Thames Housing Association was consortium lead agency and:
  - Developer for Site E (Vivo) and retained the headlease;
  - Project Manager for refurbishment of LBTH retained stock.
- Private Construction Company, Bellway Homes (BH):
  - Developer for Site F (So Stepney);
  - Held headlease on Site F until completion, then transferred back to ETHA.

There were two broad funding/financing arrangements:

1. Refurbishment of LBTH retained stock:
  - East Thames completed under fee for service arrangement from LBTH;
  - LBTH funded the £50m refurbishment through:
    - £50 million Council contribution;
    - Sale of land for new build to ETHA (£16 million) and to BH (£15 million).
2. ETHA's £50 million construction /purchase of affordable housing stock in Site E & F:
  - 80% grant funded;
  - 20% from ETHA reserves and debt financing.



# MANAGEMENT & MAINTENANCE



*We need to make sure any issues are dealt with promptly, and that there is good report back on resolutions. We have a number of formal and informal mechanisms to make sure this happens. It's important for resident satisfaction and to maintain the excellent public image of the Estate."*

**TENANCY MANAGER**  
ETHA, Ocean Estate.



Ocean Estate has retained its social diversity and improved social inclusion amid the rapid gentrification that characterises much of East London.



Pictured: The sensitive interface between new development (right) and older social housing outside the regeneration area (left) on the high street.

# ACHIEVEMENTS & OUTCOMES

**A MULTI-AWARD WINNING DEVELOPMENT FOR DESIGN EXCELLENCE, SOCIAL PROGRAMS, AND TENANCY MANAGEMENT.**

- Very low turnover in social housing tenancies;
- Surveys indicate high levels of satisfaction across tenures;
- Strong demand for private homes - last stage selling off the plans;
- Major improvements in crime, safety and anti-social behaviour;
- 70 trainees & apprentices employed directly in renewal activities;
- Significant related job creation in related activities;
- 21 ha of open space improvements, landscaping and facilities;
- Quality services & social enterprises accessed by all residents.

Formal agreement between LBTH & ETHA on standards of maintenance across the regeneration area:

- LBTH manages the retained social and affordable housing dwellings and public domain areas
- ETHA provides integrated management services for Sites E & F:
  - Tenancy management for social and affordable housing;
  - Maintenance of externals of buildings (all tenures);
  - Maintenance of shared open space and courtyards;
  - Internal & external cleaning of buildings (all tenures).

Financing of management and maintenance:

- Rents on affordable housing include an embedded service fee;
- Private properties pay a service fee and 'ground rent' (long-term leasehold);
- Differential service fee charged on private and affordable dwellings.



*Vivo and So Stepney are surrounded by Council housing on most sides, and provide affordable and private housing in the same buildings. I don't believe this has affected the marketability of private homes. On the contrary, there is strong and growing demand. Excellence in design and management is the key."*

**PROJECT MANAGER**  
ETHA, Ocean Estate





## CASE STUDY WASHINGTON PARK RIVERWOOD

WASHINGTON PARK IS LOCATED WITHIN THE EXISTING RIVERWOOD SOCIAL HOUSING ESTATE.

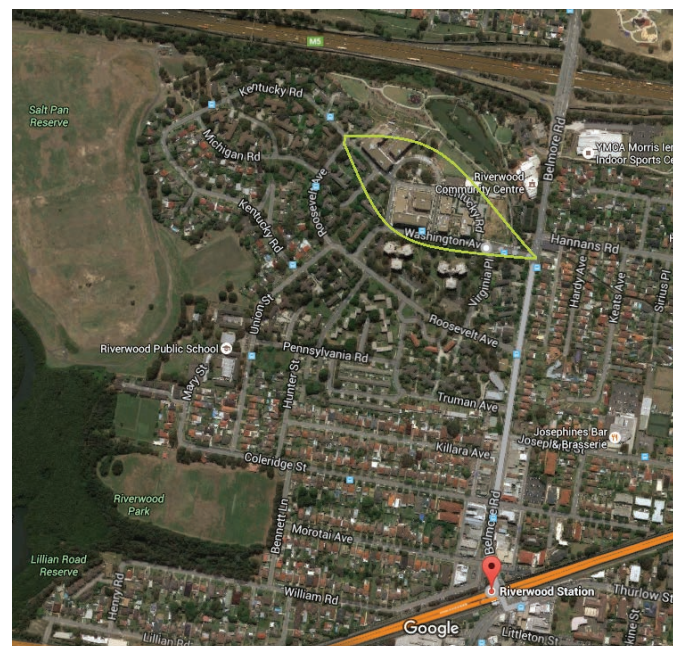
**PROJECT AIM**  
**TO CREATE A VIBRANT COMMUNITY WITH UP TO 600 MODERN, ARCHITECTURALLY-DESIGNED, ENVIRONMENTALLY-FRIENDLY NEW HOMES.**



