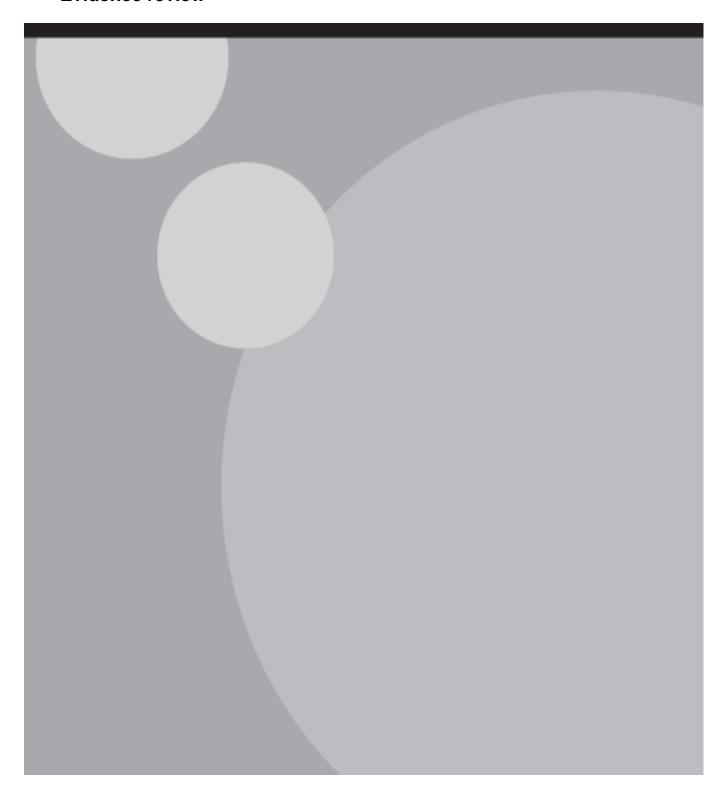


### **Mixed Communities**

### **Evidence review**





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**Evidence review** 

Dr Rebecca Tunstall and Dr Ruth Lupton, London School of Economics with members of the Mixed Communities Initiative evaluation team

November 2010 Department for Communities and Local Government

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The findings and recommendations in this report are those of the authors and do not necessarily represent the views of the Department for Communities and Local Government.

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### **Summary**

This paper aims to help government consider the way forward with policy on mixed communities as a means to the renewal of disadvantaged neighbourhoods. (It does not address policy or research on encouraging mix in newly-built areas.)

There are a number of reasons why mixed communities might be attractive: to promote a more egalitarian or socially cohesive society; to encourage racial or religious integration; and to create more 'workable' or 'sustainable' communities. The focus in this paper is on whether encouraging more mixed communities is an appropriate strategy for the regeneration of disadvantaged neighbourhoods relative to other more 'traditional' forms of renewal and relative to 'doing nothing'

In this context, the rationale for mixed communities is that substantial diversification of housing type and tenure, combined with improvements to facilities, services and opportunities will both improve life chances for disadvantaged residents and attract new wealthier residents. This will lead to a new dynamic including increased land values and a better-functioning housing market, reducing overall concentrations of deprivation. Lower income residents will benefit from increased resources and social interaction with better-off residents. Neighbourhoods will thus be less reliant on repeated 'regeneration'.

There is substantial evidence that areas with more mixed social composition tend to be more popular, more satisfying to live in, and have better services than poorer areas. This provides a rationale for continued intervention in low-income neighbourhoods on the grounds of social justice. To date the evidence is limited that neighbourhood has a large effect on individual outcomes, over and above individual and household factors. Nor is there robust evidence that neighbourhood mix per se or changes to mix (over and above other neighbourhood characteristics) is influential. On this basis, it is not evident that mixing communities will be a more effective strategy than traditional neighbourhood renewal approaches.

There are two principal mechanisms by which low income residents might be expected to benefit from mixed community approaches: area resources and social interactions. There is limited evidence that the new resources that may come with higher income residents (e.g. shops) either materialise or are beneficial to people on low incomes. However, there is evidence that area reputations and stigma can be affected in ways not possible with less transformational change. There is some evidence that social tolerance might be increased through increased visibility of people from other social groups. However, a consensus is emerging that groups tend not to actually mix. Mixed communities are more likely to deliver shared spaces, than to create broader social networks, positive role models and job finding opportunities.

It is not yet known whether the benefits of mixed communities (as opposed to other approaches) are justified by the costs. The leverage of private sector investment may make mixed communities appear cheaper than traditional neighbourhood renewal approaches (by which we mean central government-funded programmes such as the New Deal for Communities and the Single Regeneration Budget, which have focused on improving neighbourhoods without fundamentally altering their population composition). However, there are opportunity costs (for example in temporary or permanent loss of social housing or public assets). There may also be social costs, particularly displacement. Evidence on some of these issues is available from the Mixed Communities Initiative evaluation. Clearly, reliance on private sector finance may limit deliverability in the current economic climate.

One difficulty with considering mix policies in general is that the degree of non-mix varies considerably. It is conceivable that while the benefits of mix might not be substantial enough to justify the costs in most neighbourhoods, they might in some: especially the most disadvantaged. More understanding is needed on trends in neighbourhood conditions and on types of neighbourhoods where a mixed communities approach might be appropriate (for example in areas of housing market collapse and long-standing stigma), or achievable. Achieving regeneration through cross-subsidy from private sector new build is clearly less likely in peripheral areas of long-standing low housing demand and widespread low income than it is in areas of mixed housing stock close to the centre of major cities.

In summary, if there had to be a crude choice between traditional urban and neighbourhood renewal and mixed communities policies to address the top quarter most deprived local authorities (as Neighbourhood Renewal Fund did) or even the most deprived 10 per cent or 5 per cent of wards, the evidence suggests the former offer more limited but better-evidenced benefits at lower costs, and are also more achievable during a recession. If there is a choice between doing nothing in deprived areas and doing something, the evidence suggests doing something.

The evidence suggests that:

- (a) There should be continued support for 'traditional' urban and neighbourhood renewal, which might include a modest mixing element.
- (b) On the precautionary principle, and on the grounds that the costs of preventing non-mix are lower than those of altering it, mix should be encouraged in new developments, and through any schemes to support developers and registered social landlords during the housing market downturn.
- (c) Mix should be considered in existing areas through methods such as pepper potted-tenure change, tenure blurring, sensitive allocations policy and targeted fiscal stimulus.

- (d) The Mixed Communities Initiative Development Project approach of enabling more radical mixed communities policies should be maintained in a small number of areas where local partners want to take the initiative, but with a much stronger focus (and oversight from central government) on reducing social costs, and properly assessing and managing costs to the public sector.
- (e) The Government should continue to evaluate the current Mixed Communities Initiative schemes and other regeneration schemes and to support specialised research to identify thresholds and existing areas where the more costly and complex mixing projects are achievable and show greatest cost benefit.
- (f) The impact of current trends (including the housing market and employment downturn) on the creation of new unmixed areas and new deprived areas should be closely monitored.

### 1. Introduction

This document aims to help government consider the way forward with policy on mixed communities as a means to the renewal of disadvantaged neighbourhoods.

