

Delivering sustainable renewal in Australia's middle and outer suburbs: Council reflections

Kristian J. Ruming, Bill Randolph, Simon Pinnegar and Bruce Judd
City Futures Research Centre, Faculty of the Built Environment, The University of New South Wales

Abstract: Recent metropolitan strategies for Australia's cities promote a vision for the renewal of the 'middle' suburbs, where urban-design led regeneration will not only lead to vibrant, sustainable communities, but also contribute to meeting housing supply targets. At an abstract level, the arguments appear logical. However in the absence of detailed policy, effective governance structures and public funding, it can be anticipated that urban renewal will take place in an ad hoc way with little regard to neither housing affordability impacts nor the broader social, economic and environmental outcomes which may be delivered. A fragmented response is compounded by the fact that the actors involved are typically small-scale and local: to date, this is not the territory of the likes of Meriton or Lend Lease. This paper draws on interviews with local council staff and outlines a series of issues they consider important in shaping renewal in their middle-ring suburbs.

Introduction

The middle suburban regions of Australian cities should be at the forefront of urban and housing policy as they are shaped and influenced by a variety of planning policies, market operations and social, cultural and economic dynamics. Nevertheless, these areas have received relatively little policy attention in the past decades, with Gleeson (2006) arguing for more concentrated and proactive consideration of the challenges facing aging middle-ring suburbs. The majority of these suburbs, built between the 1940s and 1960s are now experiencing significant decline as they are wedged between the increasingly prosperous gentrified inner city regions and the up-market post-1970s outer suburbs. In this void has grown increased social and economic disadvantage as these middle regions become the repository of the most disadvantaged and socially excluded – those traditionally housed in the inner city slums and public housing (Randolph and Holloway, 2004). The shifting geographies of housing and labour markets have led to an increasing gulf between the well-off and the disadvantaged. In Sydney, Randolph (2002) has shown that some of the most disadvantaged communities are closely associated with the suburban strips of higher density flat development or fibro houses characteristic of the middle region suburbs.

In the middle-ring suburbs of Sydney the flats and houses built between the 1940s and 1960s are reaching the end of their economic life, and the streets, service centres, open space and transport infrastructure are stressed and often deteriorated. These areas are failing both socially and physically. Yet despite the concentration of disadvantage in middle-ring urban locations, the areas have received little policy support in recent decades. The void of policy recognition is echoed by an historically limited private market urban renewal in these areas. Despite some Commonwealth intervention in the late 1960s and early 1970s which funded large-scale renewal works, Australian cities have been characterised by limited policy engagement with private sector renewal. In the Australian context urban renewal has traditionally been limited to the redevelopment of, often well-located and serviced, industrial or commercial sites in mid- to high- value areas by private sector actors or large-scale estate redevelopment implemented by state housing authorities often located on suburban fringes. Yet, despite the historical silence/invisibility of these middle-ring locations within state planning, under the current Sydney Metropolitan Strategy they are identified as the sites of significant renewal and densification, population growth, employment generation and service and infrastructure provision (NSW DoP, 2005). However, questions remain as to the capacity of these sites to meet the targets identified in state-based policy. Their renewal represents the nexus of state and local planning policy, new and existing resident populations and the operation of the market. Understanding the interaction of this diverse set of interested actors is vital in facilitating appropriate and high quality renewal in these areas.

This paper represents the first output of an ARC-linkage research project with Auburn, Bankstown, Fairfield and Penrith Councils, the NSW Department of Housing and the Western Sydney Region Organisation of Councils (WSROC). The paper is divided into five sections. The first section provides a review of recent theoretical and policy understandings of the process of urban renewal. The second section provides a brief overview of the current Sydney Metropolitan Strategy – *A City of Cities* (NSW DoP, 2005). As the centralised planning instrument driving renewal/development/growth in middle-ring Sydney its influence of local planning and development cannot be overestimated. The third section

provides an overview of the four case study locations – North Auburn, Cabramatta, Bankstown Town Centre and Kingswood. The following section discusses the forces driving and the issues mediating urban renewal in these locations. Special attention is paid to the social character of the area, the opinion/objectives of local councils and the operation of the private market. Some conclusions follow. The discussion draws on preliminary Census analysis, reviews of policy guidelines and interviews with council officers in the case study locations. In particular the paper explores council's expectations/plans for these areas, and questions the capacity of the market to renew these areas in line with social sustainability and urban design criteria. Future research will include in-depth interviews with developers, the development and testing of a number of development models, and development and demographic projections. This research is recognised by partner councils as vital to their forward planning of the case study sites.