## BACKGROUND

The site makes up around 10% of the estate, which contains around 1,300 dwellings in total. The redevelopment area comprised 176 dwellings within two and three storey walk-ups, all three-bedroom units. Developed in the 1940s and 1950s, the housing was deemed to be under-occupied, lacking in accessibility, nearing the end of its useful life and 'ripe for renewal'.

The project involved the demolition of all lower density dwellings in the renewal precinct and their replacement with 825 new homes in multi-storey apartment buildings. It was undertaken by the NSW L&HC, with PAYCE Consolidated Ltd contracted to construct dwellings and facilities, and St George Community Housing contracted as tenancy manager.



## TENURE MIX AND LAYOUT

Tenure mix of the 825 new homes is 18% social housing and 82% private dwellings, including:

- 150 social housing units for seniors;
- 675 private units (50/50 owner occupiers and private renters);
- Decisions about tenure mix related to the nature of contractual agreements as well as commercial considerations.

The tenure configuration is 'clustered' per the contract with L&HC, with:

- Two social housing and two private apartment buildings side by side and 'tenure blind' re: external design;
- A fifth building under construction will mix tenure by floor, with separate entrances for private residents and social housing tenants, and have a ground floor community hub with a library and senior citizens' centre;
- Quality open space accessible to all, the tenure blind nature of design, and the provision of a community hub also facilitate social integration and casual social interaction.

Below: Social housing buildings in the foreground and private housing in the background from Washington Avenue, Riverwood





## PARTNERING & FINANCE

Financial and development arrangements were not overly complex in the Australian case studies.

Washington Park was:

- Led by the NSW Government (Land & Housing Corporation), who contracted:
- PAYCE Consolidated Ltd to construct the development;
- St George Community Housing (SGCH) to manage the social housing tenancies.
- There was also a joint agreement for the delivery and maintenance of quality community infrastructure and open space under a Voluntary Planning Agreement between PAYCE, the NSW Government and Canterbury Council.

Below: The upgraded walkway from Washington Avenue with mosaics and decorative paving that leads to high amenity community open space and future mixed use building with multi-tenure housing and community infrastructure (library, seniors centre, community rooms & other facilities).

## PLACE MANAGEMENT

On-site tenancy management can make a valuable contribution to a mixed tenure estate, particularly where there is a large component of social housing or vulnerable tenants that require more responsive management.

The on-site presence of SGCH provides prompt responses to issues raised by social housing tenants and support for the needs of older tenants. However, SGCH is not contracted to provide place making activities across the renewal precinct to all tenure groups, unlike some other case studies.

**SGCH provides an on-site management presence and community building activities for social housing tenants.**

**SGCH is located at the base of one of the buildings, and is visible and accessible via community open space.**

## CASE STUDY THE NICHOLSON EAST COBURG



*The former East Coburg tram depot just seven kilometres from Melbourne's CBD provided the opportunity to respond to the shortage of affordable housing in inner Melbourne. "*

PLACES VICTORIA WEBSITE

## BACKGROUND

**NICHOLSON APARTMENTS IN COBURG IS A MIXED USE/TENURE DEVELOPMENT OF 199 APARTMENTS AND EIGHT GROUND FLOOR COMMERCIAL SPACES ON THE SITE OF A FORMER GOVERNMENT TRAM DEPOT.**

The land was rezoned to allow for mixed residential and commercial development, and is regarded as being of Metropolitan and Regional significance.