It draws on published research on mixed communities and on evidence from the evaluation of the Mixed Communities Initiative demonstration projects. This has involved literature reviews, interviews and discussions with international and national experts, Department for Communities and Local Government (DCLG) and Government Offices for the Regions staff and stakeholders in 12 areas, and statistical data collection.

The evaluation shows that DCLG and Government Office staff are aware of subtle distinctions in policy aims and shifts over time, while some stakeholders are not clear about what the DCLG policy on mixed communities is, or what it is trying to achieve. There is also some disagreement. Some commentators, including the DCLG Select Committee, are pushing for DCLG to expand its approach. Others, including some academics, think that DCLG should rethink its approach on mixed communities. The downturn in the housing market also prompts a review of mixed communities, as they are likely to affect the issues that housing and regeneration policies need to address as well as the deliverability and impact of mixed community policies.

This document first reviews the intended objectives of mixed communities policy, and the theories behind it, and then assesses research and practice evidence, and the extent to which it suggests that mixed communities offers cost-benefit relative to more traditional neighbourhood renewal policies. By 'traditional neighbourhood renewal policies', we mean those that have focused primarily on improving neighbourhoods, through a range of interventions including housing and environmental improvements, employment programmes, community facilities etc, without attempting to transform their population mix.

Examples would include the New Deal for Communities and the Single Regeneration Budget as well as the National Strategy for Neighbourhood Renewal. They have aimed to bring investment to poorer areas and coordinate services as well as making physical improvements. These 'traditional approaches' have been funded primarily from the public purse, with a specific central government fund at their core, unlike the mixed communities approach which does not have a specific central government fund and which depends substantially on cross-subsidy from private sector development.

<sup>&</sup>lt;sup>1</sup> Lupton, R., Heath, N., Clarke, A., Whitehead, C., Monk, S., Geddes, M., Fuller, C., Tunstall, R., Hayden, C. and Robinson, J. (2009) *Evaluation of the Mixed Communities Initiative Demonstration Projects: Baseline Report.* London: Department for Communities and Local Government.

<sup>&</sup>lt;sup>2</sup> Cheshire, P., Gibbons, S. and Gordon, I. (2008) *Policies for 'mixed communities': A critical evaluation*. York: The Joseph Rowntree Foundation.

It is important to note that some traditional neighbourhood renewal approaches have in practice involved some element of tenure mix and/or income mix, although not usually on a very large scale and not usually as the key driver of regeneration. Also mixed communities approaches to regeneration do not only focus on mix. They incorporate many elements of 'traditional approaches' including social welfare programmes and community facilities and amenities, neighbourhood management and better integration of mainstream services. In making a distinction in this paper, we do not suggest that mix and 'traditional neighbourhood renewal' are wholly distinct nor incompatible, but aim to review the evidence for an approach which has population mix as a central element and private sector cross-subsidy as the key financing mechanism (compared with an approach that does not).

The paper concludes with a summary about the degree of consensus on this question together with arguments for alternative ways to promote mixed neighbourhoods than the substantial 'mixed community approach'.

## 2. 'Mixed communities' as policy goal and policy

### 2.1 The broad goals of 'mixed communities'

'Mixed communities' is both a broad policy goal and a specific policy approach. It is helpful to distinguish these. As an overall policy goal, the term encapsulates three main meanings:

- (1) 'Mixed communities' as a general social good, reflecting an integrated and egalitarian society in which people of all social classes and incomes share the same space, services and facilities, creating conditions in which mutual understanding and/or shared norms can potentially develop.
- (2) 'Mixed communities' as spaces to encourage racial, ethnic or religious cohesion, or which prevent increasing segregation.<sup>3</sup>
- (3) 'Mixed communities' as 'workable' or 'sustainable' communities, following a notion that a combination of different land uses, building types and people is:
  - (a) More sustainable (less affected by changes that affect only one type of resident e.g. youth unemployment or becoming unable to support oneself in old age).
  - (b) More mutually supportive (with intergenerational links).
  - (c) Easier to manage because hard-to-manage groups are diluted.
  - (d) More capable of supporting a varied range of activities, facilities and services, because of a range of incomes, ages and interests.

An underlying assumption is that these kinds of communities are likely to be better for individuals as well as society as whole, promoting better life chances.

These three meanings may be applied singly or in combination, and to the development of new housing or to existing areas. In this paper we are concerned with policy which tries to make <u>existing</u> residential areas more 'mixed', through change to housing tenure and social mix.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> The term 'mixed communities' is not often used in conjunction with the community cohesion agenda in policy circles but is often interpreted in this sense by members of the public (for example, in feedback from interviewers on the Mixed Communities module in the survey of New Deal for Communities residents 2008), practitioners (Lupton et al., 2009) and the mainstream media.

<sup>&</sup>lt;sup>4</sup> One element of mix in a mixed community may be the integration of residential and non-residential uses (mixed use development). This element is not prominent in policy documents or statements about the overall objectives of mixed communities policy, nor in the objectives

In this context, broad mixed community goals (1 and 2 above) are relevant, but not the principal motivation for intervention. It is worth noting that although Section 106 provisions enable the supply of affordable housing in otherwise affluent areas, such areas are not the target of large-scale mixed communities proposals. This suggests that it is concerns about the problems of disadvantaged areas that are to the fore when mixed community policies are applied to existing areas.

Mixed communities have been seen as an alternative or additional approach to disadvantaged areas and their problems. Mixed communities policies have been proposed as a solution for disadvantaged areas, not just as a broad social goal worth pursuing. They may be proposed in order to <a href="restore">restore</a> conditions of integration, cohesion, workability and sustainability, or to <a href="create">create</a> them. The former would apply in inner suburbs of large cities which have tenure mix and mixed uses but have become occupied mainly by people on low incomes in low value housing. The latter would apply in areas which have always had a predominance of people on low incomes (typically council-built areas built for urban and industrial expansion or slum clearance).

## 2.2 The origins of mixed communities as a policy for changing existing disadvantaged areas

Research in the UK and other countries since the 1960s has shown that predominantly low income areas, including many but not all social housing estates, and some areas of mixed and predominantly private housing tenure had some distinct problems. They:

- could be isolated from labour market opportunities leading to long term unemployment and altered family structures; for example, young women entering parenthood early and outside stable partnerships, as Wilson argued in the USA<sup>5</sup>
- benefited from strong family and community networks but limited wider networks through which residents could access work and wider opportunities
- were hard or more expensive per capita to manage, because of high demands on services, in some cases resulting in lower service quality and worse local conditions<sup>6</sup>
- tended to be poorly served by public services as well as by shops

of the mixed communities demonstration projects, so we have not discussed it here. This does not imply that mixed uses are not or should not be considered as part of mixed communities.

<sup>&</sup>lt;sup>5</sup> Wilson, W.J. (1987) *The Truly Disadvantaged: The inner city, the underclass and public policy.* Chicago: University of Chicago Press.