Urban Renewal

Renewal literally means “to restore something to its original condition, or replace it with something new” (Oxford Dictionary). In the urban context it implies a process whereby the decline of buildings, streets or neighbourhoods in poor condition are refurbished and modernised and their life extended. However this conceals the fluid nature of the urban environment and continual change that defines the character, role, and sustainability of areas. While the issues surrounding the physical renewal and associated social change in these now aging suburbs has attracted both policy and scholarly attention overseas (see, for example, Lucy and Phillips, 2000; Whitehand and Carr, 2001; Andersen and Leather, 1998), little attention has been paid to the urban processes in these areas of Australian cities. In fact, a range of urban renewal activity is currently occurring across middle suburban areas, depending on the zoning: high rise flats, mostly around sites in town centre areas; walk-up blocks on individual suburban plots where zoning allows; villa/town house development, often on infill sites in lower density suburbs; and dual occupancy on single house lots. Yet, with such a diversity of renewal occurring, there is little understanding of the factors influencing the process and the social and economic outcomes.

Inherent in the notion of renewal are densification and consolidation. The recent emphasis on increased dwelling density comes as a reaction to the development of low-density suburbia and the so called ‘quarter acre block’ which have become increasingly criticised as wasteful in terms of infrastructure provision and land demand, as well as creating a monotonous physical environment (Mee, 1994). In the case of Sydney, the middle ring-suburbs explored in this paper were those developed as part of the major wave of large-scale low-density urban expansion of Australian cities after the Second World War (Bunker, 1986; Davidson, 2003). Partly as a result of the rapid post-war ‘economic boom’ much of this housing was built with poor quality materials and construction methods (many in Sydney were owner-built), and even when solidly constructed, the stock often has poor amenity standards in today’s terms.

Policies promoting urban densification (promoting higher residential densities) have become a prominent, if not the most dominant, urban growth management paradigm in Australian cities in the face of increased household formation rates and population growth (Bunker, 1989; Troy, 1996; Searle, 2004). In Sydney, the process of higher density residential renewal, in the form of dual occupancies, villa and town house development and flats, has been in progress since at least the 1930s (Spearritt, 2000). By the late 1940’s, the notion of densification was being invoked to control urban population growth. According to the NSW Department of Environment and Planning (1984, p. 1) urban consolidation is defined as:

increasing the density of dwellings or populations, or both. It does not refer to a single policy, but rather a number of related land use measures and housing initiative that can increase residential densities.

Under the guiding principal of urban consolidation the NSW state government has increased the required densities of greenfield release areas and encouraged population increases in inner and middle suburbs by dedicating substantial areas for medium- and high-density housing (Bunker et al., 2005b). In this reading increased urban densities operate to facilitate efficient infrastructure and service provision. This position follows a series of influential research and publications in the 1980s and 1990s, such as that of Newman and Kenworthy (1989, 1992), which argued there was a causal correlation between car use and urban density: the higher the density the less the use of the car. On this basis it was claimed that by encouraging people to live in areas with good public transport access such as around railway stations and along bus routes would diminish car use and save fuel and energy (Bunker et al., 2005b). Despite the

emphasis on strategic centres, Bunker and Holloway (2006) identify the fact that 70% of infill housing is to be constructed outside these centres. The emphasis on railway infrastructure, and bus transport to a lesser extent, resulted in a policy focused on a service of centres across the Sydney basin. Although consolidation is not the remit of any single policy, as a guiding principal it is increasingly central in metropolitan planning, and forms the basis of the new Sydney Metropolitan Strategy.

Metropolitan Strategy – City of Cities

According to Bunker (2007) the current Sydney Metropolitan Strategy is, due to the need to strengthen Sydney's role as a global city, structured by a highly articulated system of regional cities and major centres within the metropolitan region, joined by rail lines and bus corridors. However, under the strategy swathes of western Sydney, where the city's current social and urban challenges are most pronounced and focused, are relatively ignored. Recognition of increased disparity between the 'two Sydneys' is largely absent as emphasis is placed on the hubs of 'Global Sydney', the high-value 'strategic centres', and the global economic corridors that arc to the north-west and south of the CBD. The economic superiority of Sydney as Australia's global city is emphasised in *City of Cities*, as it is identified as the:

NSW Government's long term plan to maintain Sydney's role in the global economy and to plan for growth and change (Bunker and Holloway, 2006).