The redevelopment was led by the State Government (Places Victoria), which let construction contracts to a private sector developer following a competitive tendering process. Launch Housing is the owner and manager of the social housing dwellings, and Urban Communities Ltd is contracted as the on-site place manager, providing body corporate services, tenancy management for privately rented apartments and other services across the site.







## TENURE MIX & LAYOUT



*It's not really clear why the layout [of tenures] was chosen. Perhaps it was to minimise private sale risks, although there have been no problems with sales."*

STAFF MEMBER, LAUNCH HOUSING.

Of the 199 new apartments:

- 58 are social housing units owned by Launch (29%);
- 31 are affordable ('key worker') rental owned by private investors with NRAS credits (15%);
- 110 are privately owned by owner occupiers and investors (55%);  
= 45% affordable housing and 55% private housing.

Decisions about tenure mix related to contractual requirements and commercial considerations (how much private sales were required to fund the project when grant funding and debt equity was considered).

Tenure configuration is in a 'quasi-core' layout:

- Residential floors are laid out around a central courtyard;
- There are two separate entrances but access is available across each floor;
- The 58 social housing units are on one side (72% of units on that side), so tenants collect their mail and generally enter the building through that entrance;
- All units are of the same high quality design externally, although there are some optional extras provided in the internal fitout of private units.



## PARTNERING & FINANCE

Again, partnering arrangements were not overly complex for The Nicholson, and involved:

- The lead agency as Places Victoria (the Government's urban renewal authority);
- A contractual relationships between State Government and the private sector during construction;
- A contractual relationship between State Government and two Community Housing providers for tenancy and place management services.

A high level of public investment (land, capital grants) was required for all Australian case studies.

The Nicholson was a \$56m project including:

- Provision of Government land (at a subsidised cost);
- 58 social housing dwellings purchased by Launch Housing from \$14m Nation Building Economic Stimulus Plan funding contribution and debt financing;
- 31 NRAS incentives for affordable rental units;
- Sale of the eight ground floor commercial spaces;
- Sale of private units.



## ON-SITE PLACE MANAGEMENT



*This type of on-site service can cost more than traditional off-site OC management, but it's been tremendously valuable where a large number of tenants have complex needs and are living in a highly integrated high-density building. Our services provide value for money and costs are competitive with private providers."*

**URBAN COMMUNITIES LTD.**



*I love living here and I'd like to give something back to the community. I've been talking with other residents about possibly starting a play group or kids activities in the open area."*

**PRIVATE TENANT**



*A lot of people don't like that central open space area because there are so many overlooking balconies. It's about privacy rather than tenure. We have introduced more landscaping and screening to help address this."*

**STAFF MEMBER**  
Launch Housing.

## DESIGN AND CONSTRUCTION ISSUES

The Nicholson was lauded at the time of construction for its innovative design and use of modular construction:

- UDIA (Victoria) Award for Excellence in 2011;
- Finalist in the 2012 Property Council of Australia/Rider Levett Bucknall Innovation & Excellence Awards.

Despite this, there have been ongoing issues related to defects and inclusions, including:

- Difficulties with the modular construction, particularly internal leakages and drainage - construction may have been cheaper and quicker in the short term, but the longer term costs to property owners and the OC have been substantial and will likely continue;
- Incorrect installation of heaters and other problems during construction have led to contractual disputes, and have also been costly for property owners and the OC.

There are mixed feelings about the shared central open space, which can foster increased integration and social interaction but can also lead to privacy issues.

Integrated on-site place management is provided by CHP, Urban Communities Ltd:

- Contracted by the Owners' Corporation (OC) to provide OC management, building and facilities management, tenancy management, and maintenance services for some private rental units;
- Launch Housing provide tenancy management and maintenance for their tenants (Launch is also a member of the OC, so is in a contractual relationship with Urban Communities Ltd).

Eighteen of the social housing tenants are formerly homeless people with high support needs. Urban Communities is able to get to know people, and are attuned to residents' needs and issues due to their on-site presence. They are able to 'softly' intervene to avoid or de-escalate conflict should it occur. They can also develop relationships across tenures and ensure integrated services are provided promptly and to a high standard,



# CASE STUDY UNO APARTMENTS ADELAIDE

UNO APARTMENTS IS AN AWARD WINNING URBAN INTENSIFICATION PROJECT COMPRISING 146 APARTMENTS IN A 17 STOREY DEVELOPMENT.