<sup>&</sup>lt;sup>6</sup> e.g. Power and Tunstall (1995); Lupton, R. (2003) *Poverty Street: The dynamics of neighbourhood decline and renewal.* Bristol: The Policy Press.

and other private sector services because of insufficient income to sustain them<sup>7</sup>

- could be prone to a cycle of decline triggered by a concentration of acute problems and leading to depopulation, environmental and service decline, and very low property values<sup>8</sup>
- could affect house values in neighbouring areas and otherwise deter inward investment in urban areas<sup>9</sup>
- until recently, these tended to be addressed directly through 'traditional' regeneration strategies to improve employment and skills, housing, environment and services and to support residents, as with the National Strategy for Neighbourhood Renewal, 10 as well as the New Deal for Communities the most recent examples.

Tenure or income diversification has played some part in these strategies in many cases. Attempts to diversify tenure and income mix as part of a broader regeneration programme, have used combinations of sale of socially rented homes, demolition and new build in different forms and tenures. In the early 1980s there were experimental sales of whole estates to developers and housing associations, and the Estate Action scheme (1984-94) required tenure diversification in council estates. All the estates investigated in a Department for the Environment, Transport and the Regions review of council estate regeneration schemes included some tenure diversification.<sup>11</sup>

Since 1997, schemes such as the New Deal for Communities, Housing Market Renewal and those funded partly through the Single Regeneration Budget and the Neighbourhood Renewal Fund, and the Mixed Communities Initiative, have often involved some efforts at mixing tenure and changing population mix. However, making significant changes in tenure and/or social mix in itself was not seen as an achievable, essential, or principal driver of change. Tenure mix and income mix have tended to be seen as interchangeable concepts, although it is clearly possible to change tenure without changing income (especially with changes from social housing to owner-occupation through the Right to Buy), and to change income without changing tenure (e.g. through gentrification in areas of private rented and owner-occupied housing).

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<sup>&</sup>lt;sup>7</sup> e.g. Social Exclusion Unit (2001) *A New Commitment to Neighbourhood Renewal: National Strategy Action Plan*; Cabinet Office (2005) *Improving the prospects of people living in areas of multiple deprivation in England* (Joint Prime Minister's Strategy Unit/Office of the Deputy Prime Minister report).

<sup>&</sup>lt;sup>8</sup> e.g. Power, A. (1997) *Estates on the Edge: The social consequences of mass housing in Northern Europe.* New York: St Martin's Press.

<sup>&</sup>lt;sup>9</sup> e.g. Rogers, R. and Power, A. (1987) *Cities for a small country.* London: Faber and Faber. <sup>10</sup> Social Exclusion Unit (2001) ibid.

<sup>&</sup>lt;sup>11</sup> Evans (2000) Regeneration That Lasts: A Guide to Good Practice on Social Housing Estates. London: Department for Environment, Transport and the Regions.

<sup>&</sup>lt;sup>12</sup> Similarly, policies incorporating some tenure diversification and some increases in social mix have been applied not only in the US, but also in the Netherlands, Australia, Germany, Denmark, France and a range of other countries.

In the vast majority of cases the actual amount of change has been relatively minor. <sup>13</sup> Most have not resulted in owner occupation becoming the majority tenure, as it is nationwide, or reaching the 50 per cent home ownership the social rented sector as a whole has seen since the introduction of the Right to Buy. For example, while all the estates in a Department for the Environment, Transport and the Regions review of estate regeneration schemes included some tenure diversification, <sup>14</sup> this mainly involved transferring homes to Registered Social Landlords or Registered Social Landlord new build. In 20 unpopular estates, the Right to Buy and various regeneration projects, including some with tenure mixing aims, had resulted in an average 20 per cent home ownership by 2005.

The 'mixed tenure' policy with greatest impact on individuals and neighbourhoods to date has been the Right to Buy, with two million homes sold, against fewer than 100,000 for all the other low cost home ownership initiatives combined. This has been largely responsible for the decline in proportion of social rented tenants in wards with more than 50 per cent social housing from 49 per cent in 1981 to 24 per cent in 1991 and 13 per cent in 2001. There have been some cases of regeneration projects involving 'significant' changes in tenure – involving, as a rough definition, more than a third of the pre-or post-existing homes – and/or social mix of similar scales, but these have been a minority of the minority of estates receiving central government funding for regeneration (see Table 1 for examples).

From about 2005, there was a shift to an approach which positioned mix as a central and essential element of regeneration, rather than an optional, pragmatic component in particular kinds of areas. Here we are defining the 'mixed communities approach' as:

interventions to create <u>substantial</u> housing tenure and/or population change in residential areas, involving changes to more than a third of the pre-or post-existing homes – and/or social mix of similar scales, partly funded by sale of public land and the private sector.

This shift was related to several developments:

A Cabinet Office review of neighbourhood renewal strategies (1998-2005) which suggested that 'further and faster' progress needed to be made.<sup>15</sup> This argued that reversing the cycle of decline [in the most disadvantaged areas] would require 'revitalising local economies, improving housing and the local environment, stabilising communities and improving the delivery of public services and targeted support to deprived areas'.

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<sup>&</sup>lt;sup>13</sup> We refer here to change effected by neighbourhood renewal policies. There has been larger scale tenure change in some gentrifying neighbourhoods or those where the Right to Buy was widely exercised.

<sup>&</sup>lt;sup>14</sup> Évans (2000) ibid.

<sup>&</sup>lt;sup>15</sup> Cabinet Office (2005) ibid; see also Kintrea, K. (2007) Policies and programmes for disadvantaged neighbourhoods: Recent English experience. *Housing Studies*, 22(2), pp.261-282.

- Growing research interest in the US and to some extent in the UK and Europe in the idea that concentrations of poverty could have additional and negative effects on individuals, over and above the disadvantages of individual and household poverty.
- Learning from the US HOPE VI policy on public housing in the US, which can involve substantial demolition and relocation.
- Anticipated household growth, a new construction boom, an urban revival, rising land values and increased potential to finance refurbishment or replacement of social housing through the sale or transfer of land to private developers.

These influences led to an emergent consensus in government that more significant transformation of low-income areas was needed, and that transforming their income (and usually tenure) mix, and thus their housing market function and position in the urban hierarchy provided a means to this end. There was also the hope that this could be achieved through involvement of the private sector as investor and developer of homes for ownership. Mix was positioned as <a href="necessary">necessary</a> for regeneration and also as a tool to enable regeneration without the necessarily limited allocations of central government grant upon which previous regeneration approaches have relied.

The only specific post-2005 mixed communities initiative to date is the Mixed Communities Initiative, comparing 12 'Demonstration Projects'. These are not funded through significant additional money, but many are supported through other DCLG programmes, such as New Deal for Communities and Housing Market Renewal. The demonstration projects have been supported through advice from the Commission for Architecture and the Built Environment on design and PricewaterhouseCoopers on finance, and networking events. Outside this initiative, however, mixed communities terminology and approaches have been adopted by various local authorities and partnerships, and have been generally encouraged by DCLG.