This emphasis leaves little space for those areas outside the global spaces of banking, finance and corporate governance – those spaces where the vast majority of Sydney residents live.

Beyond the focus of 'Global Sydney' the strategic emphasis of the strategy is clearly densification and urban consolidation. Twenty-seven 'strategic' centres of various kinds are nominated and employment 'targets' for each set for 2031. The most important are the two centres of Sydney and North Sydney making up 'Global Sydney'. Four regional centres are designated, three in the west at Parramatta, Liverpool and Penrith and the fourth north of Sydney at Gosford in the Central Coast of New South Wales. There are nine specialised centres and twelve major centres exercising more generalised functions. Below these in the hierarchy are a host of smaller town centres, villages and neighbourhood centres (NSW DoP, 2005).

While the focus of the current strategy is the maintenance of 'Global Sydney' it is recognised that the majority of growth, in both population and employment, will occur outside the CBD/North Sydney nexus. Together the West Central, North West and South West subregions are expected to house about three quarters of expected job growth within metropolitan Sydney. Of the 640,000 new dwellings to be constructed to 2031, only 195,000 (30%) will be located on greenfield sites (primarily in the north west and south west growth areas), with the remaining 70% confined to existing urban areas, primarily around defined centres and much of it in the form of medium and high density development (Bunker, 2007). With such an emphasis on the consolidation and growth of middle-ring suburbs, a multiplicity of questions remain as to the capacity of these areas to house a rapidly expanding population, the social impacts of growth on new and existing residents and the planning and market processes which will facilitate this renewal.

While identified within *City of Cities* as the means by which the majority of Sydney residents will be housed by 2031, the development, timing and style of medium/high density development will essentially be market led, facilitated through new land zoning surrounding defined town centres which allow for the development of increased densities – villas, town houses, low and high rise apartments. While the role of the market is positioned as central in renewing/densifying Sydney's middle-ring, it needs to be recognised that, unlike inner city renewal processes, the pressures for suburban renewal are manifest in lower value locations where gentrification is not the driving force. Further, Randolph (2006) argues that the development of more blocks of flats around railway stations is hardly a solution to the long term housing decline in areas beyond town centres. In addition, questions also remain regarding the capacity of local planning, urban design and urban governance to provide good long term outcomes, socially, economically and environmentally. This is especially so given that these regions have traditionally been absent from centralised planning directions for the past 30 years.

Case Studies– Four sites of renewal

Although the physical and land use impacts of renewal are a central consideration for local authorities in middle-ring suburbs, it is in fact the social impacts of the process which are likely to have the greatest implications for local councils in the long run – especially as the sites are already some of the most disadvantaged in Sydney (Gleeson and Randolph, 2002). Randolph (2006) argues that since the onset of urban consolidation in 1960s – through the construction of three storey walk-up flats – these middle ring suburbs have attracted those with the least choice in the housing market. This social character of current residents is a central consideration in the process of urban renewal for local councils and service providers, as well as private development actors in terms of their target markets and willingness to enter low value markets. This paper, and the larger research project from which it is drawn, focuses on four sites of potential renewal which, although distributed across Sydney, are expected to be at the forefront of the urban renewal and consolidation over the next 25 years: North Auburn (Auburn Council); Bankstown Town Centre (Bankstown Council); Cabramatta (Fairfield Council); and, Kingswood (Penrith Council) (Figure 1). Importantly, each of the sites are characterised by disadvantaged resident populations, which are relatively unstable with localised migration patterns and work locations.

North Auburn (NA)

Located 17km west of the Sydney CBD, in 2001 NA was dominated by flats and apartments (66%), dwellings in private rental (49%), couple families with children (57%), persons born overseas (67%) and a high unemployment rate (18%). The area was also characterised by low levels of persons aged over 65 years (7%). At the 2001 Census, 48% of residents of NA lived in the Auburn LGA in 1995, while 29% of residents lived overseas. Of those residents moving to NA, the majority moved into low-rise flats (68%), dwellings with two bedrooms (60%), rented (65%), had a high unemployment rate (20%) and low household income (27% less than \$500 per week). In terms of employment location, 37% of NA residents worked in *West Central Subregion* (18% in the Auburn LGA). A further 17% of employed residents commuted to *Sydney City*.