*The mix of tenure was determined by a range of factors - contractual and financial. I don't think there was an 'ideal' tenure mix for the development"*

**STAFF MEMBER**  
Renewal SA



## BACKGROUND

**THE 146 UNITS ARE IN A 'CLUSTERED' AND 'PEPPER POTTED' LAYOUT:**

30 studios and offices for a youth crisis service in one 'core';

116 mixed tenure units in one 'core':

27 social housing units

27 NRAS rental (private)

28 AH ownership (private)

34 private market units

The lead agency was the SA Department for Communities and Social Inclusion, which contracted with a private developer to construct the development, and with Urban Communities Ltd (a CHP) to provide integrated site management (tenancy management for the social housing dwellings, on-site place management and to be the owners corporation manager). St Johns Youth Services is the youth crisis accommodation manager.



*UNO was the highest priced and best-selling apartment building in Adelaide at the time it was sold - mixed tenure had no bearing on the value of the units sold"*

**DEVELOPMENT MANAGER**  
UNO Apartments

## TENURE MIX AND LAYOUT

The UNO Apartments case study also indicates that there is no 'right' way to configure tenures, and that a reasonable level of integration is possible, and that:

- A quality build is a key issue in marketability;
- External indistinguishability and aesthetic harmony between tenures is important;
- Tenure configuration style depends on objectives of the project and financial imperatives.

Affordable housing does not mean lower quality housing, and UNO was particularly committed to achieving as high a quality a finish and design as possible on every floor, regardless of tenure mix. This is particularly important for parties with a long-term investment in the development - for the owner, and for those with long-term responsibility for building management and maintenance. If the building is built poorly and there are on-going structural issues, this results in increased costs for owners and managers.

High quality design and finishes also meant government was able to maximise its return through sales of private dwellings.



## FUNDING AND FINANCE



*UNO in its current size, scale and mixed tenure profile was ultimately made possible by the Nation Building Economic Stimulus Plan funding. The project intent was first and foremost the creation of youth crisis accommodation, and the additional funding made a much larger and innovative project possible. A considerable amount of political will and risk taking was also involved to make it happen "*

**SENIOR STAFF MEMBER**  
Urban Communities Ltd.

Again, a high level of public investment was required for UNO Apartments.

UNO Apartments was a \$50.9m project, which included:

\$48.9m Nation Building Economic Stimulus Plan funding;

\$2m SA Government funding;

27 NRAS incentives for affordable rental;

Adelaide City Council land at subsidised cost.



## STRATA SUBDIVISION ISSUES

A particular concern of the Australian case studies show that strata subdivision need not be seen as an impediment to mixing tenures within a building – even if a higher level of integration is desired. There are multiple ways it has been done to achieve various objectives.

**In the UNO Apartments:**

Secondary titling is used to create a quasi-core of private units on upper three floors to increase marketability and maximise return to government;

Indistinguishable amenity and finishes to other floors containing mixed private and affordable housing;

Communal entry and lifts for all tenures in the mixed 'core';

Provides owners on the upper floors with more choice for upgrades to finishes in future, and capacity to charge differential service fees.

## WANT MORE INFORMATION?

THE THREE DETAILED REPORTS THAT FROM THE BASIS OF THIS BOOKLET ARE AVAILABLE FROM THE FOLLOWING LINKS:

**Best Practice in Multi-Tenure Development: Literature Review & Australian Case Studies** – provides an overview of the policy context, a literature review, and detailed review of five Australian case studies in different Australian jurisdictions (Sydney, Melbourne and Adelaide);

**Best Practice in Multi-Tenure Development: English and Scottish Case Studies** – details five case studies from England and Scotland. The case studies provide valuable practice illustrations from countries where such developments have been occurring longer and generally at greater scale than in Australia, and where there has been more evaluation of the outcomes;

**Best Practice in Multi-Tenure Development: Summary Report** – provides an overview of key findings from the literature review, and Australian and overseas case studies.

**Prepared by:**  
**Judith Stubbs and Associates**  
**For:**  
**The NSW Federation of Housing Associations Inc. under the NSW Community Housing Industry Development Strategy**