Table 1: Examples of the 'mixed communities approach' in practice, before and after 2005<sup>16</sup>

Name of area	Date of project	Change in tenure mix (from close to 100% local authority)	Source
Broomhall, Sheffield	Pre-1998	37% owner occupied, 63% Registered Social Landlord	Jupp (1999)
Cowgate, Newcastle	Pre-1995	33% owner occupied	Power and Tunstall (1995)
Bonamy, Southwark	Pre-1998	23% owner occupied, 38% Registered Social Landlords	Jupp (1999)
Hulme, Manchester	1990s-2000s	45% private	Silverman et al. (2006)
Longbenton, N Tyneside	Pre-2001	44% local authority	Geoff Fordham Associates (2009)
Niddrie, Edinburgh	1981-98	21% owner occupied, 21% Registered Social Landlords	Pawson et al. (2000)
Manor, Sheffield	1990s-2000s		National Housing Federation
Chalkhill, Brent	2006	c30% owner occupied	Tunstall and Coulter (2006)
Ferrier, Greenwich	ongoing		www.greenwich.gov.uk
New Gorbals, Glasgow	1990s-2000s		Silverman et al. 2006
Woodberry Down, Hackney (Mixed Communities Initiative)	ongoing	Planned: c60% owner occupied	Lupton et al. (2009)
NE Coventry (Mixed Communities Initiative)	ongoing	Planned: From 14% owner occupied to 60%	Lupton et al. (2009)
Canning Town, Newham (Mixed Communities Initiative)	ongoing	Planned: from 20% owner occupied to 60%	Lupton et al. (2009)

Note: This table excludes schemes that did not involve demolition but changed tenure mix by adding private homes or selling local authority homes. Not all the Mixed Communities Initiatives have clear tenure targets. Not all of those that do plan 'significant' change as defined here. The smallest Mixed Communities Initiatives cover large housing estates; some cover several times as many homes.

<sup>&</sup>lt;sup>16</sup> Jupp, B. (1999) *Living together.* London: Demos; Power and Tunstall, R. (1995) *Swimming against the tide.* York: YPS; Silverman, E., Lupton, R., and Fenton, A. (2006) *A Good Place for Children? Attracting and Retaining Families in Inner Urban Mixed Income Communities.* Chartered Institute of Housing for the Joseph Rowntree Foundation; Geoff Fordham Associates. (2009) *Delivering Mixed Communities: Learning the lessons from existing housing and regeneration programmes*; Pawson, H., Kirk, K. and Macintosh, S. (2000) *Assessing the impact of tenure diversification: The case of Niddrie, Edinburgh.* Research Report 79. Edinburgh: Scottish Homes; Tunstall, R. and Coulter, A. (2006) *Turning the tide?* Bristol: Policy Press; Lupton et al. (2009) ibid.

### 2.3 How the 'mixed communities approach' is intended to work

Like many policies, the mixed communities approach rests on an implicit theory of change about how the policy will bring about the intended effects.

Essentially, this is that there are two main sets of necessary <u>inputs</u>: a significantly more diverse and desirable housing stock, and improvements to facilities, services and opportunities.

It is hoped that these will lead to two kinds of <u>changes</u>: direct improvements in outcomes and life chances for existing residents, and population change, bringing newer wealthier residents.

In turn it is hoped this will lead to <u>a new dynamic</u>: strengthened demand and rising land values as well as reduced average deprivation and better performance on local and national service targets, leading to positive rather than negative 'area effects' for disadvantaged and other residents, and long term sustainability without the need for repeated 'regeneration'.

This theory of change is set out diagrammatically as Figure 1. There are five important points to note about it:

- (1) Many elements of the 'mixed communities approach', such as the input of improved facilities and services, are very similar to those that have been taken under traditional neighbourhood renewal approaches. They are not necessarily dependent on significant changes in housing or population (although in practice they may be dependent on private sector funding, which may only be available by mixing the housing stock, and some of them (such as better street layout) may be enabled by large scale redevelopment). In the remainder of this paper, we attempt to isolate the 'mix' elements of mixed communities initiatives.
- (2) There is a variety of mechanisms by which mix is hoped to contribute to 'regeneration'. Some of these rest on an understanding of the problem of concentrated poverty as one of public and private sector resources, and others on an understanding that the problem is a lack of beneficial social networks (Table 2).

Figure 1: Overarching theory of change for the mixed communities approach

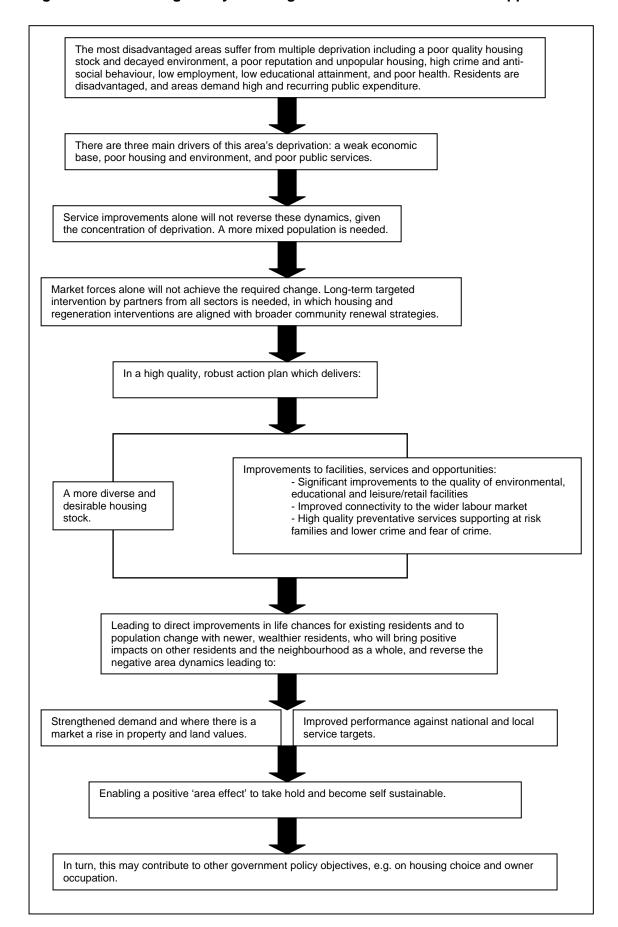


Table 2: Hypotheses about problems of concentrated poverty and hoped-for benefits of mixed communities

Assumed area effects of concentrations of poverty	Assumed benefits of living in a more mixed community and/or creating more mixed communities		
(i) Arising from lack of resources:  o absence of private sector facilities like shops or banks  o high demands on public services, and poor quality  o a poor reputation o high crime and anti-social behaviour	(ii) Arising from more resources:		
(iii) Arising from limited interaction between social groups:  o exposure to disaffected peer groups o isolation from job-finding or health-promoting networks for adults	crime and anti-social behaviour  (iv) Arising from greater interaction between social groups:  o exposure to aspirational peer groups o access to more advantaged and aspirational social networks		

Source: Adapted from Silverman et al. (2006)

- (3) The theory of change does not identify potential economic or social costs of the mixed communities approach
- (4) The theory of change is generic, but different elements will be (a) desirable, (b) achievable in different types of neighbourhoods and regions. Both benefits and costs are likely to differ according to the degree of concentration of poverty and the mix proposed. Again, policy makers need to know what proportion of all neighbourhoods might come within the scope of the policy and what the total costs implications might be across them.
- (5) The theory of change is exactly that a theory underpinning policy intervention. There will also be pragmatic reasons for particular interventions. For example, some of the demonstration projects in the Mixed Communities Initiative needed to undertake demolition of empty or derelict stock, and to finance its replacement with homes meeting Decent Homes standards. Under current funding regimes, the adoption of a mixed communities approach may be driven by these kinds of considerations rather than by the goal of creating a mixed community or a belief that individual life chances will improve.