Bankstown Town Centre (BTC)

BTC is located 17km south-west of the Sydney CBD. In 2001 it was characterised by high concentrations of flats and units (63%), dwellings in private rental (38%) and public rental (9%), couple families with children (51%), persons born overseas (56%) and low concentrations of persons aged over 65 years (9%). BTC also recorded a high unemployment rate (14%). In terms of migration, in 2001 53% of BTC residents had lived in the LGA five years previously. A further 15% of residents had resided overseas. The majority of residents moving to BTC lived in flats (low-rise: 57%; high-rise: 17%), rented (60%), paid low weekly rents (82% paid between \$150 and \$299 per week), had high unemployment rate (13%) and low weekly household income (24% less than \$500 per week). Of the case study sites, the BTC is characterised by the lowest concentration of residents working within its planning subregion, with 36% (Bankstown LGA: 27%). *Sydney City* employed the second largest proportion of employed BTC residents, with 17%.

Cabramatta (CB)

Located 25km west of the Sydney CBD, in 2001 Cabramatta was characterised by flats and units (59%), private rental (47%), high concentrations of families without children (24%) and single parent families (26%) compared to the LGA as a whole, very high levels of persons born overseas (70%) and an extremely high unemployment rate (22%). In 2001, 72% of CB residents had lived in the Fairfield LGA in 1995, while 12% had lived overseas. Of the residents moving to CB the majority moved into low-rise flats (55%), rented (57%), paid very low weekly rents (64% paid between \$1 and \$149), and had high unemployment (17%) and low weekly household incomes (34% earned less than \$500). The majority (48%) of employed CB residents in 2001 worked in the *West Central Subregion* (Fairfield LGA: 25%; Bankstown: 9%). *Sydney City* was the work destination for a further 10% of CB residents.

Kingswood (KW)

The most western case study site, located 47km from the Sydney CBD, in 2001 KW was characterised by a mix of dwelling types (separate houses: 49%), high levels of rented dwellings (48%), a relatively high concentration of persons aged over 65 years (25%), a mix of family types (although the concentrations of families without children and single parent families are above the Penrith LGA average), low levels of persons born overseas (25%) and a high unemployment rate (11%). In 2001, 70% of KW residents lived in Penrith in 1995, while a further 6% lived overseas. Residents moving to KW in the period 1995-2001

moved into a mix of dwellings (separate houses: 36%; low-rise flats: 29%; semi-detached: 27%), rented (65%), were a mix of family types and had high levels of unemployment (15%). Of the case study sites, in 2001 KW was characterised by the highest concentration of persons working the same subregion, with 58% employed in the *North West Subregion* (Penrith LGA: 40%). The *West Central Subregion* and *Sydney City* employed 16% and 7% of KW residents respectively.