# 3. The evidence on mixed communities and the 'mixed communities approach' in practice

This section assesses empirical evidence for the theory of change implied in policy to create substantially more mixed communities in existing areas.

## 3.1 What evidence is there that neighbourhood non-mix is a significant problem?

A vast volume of evidence comparing neighbourhoods shows that in general, areas with more mixed social composition (usually more mixed in tenure) are more popular, result in greater average resident satisfaction with homes and neighbourhoods, have better services or better service outcomes and lower crime rates. Their residents have better quality of life and outcomes. Many people living and working in poor neighbourhoods report difficulties of living in such neighbourhoods, including such problems as poor environment, antisocial behaviour, isolation and lack of transport and amenities. The impact of concentrated poverty at neighbourhood-level is felt by residents who felt isolated and disconnected from the rest of the city and wider society. Some have experienced postcode discrimination and there are consequences of negative area reputation such as difficulties in attracting/retaining quality teachers for local schools and GPs/health professionals. This is the evidence that motivated the past ten years of neighbourhood renewal policy under the National Strategy, to try to 'close the gaps' between neighbourhoods.<sup>17</sup>

A substantial body of evidence from evaluation of traditional neighbourhood renewal shows that projects which include some mixing can result in important, if not transformative, improvements in:

- resident quality of life (through improvements to housing quality, environments, resident satisfaction, area reputation)
- some measures of service quality and service outcomes
- and, to some extent, some individual outcomes, for example, in education and employment, although there have been few studies which have tracked individuals, or which have tried to unravel the effects of mixing per se, and none have clearly contrasted the success of projects according to the degree of tenure or social mixing they involved.

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<sup>&</sup>lt;sup>17</sup> Social Exclusion Unit (2001) ibid.

This wealth of suggestive evidence, however, does not get at neighbourhood effects on individual outcomes per se. As Cheshire et al. ask, does living in a poor neighbourhood *per se* cause people's incomes to be lower than they would otherwise be (or their employment rates or health and so on to be worse)? UK and European researchers have not found any grounds for a confident 'yes'. <sup>18</sup>

To date, there is little sign of evidence for neighbourhood effects of concentrations of poverty, unemployment, social housing or minority ethnicity on outcomes for residents. A recent review of research comparing neighbourhoods with different mixes from the UK, the Netherlands, Germany, and Sweden showed that some studies found statistically significant neighbourhood effects after controls for individual circumstances and some did not, and results varied between employment, health and other outcomes and between countries. Overall, the pattern was patchy and the size of the largest effects found was not great. Some US studies have found somewhat larger effects, but given greater segregation in the US, the usability of US literature on neighbourhood effects is in doubt.

In fact there is widespread acceptance that effects of neighbourhood mix play at most a limited role in individual outcomes, relative to other factors behind individual disadvantage. On the basis of longitudinal UK evidence from the British Household Panel Survey over 10 years: "the main sources of low income are to be found in earnings, employment and demographics, not in neighbourhood characteristics". Even those who advocate mixed communities, such as the Joseph Rowntree Foundation, acknowledge: "we know [mixed income communities] do not address the deep and persistent poverty and inequality that faces many individuals and neighbourhoods. Nor can they alone improve life chances". 19

In summary, evidence suggests that introducing mixed tenure and mixed income communities <u>alone</u> are unlikely to increase life chances of existing disadvantaged residents, at least to any measurable extent or in the short-term. Mix may not make <u>any</u> direct contribution, even if it is associated with an improvement in quality of life, and there is no clear evidence that the 'mixed communities approach' as defined here offers more over and above traditional neighbourhood renewal projects.

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Segregated neighbourhoods and mixed communities: A critical analysis York: The Joseph Rowntree Foundation.

<sup>&</sup>lt;sup>18</sup> Galster, G. (2007) Should policymakers strive for neighbourhood social mix? An analysis of the Western European evidence base. *Housing Studies*, 22(4), pp.523-545; see also Musterd, S. and Anderson, R. (2005) Housing mix, social mix and social opportunities. *Urban Affairs Review*, 40(6), pp.761-790; Ostendorf, W., Musterd, S. and de Vos, S. (2001) Social mix and the neighbourhood effect: Policy ambitions and empirical evidence. *Housing Studies*, 16(3), pp.371-380; Galster, G., Quercia, R.G. and Cortes, A. (2000) Identifying neighbourhood thresholds: An empirical exploration. *Housing Policy Debate*, 11(3), pp.701-732.

<sup>19</sup> Julia Unwin, Chief Executive of the Joseph Rowntree Foundation, in Cheshire, P. (2007)

# 3.2 What evidence is there to support the specific elements of the 'mixed communities approach' theory of change?

It is conceivable that some of the specific mechanisms for achieving change through mix might be effective, even if overall, mix made a relatively small contribution to individual life chances.

On the issue of whether low-income residents are likely to benefit from the increased <u>resources</u> injected by mix policies (Table 2), research on past regeneration schemes suggests that even significant tenure mix and/or population change is not enough to increase local incomes and local spending sufficiently to support new shops within residential areas.<sup>20</sup> New residents may shop elsewhere, and the social trend is for centralisation of retail and other private sector services. On a more fundamental level, some research has pointed out that there may be some benefits to poor people from being in areas with other poor people, like cheaper shops or better access to public services.<sup>21</sup>

These 'benefits' may be double-edged – cheaper shops may be worse, or worse value – and may not outweigh negative influences on quality of life in these areas, but they should still be taken into account in considering the impact of policies to create more mix. The impact on real cost of living for poorer people is an important but often ignored element of evaluating transformative urban change, whether slum clearance policy from 1930s onwards, shifts from local authority to Registered Social Landlord housing, gentrification, or mixed communities approaches, and can have profound effects, for example, on the disposable income available for food.

There is relatively little evidence on the volume and nature of demand for local services, but the pattern is mixed. Studies in the US and UK show that new higher income residents may not have children or send them to local schools. Planning for the amount of public services is often disjointed from planning for housing, and where there is densification, existing residents can be concerned about competition for universal services like GPs and schools. The operation of need-based capitation formulae and service funding may also confuse the situation.

Various US and other foreign studies have found some relatively small neighbourhood effects on educational outcomes (rather than educational quality) and on crime, <sup>22</sup> suggesting that more mixed neighbourhoods may be more beneficial in these respects. However, traditional neighbourhood regeneration can have effects on crime, where it includes targeted

<sup>&</sup>lt;sup>20</sup> This involves some studies covering cases in Table 1, e.g. Jupp (1999) ibid; Pawson et al. (2004) ibid.

<sup>&</sup>lt;sup>21</sup> e.g. Cheshire et al. (2008) ibid. Some of these 'benefits' may themselves be the result of neighbourhood effects.

<sup>&</sup>lt;sup>22</sup> Silverman et al. (2006) ibid; Lupton et al. (2009) ibid.

programmes.<sup>23</sup> On the other hand, evaluations of traditional neighbourhood renewal demonstrate how difficult it is to shift negative area reputations, and radical redevelopment is one of the few strategies which may achieve change on this dimension in the short term.<sup>24</sup>

On the issue of whether low income residents are likely to benefit from <u>social interaction</u> with people from other tenures or income groups, greater residential mix seems *likely* to mean greater exposure to people from different social groups. However, this opportunity does not *necessarily* lead to greater observation or understanding, or to social mixing and cross-group friendships (sometimes called 'bridging social capital'). People may avoid mixing, or may conduct much of their lives including social relationships away from their home.

There is some evidence of greater ethnic mixing in mixed neighbourhoods. In 2007-08, 89 per cent of white people who lived in local authorities with at least 5 per cent minority ethnic residents mixed socially at least once a month with a person of a different ethnic or religious background, compared to 71 per cent in other areas. This is a fairly small difference and we do not know the causes or consequences of this social mixing.

No information is yet available to relate tenure or income mix in existing neighbourhoods directly to social mixing. However, all the growing handful of UK studies of neighbourhoods where housing and social mix has been created through planning policy or changed through neighbourhood renewal have found very limited social interaction between tenure, employment and income groups. Partly this is because of design and layout which tend to mean people from different groups are not literally neighbours, which could be changed (although there are some practical limits to this so-called 'pepper potting'). <sup>26</sup>

In strong markets mix achieved through Section 106 agreements tends to result in large income gaps and gaps between families and childless people, which militate against mixing. Good practice guidance is available to suggest how schemes can encourage mixing. However, most studies of areas after mixing have found that many people conduct much of their lives away from their home, particularly those with jobs and cars. Mixed communities do not necessarily mean much more mixed social circles. Where interaction does occur it is fairly superficial, and there is little sign of unemployed residents getting jobs or other concrete change in aspirations or behaviour.<sup>27</sup>

e.g. Sheffield Hallam University (2008) New Deal for Communities: A Synthesis of New Programme Wide Evidence: 2006-07 NDC evaluation Phase 2. London: Department for Communities and Local Covernment

Communities and Local Government.

24 Tunstall and Coulter (2006) ibid.

<sup>&</sup>lt;sup>25</sup> DCLG's Citizenship Survey, Jan-Jun 2007 release: www.communities.gov.uk/news/corporate/citizenshipsurveyaprjun

<sup>&</sup>lt;sup>26</sup> Bailey, N., Haworth, A., Manzi, T., Paranagamage, P. and Roberts, M. (2006) *Creating and sustaining mixed income communities: A good practice guide*. Chartered Institute of Housing/Joseph Rowntree Foundation.

e.g. Atkinson and Kintrea (2002); Allen et al. (2006), studies involving some cases in table 1, such as Jupp (1999).

Thus, if neighbourhood effects can be found, they may work through other mechanisms than interaction such as the quality of local public services or labour markets - which may be best addressed through policy outside housing and regeneration policies.

### What are the social and economic costs of the 3.3 'mixed communities approach' and are they justified by the benefits?

The main potential economic and social costs of mixed communities policies over and above those of more traditional neighbourhood renewal policies include net loss of social housing, involuntary movement of existing residents, densification, and one-off opportunity costs of selling public assets like land or homes. 28 These need to be offset against the potential benefits of the schemes.

Nearly all the cases of mixed communities approaches cited in Table 1 have involved or will involve all of these costs. Some early examples of mixed communities approaches in Table 1 were addressing estates with longstanding problems of low demand and where reducing net number of homes and density of homes was a specific goal. However, market conditions have changed over the past eight years even in many lower demand regions and estates, and a clarification of Department for Communities and Local Government policy in 2007 also supported maintaining national and local authority-level stocks of social housing.<sup>29</sup> Net loss of social housing is now often seen as a social and economic cost. This has been a source of concern amongst politicians, planners and the public at some Mixed Communities Initiative demonstration projects. Only one of the 12 demonstration projects envisages a net loss of social housing. In all other cases this is being avoided by building at higher density.

Even where there is no net loss of social housing, mixed communities approaches are likely to mean involuntary movement for some existing residents, to enable demolition or improvement. Most local authorities and social housing organisations will try to avoid use of evictions and Compulsory Purchase Orders, through use of natural turnover and incentives, but moves short of this may still not be fully voluntary.

It is unclear how many residents will be affected by Mixed Communities Initiative schemes. In the total demolition schemes 100 per cent of existing residents have to move, and in the case of Chalkhill, described in Table 1, rate of return of past residents to the site after mixed tenure rebuild development was just 20 per cent. In addition, there may be hidden

9 e.g. Tunstall and Coulter (2006) ibid; Lupton et al. (2009) ibid.

<sup>&</sup>lt;sup>28</sup> Some of these additional costs are also found in housing market renewal schemes, e.g. Cole, I. and Flint, J. (2007) Housing Affordability, Clearance and Relocation in the Housing Market Renewal Pathfinders. London: Chartered Institute of Housing.

involuntary movement and involuntary immobility where the demolition and rehousing process absorbs large proportions of local social housing re-lets and forces other applicants in the system to wait longer.

A piece of evidence missing in the UK context is where displaced people go, what their new housing and neighbourhoods are like, and the impact on their quality of life and life chances. It cannot be assumed, as it often is in US policy debate, that going anywhere else and having any other housing circumstance would be better. In any case, US evidence from HOPE VI and the Moving to Opportunity studies shows that while many public housing tenants (without the access to Housing Benefit available in the UK) given the chance to move to new areas, were keen to take part, and found new areas less stressful, there were limited benefits in terms of education or employment.<sup>30</sup>

Finally, where mixed communities approaches involve part-finance developments through one-off sale of public land or homes, they might appear as 'cheaper' to the public sector than traditional neighbourhood regeneration. However, there are substantial opportunity costs which should be properly accounted for, as part of national and local authority asset management.

Early work in the Mixed Communities Initiative evaluation has found that local authorities may not have the skills to price assets and negotiate the best deals from the private sector, and developers often do not agree to 'open book' negotiations, even where receiving free or discounted land. Asset-based finance also exposes the public sector to another form of cost in financial risk. Pressure to proceed with ongoing projects like Mixed Communities Initiative in the current market means that public assets may be being sold at an unattractive point of the economic cycle. In addition, in practice, most Mixed Communities Initiative and other past mixed communities approach schemes (as shown in Table 1) have been supported by substantial amounts of public funding from the New Deal for Communities, the Neighbourhood Renewal Fund and related special funding such as Building Schools for the Future or local authority funds.

In the 1980s, regeneration schemes were partly assessed by their gearing ratios (the private finance raised for each public pound). There is some evidence to suggest that public sector subsidies, in whatever form, may achieve most cost effective results when applied not to the most extreme minority of areas, but another group with less severe problems and which has more potential.<sup>31</sup>

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<sup>&</sup>lt;sup>30</sup> Goering, J. and Feins, J.D. (2003) *Choosing a Better Life: Evaluating the Moving to Opportunity Social Experiment.* Washington D.C.: Urban Institute Press.

<sup>&</sup>lt;sup>31</sup> Meen, G., Gibb, K., Goody, J., McGrath, T. and Mackinnon, J. (2005) *Economic segregation in England: Causes, consequences and policy.* Bristol: The Policy Press.