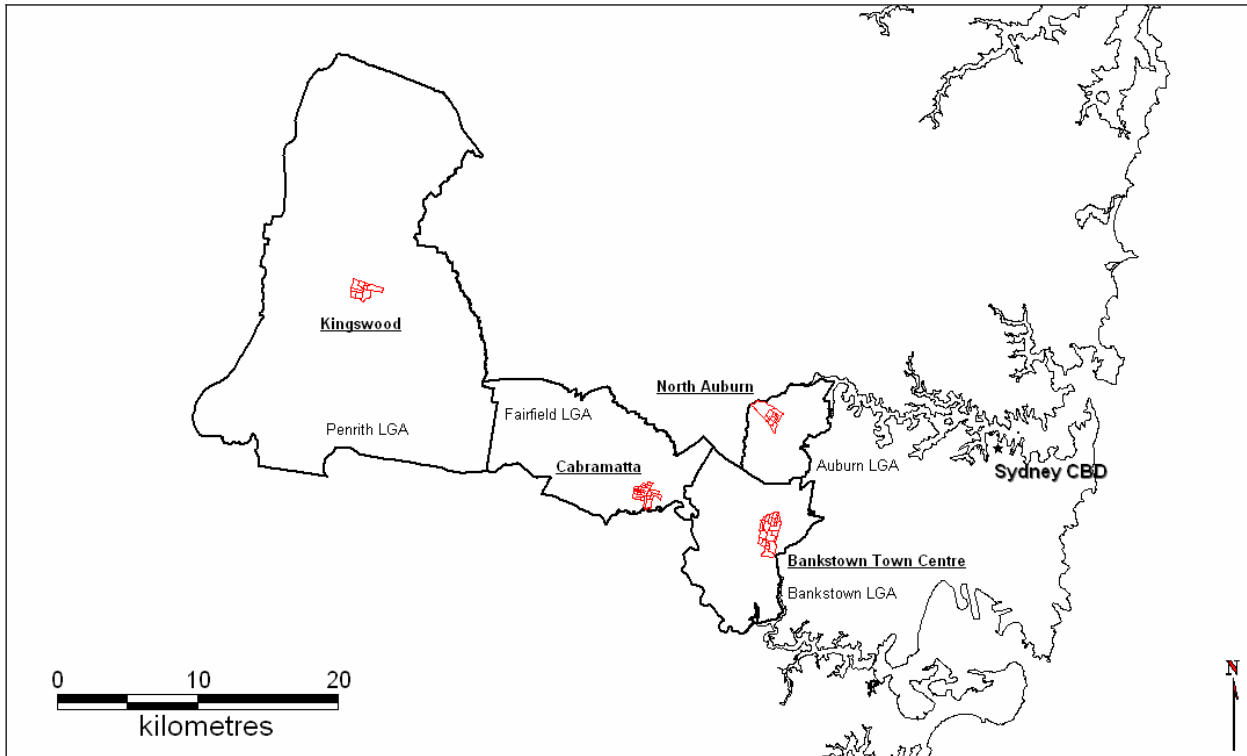


Figure 1: Case Study Locations

Forces Driving Renewal in the Case Study Areas

This section explores three of the drivers of renewal: the characteristics of the areas and the desire of councils to maintain current populations; the planning objectives and guidelines of local councils; and, the role/opinion/expectation of the market. It also draws on a series of interviews with council staff in the areas of strategic planning and development approval. This analysis represents one side of the renewal coin, with the private sector playing an equal (if not more important) role in the process. Each of these forces operate within the broader planning framework of the Sydney Metropolitan Strategy and the broader supply and demand functions of the Sydney housing market.

Social Profiles

Research conducted by Bunker et al. (2005a) identified two primary rental markets within Sydney. First, a market characterised by low income migrant households located in middle- and outer-ring suburban locales, and second, a high value, high amenity, inner city and waterfront market dominated by people with an Anglo-Celtic background. It is the first housing submarket which dominates our case study sites – the majority of which have high concentrations of non-Australian born persons. In the majority of the case study areas the cultural make-up is identified as a positive factor, with the multi-cultural new migrant character of North Auburn, the Vietnamese/Chinese nature of Cabramatta, and the middle-eastern character of Bankstown all seen as vital to the identity of the areas – something which should be maintained in the face of market led renewal. The maintenance of the cultural/population profile of residents currently living in the case study areas is identified as an issue tied to the need to retain affordable housing and the current low-end market positions which these areas occupy. In these locations councils recognise that it is the affordable nature of housing which is the primary factor driving the current population profile. Future renewal activity must, therefore, be capable of providing affordable housing to these disadvantaged residents. Thus, councils seek to retain unique populations in the face of potential market based renewal – a process which has traditionally, in inner city regions at least, led to significant dispersal of existing residents.

We are aware socially that [North Auburn] is not doing that well in many respects, although there are a lot of newcomers to the community ... it is good to [have] affordable housing there, because this is where people first arrive [in Australia] ... it would be good to have the ability to provide that and we are looking at ways that we can retain that. (Auburn Council Officer)

Council have always said that they are very proud of the population that we have. It is very diverse. They are more than happy to have the population continue. There has never been a strategy or plan to fast-track gentrification or anything like that. (Bankstown Council Officer)

Cabramatta as a place, no question, functions very different to a lot of other places ... the local community down there certainly takes pride in the way that Cabramatta functions. (Fairfield Council Officer)

Randolph (2006) suggests that strong ties of ethnicity and faith are often the major forces that bind relatively disadvantaged communities together and often provide the organic, local drive for renewal in these neighbourhoods. This is especially the case in Cabramatta where residents are increasingly building palatial homes, replacing existing low quality housing stock. However, in this case the extent to which increased densification is being met remains a question.

There is a bit of a prestige image thing about some of those huge houses. It is almost their interpretation of the Australian dream. (Fairfield Council Officer)

While North Auburn, Cabramatta and Bankstown Town Centre are home to large ethnic populations, Kingswood represents home to a second disadvantaged housing group: students. Surrounding the Penrith Campus of the University of Western Sydney, Kingswood is identified as providing an affordable housing option for (largely international) university students.