## 3.4 In what kinds and how many neighbourhoods might 'mixed communities approaches' be desirable?

One difficulty with considering mix policies in general is that the degree of non-mix varies considerably. It is conceivable that while the benefits of mix might not be substantial enough to justify the costs in most neighbourhoods, they might in some.

Evidence on UK neighbourhood effects is too weak to date to provide clear guidance on tenure or social mix thresholds. US studies commonly refer to a threshold of 40 per cent of households below the poverty line within a census tract, but almost no UK Super Output Area would reach this level of concentration of absolute or relative poverty. Since 1997 UK research has tended to focus on the bottom 20 per cent and 10 per cent of wards and Super Output Areas by the Index of Multiple Deprivation, but these are relative not absolute measures and do not link to any specific research on neighbourhood effects. Mixed Communities Initiative demonstration projects were reportedly initially identified as clusters of Super Output Areas in the bottom 3 per cent nationwide on Index of Multiple Deprivation scores and top 3 per cent on social housing tenure, 32 but even these extreme cases would not necessarily fit US thresholds.

Past applications of the mixed communities approach such as in cases in Table 1 have been in a small minority even of the minority receiving central government regeneration support. These were not places identified by the degree of concentration of deprivation, but as places with particularly intractable physical, crime and demand problems, and where other more traditional regeneration initiatives had already been applied with little success. The context has changed since the 1980s and 1990s. Partly due to the success of traditional neighbourhood regeneration and other policies, there are now likely to be fewer social housing estates that have intractable physical, crime and demand problems.<sup>33</sup>

Over the past decade, there has been some disagreement between academics and people in the policy sphere over whether Britain is becoming more spatially segregated over time, particularly by ethnicity, partly due to differences in definitions and measures. Arguments about the sorting of households between neighbourhoods through the operation of the housing market suggest a relentless process and the potential of ever-increasing segregation and ever more extreme difference in mix between areas. This might imply an ever-increasing number of areas reaching any poverty concentration threshold and becoming appropriate targets for mixed communities approaches. However, economic theory provides plentiful arguments to explain how neighbourhood patterns might stay in equilibrium

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<sup>&</sup>lt;sup>32</sup> Lupton et al. (2009) There was also selection on pragmatic grounds, to identify one demonstration project from each region in discussion with local authorities.

<sup>&</sup>lt;sup>33</sup> e.g. Kintrea (2007) ibid.

Cheshire et al. (2008) ibid.

<sup>&</sup>lt;sup>35</sup> e.g. in Cheshire et al. (2008) ibid.

even as individuals continue to sort though the system (including, potentially, due to the influence of policy intervention).

Empirically, there is no clear evidence of rapidly increasing segregation and numbers of areas of concentrations of poverty:<sup>36</sup>

- Looking at housing tenure, the number of wards and Super Output Areas dominated by social housing has shrunk. This is mainly because the size of the whole social housing stock has diminished. However, owner occupation rose faster during 1991-2001 in the 3 per cent poorest 1991 wards than nationwide, and faster still in those of these wards dominated by social housing and in unpopular council-built estates.<sup>37</sup>
- Dorling et al. have shown that the concentration of people in 'breadline poverty' in half-constituency sized areas of the UK increased during 1981-2001, while the concentration of the 'asset wealthy' increased during 1980-2000.<sup>38</sup> However, the most extreme 'core poor' and 'exclusive wealthy' groups became less spatially concentrated during 1971-2001, and the results for 2000-2005 were mixed.<sup>39</sup>
- Employment rates grew slightly faster during 1991-2001 than nationwide in the poorest 3 per cent of 1991 wards and in unpopular council-built areas, meaning reduced concentration of non-employment.<sup>40</sup>

Overall therefore, recent trends mean that fewer Super Output Areas, wards and half constituency areas meet any tenure and poverty thresholds. These changes are unlikely to be the result of past mixed communities approaches aimed at particular areas, although the Right to Buy legislation has certainly had an impact.

## 3.5 In what kinds and how many neighbourhoods might 'mixed communities approaches' be achievable?

In addition to the 12 demonstration projects, there are perhaps a few times this number of other sites nationwide where similar schemes are already going on, and which could be badged as further Mixed Communities Initiatives. 41 However, the potential extent of real additional projects

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<sup>&</sup>lt;sup>36</sup> e.g. Meen et al (2005) ibid.

<sup>&</sup>lt;sup>37</sup> Sources include: Bailey et al. (2006) ibid

Lupton et al. (2009) ibid.

<sup>&</sup>lt;sup>39</sup> Griggs, J., Whitworth, A., Walker, R., McLennan, D. and Nobel, M. (2007) *Person- or place-based policies to tackle disadvantage? Not knowing what works.* Bristol: The Policy Press. <sup>40</sup> Quoted in Cheshire et al. (2008) ibid.

<sup>&</sup>lt;sup>41</sup> For example, most Housing Market Renewal areas, some further New Deal for Communities and a number of other local authority-initiated projects. See Silverman et al.

nationwide is limited by the availability of both public and private resources, the willingness to bear the social, economic and in some cases political costs of greater change, and the current state of the market.

Even where substantial public funding is available, tenure change may be limited by the need to rehouse existing residents or reprovide similar amounts of social housing overall or on the same site. Densification and use of land value gain might appear to offer a technical fix, but the need to take care of existing residents and manage phasing during demolition and redevelopment creates new challenges, and funding is still limited overall.

Experience with the Mixed Communities Initiative and similar projects shows that making significant intentional changes in tenure and social mix through demolition and building are expensive, slow and difficult. The Mixed Communities Initiative evaluation to date shows that the policy aims of going 'further' and 'faster' in regeneration may be at odds with one another. Projects can take many years, adding to opportunity cost and risk. Some Mixed Communities Initiative are projected to take 15-20 years or more to complete. 42

Even in a strong market, there are limits to the land value in any one site and to the number and range of neighbourhoods in which housing developers are willing and able to build homes for sale, or to pay for land to do so. Research has suggested private investors are not willing to get involved below a threshold, without public sector pump-priming. The Department of the Environment, for example, accepted complete failure by some Estate Action projects to even try to diversify tenure, "private sector involvement... [was] not realistic given the nature of the problems on the estates and local market conditions". In one case shown in Table 1, subsidy helped build homes for sale within an estate but they proved difficult to sell and most soon converted to private renting.

There is a sharp regional divide amongst New Deal for Communities, with those in the South East and London (including some Mixed Communities Initiative demonstration projects) all carrying out densification and additional housing to create land value gain, while those in other regions with lower land values and less housing demand were unable to rely on this. In one of the local authorities that now has a Mixed Communities Initiative demonstration project, the original site identified was a monotenure council estate but the local authority felt the approach would achieve little there and suggested another neighbourhood that already had a tenure mix close to national average. 46 Mixed Communities Initiatives cover larger areas of land and more

<sup>(2005),</sup> Geoff Fordham Associates (unpublished work for DCLG) and Bailey et al. (2006) for more examples.

<sup>&</sup>lt;sup>42</sup> Lupton et al. (2009) ibid.

<sup>43</sup> Meen et al. (2005) ibid.