It ranges from student housing to, in inverted commas, affordable housing, rather than the upper end. (Penrith Council Officer)

Each of the case study sites, therefore, plays a vital role in housing disadvantaged resident groups within the broader LGA and middle/western Sydney housing market contexts. In each case there is a council desire to maintain the presence of these groups. Housing affordability is therefore a central planning objective of all councils.

Now Council is interested in two things which might sound contradictory. They are interested in increased density and redevelopment of the town centres, but they are also interested in affordable housing. (Auburn Council Officer)

Thus, urban renewal of middle- and outer-ring Sydney is not a modified version of gentrification characteristic of inner city renewal processes which has forced out disadvantaged resident groups and imported new, affluent residents. The renewal envisaged by the councils is densification without dispersal, but, as discussed below, they are amenable to dissemination within the areas themselves as the number of dwelling increases. Nevertheless, it is an implicit objective of council to improve the quality of the built environment, social services and transport provision, and access to commercial and retail centres.

To summarise, it is clear that councils targeted for extensive urban renewal are cognisant of their current resident populations and identify these characteristics as essential in maintaining a diverse and vibrant community. Renewal should not merely displace these residents. As such, councils recognise the vital role of the case study sites in the provision of affordable housing and all want this role to continue in the future.

Council Planning and Expectation

State centred planning by under the Sydney Metropolitan Strategy is identified as the primary strategic concern facing each of the councils.

Under the Metro strategy we have to provide 19,000 additional houses and it makes sense to have that in areas which already have high density housing. But in order to do that you have got to put in the schools, the hospitals, the roads and all the access. (Auburn Council Officer)

[It] has been identified as major centre under the Sydney Metropolitan Strategy. I think the Department of Planning was quite ambitious for Bankstown. If you look at some of [the centres] they have nominated, they [are] impractical. So we looked at it from a practical viewpoint in identifying centres where we know where the government is investing money in, say, improving public transport access and also areas where we know council will be investing. (Bankstown Council Officer)

The main focus for us, to respond to the Metro Strategy, is to look at the centres that do have some capacity to grow. For us the only ones with guaranteed public transport are those along the railway line. There are very few other centres that I would be comfortable committing to additional densities, given that they are dependent on arbitrary bus routes which are here today and gone tomorrow. It is a bit of a chicken and egg kind of thing. (Penrith Council Officer)

Within these broader state centred development targets, each council has identified the case study locations as sites of potential growth – to meet their dwelling targets as identified in the Sydney Metropolitan Strategy.

I guess the Council's objective is to make the Bankstown CBD a showpiece for the LGA. It feels that the CBD should be leading the whole Bankstown LGA in the future. We want to make everyone proud of the Bankstown CBD. [Council's] main priority is to see it as a place of employment, they also want to see it become a major education hub ... also a place with first class community services for the people of the LGA ... there is also the housing component where we have to make it a great place to live. (Bankstown Council Officer)

Interestingly, in the case of Cabramatta, its role as a commercial centre is seen to vastly outweigh any role in housing an expanding population. This position is significant given the extremely low market position of Cabramatta. In terms of residential rent and sales prices Cabramatta is at the bottom of the market, however, in contrast is characterised by extremely high demand and rents for commercial dwellings.

I think we would be generally supportive of it in what is a centre under the Metro Strategy, but there is conflict. There is conflict between the infrastructure demands of Cabramatta, the amenity to make it a liveable space, and the employment generation. The issue with Cabramatta is that for commercial the rent you get is equivalent to what you get in Double Bay. (Fairfield Council Officer)

Bunker and Holloway (2006) argue that simply adding more higher density dwellings to areas of existing disadvantage in the lower value middle western suburbs of Sydney could simply compound existing problems of stress, difficulty and poor well-being that these communities already face. Despite a general recognition that the case study sites are locations where dwelling densification may potentially occur, the willingness of the council to assign development targets to these locations is driven by broader concerns over social and transport infrastructure provision. Implicit in the discussion of densification and renewal is the desire to improve access to transport and social service infrastructure. While each of the case study locations are serviced by a railway station, they are identified by council as deficient in vital services (especially North Auburn and Kingswood). All councils are unwilling to facilitate large-scale renewal activity in the absence of greater infrastructure provision channelled through other state departments, such as the Ministry of Transport.