<sup>&</sup>lt;sup>44</sup> Department of the Environment (1996) *An evaluation of six Estate Action schemes.* London: HMSO.

<sup>&</sup>lt;sup>45</sup> Tunstall and Coulter (2006) ibid.

<sup>46</sup> Lupton et al. (2009) ibid.

homes than most estates and many traditional neighbourhood renewal projects, partly to ease these problems.

The current market is weak and there are already signs that housing market changes may affect the actual housing and social mix delivered in Mixed Communities Initiative projects, and threaten some planned improvements to facilities and environment.<sup>47</sup>

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<sup>&</sup>lt;sup>47</sup> See the Mixed Communities Initiative evaluation process study on the impact of housing market changes.

### 4. Discussion and policy implications

## 4.1 Consensus on the limits of the 'mixed communities approach'

In summary, it is hard to argue that evidence of the benefits of creating more mixed communities in existing areas and advantages over traditional neighbourhood renewal is strong enough to justify substantial economic and social costs of demolition and rebuilding.

On these points Cheshire and colleagues are aligned with most who have research mixed communities in the UK, as well as with advocates of mixed communities policies in the UK and other contexts. For example, these include many members of the Department for Communities and Local Government's Expert Panel on Housing and Communities, 48 as well as other prominent UK and European academics. Bruce Katz, one of the keenest US advocates of the US mixed communities policy HOPE VI, cautioned when in the UK, "In the USA deprivation and poverty are more substantial; there is still racial isolation... so the level of demolition [and displacement] we carried out... may not be required here". Similarly, mixed communities policies have attracted some criticisms for in the US, the Netherlands, Australia, France and other countries where they have been applied.

Mixed communities approaches involving substantial tenure and social change may be justifiable in a very small minority of neighbourhoods. In practice, they are unlikely to be achievable in many more, particularly as the housing market is changing and public finance is in short supply.

# 4.2 Consensus on the benefits of traditional neighbourhood renewal, including that which incorporates some element of mixing

However, this does not mean that stakeholders and researchers think all neighbourhood renewal policy, and some use of mixed communities approaches is 'belief based', or misguided. On this point, Cheshire is in a minority.

There is widespread international and UK researcher and stakeholder consensus that limited evidence on negative neighbourhood effects from living in an unmixed area or positive neighbourhood effects of changing area tenure and social mix is no justification for throwing either the neighbourhood

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<sup>&</sup>lt;sup>48</sup> e.g. Cole, I. and Sprigings, N. (2005) *Developing Socially Mixed Communities - A Triumph of Aspiration over Evidence?* London: Office of the Deputy Prime Minister and HM Treasury. Prepared for an Office of the Deputy Prime Minister seminar, April 2005.

renewal or the mixed communities babies out with the bathwater. The agreement that mixed communities approaches do not offer a quick or dramatic fix for the problems of disadvantaged areas does not imply giving up, and some kinds of mixed communities approaches have a part to play.

Firstly, growing experience in mixed communities approaches has resulted in suggestions for improved practice, which may help to increase the benefits achieved. For example, 'pepper potting' homes in different tenures will maximise the opportunity for interaction between residents in different tenure and income groups. There may also be ways to reduce social and economic costs and to get the most from public assets, as the Mixed Communities Initiative evaluation process studies suggest.

Secondly, further more targeted research may support good practice with better information about where and when neighbourhood effects may be most salient and where and when for this and other reasons, mixed communities approaches have most to offer.

Thirdly, a '<u>limited</u> mixed communities approach', involving tenure and/or population change in residential areas, involving changes of less than a third of the pre-or post-existing homes, has lower costs than more radical change and is already a well-established element of traditional neighbourhood renewal.

Few policy makers or projects propose substantial or even limited mixed communities approaches as the *only* policy option for any or all disadvantaged neighbourhoods and people. In fact this would be almost impossible. While clarity about implicit theories of change and evidence on elements such as neighbourhood effects is an important element of policy design, policy development should take into account the desirability of joined-up policy and the reality of multi-purpose and multi-agency implementation. Policy makers have multiple goals within and beyond mixed communities, and are not only interested in increasing poor people's incomes or employment (via neighbourhood effects). There are several other important arguments for substantial or limited mixed communities approaches which are not dependent on elements of the theory of change for which evidence is weak, and may apply in particular circumstances.

### These include:

- as a precaution or prevention to prevent segregation getting worse and reaching tipping points where neighbourhood effects might be generated
- to increase the supply of housing
- to improve the quality of housing and the surrounding environment
- to enable residents to change tenure or home type without leaving the neighbourhood

to change the reputation of an area.

At central government level, housing, planning and regeneration exist alongside the activities of other departments such as the Department for Work and Pensions and the Department for Education, and in particular neighbourhoods multiple goals, partners and projects are in operation. There is sound evidence that place-based and people-based policy on worklessness, educational achievement and other important areas can have more effect when applied together. This supports a key element of traditional neighbourhood renewal – multi-faceted area regeneration, sometimes involving mixed communities approaches.

# 4.3 Arguments for alternative ways to promote mixed neighbourhoods than the substantial 'mixed community approach'

Substantial tenure mix and social mix could be created and also maintained in other ways than the mixed tenure approach described above, and with fewer costs, through policies including:

- Monitoring, possibly influencing regional and local authority location of existing and new social/affordable housing; users of Housing Benefit; take-up of Right to Buy; results of estate redevelopment.
- Right to Buy discounts or rules could have been and still could be set up specifically to discourage extreme tenure mix by local authority, ward or other areas.
- Limiting total size of new social/affordable housing sites.
- Encouraging councils and Registered Social Landlords to buy homes outside existing clusters. If Registered Social Landlords are to be helped and encouraged to buy homes as part of a housing market package, they should be encouraged to take into account location and clustering of existing social housing. They should not buy whole private estates and flip their tenure. This was partly responsible for problems recorded in the 'Page report' which sent a shockwave through the housing association world in 1993.
- Regulation of any illegitimate postcode discrimination by private providers of services.
- More use of fiscal or benefits incentives to influence population movement in and out of poorer areas.

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<sup>&</sup>lt;sup>49</sup> Page, D. (1993) *Building for Communities.* York: The Joseph Rowntree Foundation.

Finally, there is a school of thought which argues that mixed communities approaches of some kind, though not necessarily involving demolition, should be applied to a larger number and wider range of areas, including more advantaged ones. This would build on existing mixed communities policies, to reduce the gap between less mixed areas at either end of the spectrum. Advocates include former Housing Minister Yvette Cooper MP, who said she was, "not just looking at how we provide a greater mix on social housing estates... but also, looking at how we do more to mix up some of the new executive estates or the high income areas". 50

In France, since 1990 the Loi Besson has required most communes to have enough social housing for 20 per cent of their households, and from the late 1990s, in Queensland, Australia there was a maximum of 20 per cent social housing in each council area. Policies which require some affordable housing in new neighbourhoods already make some contribution to this. If national tenure mixes and poverty level are fixed, logically, mixing in one area has implications for others. Otherwise, though, the theory of change and evidence for these proposals remain to be tested.

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<sup>&</sup>lt;sup>50</sup> Cooper (2007) ibid.