In terms of council planning, it becomes clear then that councils, while they are operating within the development and population targets developed by the Department of Planning, are responding to and planning in accordance with a series of local triggers. These triggers include the unique character of existing resident populations, the need to facilitate social service and transport infrastructure to this population (let alone a new resident population), and the need to facilitate affordable housing options. Although local strategic planning, in response to centralised state planning, is viewed by council as the means through which the case study areas can achieve a well serviced, dense, affordable and good

urban design outcome, they do not dismiss the central role of the market. No matter the targets assigned to these locations by the Department of Planning, no matter the council vision, the market is identified as that which will ultimately shape the future of these areas.

Development in New South Wales is so developer-driven and related to financial return. We can influence that to a certain extent. We can make it more desirable for developers to develop in a whole range of ways. We can make planning controls very easy to understand, we can include incentives, we can be clear and open in our negotiations and discussions with them, but we do not have any control over land values. (Auburn Council Officer)

Role/Opinion of the Market

The role of the market in facilitating urban renewal cannot be overestimated. While *City of Cities* explicitly recognises the need to mobilise the market in achieving its spatial vision of Sydney, the role of the private sector in building Australian cities has a long history, starting with the prolonged expansion of fringe residential areas following the end of the Second World War. However, there has been recent academic argument which suggests that renewal cannot be left simply to the market, especially as these areas, while disadvantaged in the Australian context, have not reached the level of deprivation or blight characteristic of many cities of the US, UK and Europe (see Gleeson and Low, 2000). In other words, while the sites are considered to be at the bottom of the housing market, they have not been abandoned wholesale and still provide housing to a significant and growing section of the population – the most socially and economically disadvantaged. The issue is then to transform these sites (while meeting the objectives of councils discussed above) before they deteriorate further – to such a point where land values are so low as to entice private enterprise back. In the context of Sydney, the market conditions of low-income suburbs of western Sydney operate differently to the drive of ‘Global Sydney’ where the market is able to justify and fund development.

In terms of urban renewal activity, it is the market which facilitates the current status of the region, the demand and price of dwellings, the condition and maintenance of dwellings, the ownership structure and the characteristics of the residents. This observation follows the work of Judy Yates (2001, p. 503) who argues that:

The housing decisions made by each new cohort of households will depend on the constraints imposed by their socioeconomic circumstances, and on their preferences and the options available to them when they enter the housing market. The options will be strongly influenced by the way in which urban growth has affected the structure of the housing market.

Council recognises in each case study site the low current market position of the areas. While these positions facilitate diverse (yet disadvantaged) resident populations, it is also that which first, makes market led renewal difficult due to decreased potential levels of profit (people are willing to pay more in Parramatta compared to Cabramatta) and second, provides the areas with a level of stigma which decreases the propensity of new residents moving to the area (people would rather live in South Penrith than Kingswood).

Economically it is a more depressed region ... It is becoming more low cost housing. Kingswood is not [residents] first choice at the moment. If they are looking to [move] they are more likely to move to South Penrith, Emu Plains or around St Mary's. Kingswood has that stigma. (Penrith Council Officer)

Cabramatta is pretty dormant at the moment ... In other councils, whenever a block of land becomes available for sale it gets snapped up within a month. It goes so quickly. Here it just sits there. It is like a sleeping giant, it just sits there not doing anything. (Fairfield Council Officer)

Importantly, while these sites are identified as at the lower end of the Sydney housing market and affordable by councils (at least compared to the housing options in the LGA and across Sydney more broadly), this is not to say that they are affordable for the residents who live there – this low value (especially) rental housing is still unaffordable because household incomes are simply too low (Randolph, 2006). This position was illustrated in recent research by City Futures Research Centre (2007) which

identified that the median household income to dwelling purchase price ratio had increased significantly at Bankstown in the period 1981 to 2005 – for houses: 3.7 to 8.4, and for units: 3.6 to 5.7.

Further, the quality of dwellings in each of the case study sites is identified as below par – despite its tenure. These suggestions follow the work of Randolph (2006) who argues that under market conditions the worst characteristic of these areas is that for property in private rental there is no incentive for regular repair or updates.

[The dwellings] are of an increasingly degraded quality. It is from the 1960s and it is becoming more low cost housing because of other development. The shops are also fairly degraded. (Penrith Council Officer)

Importantly the quality of dwellings is also identified as a factor mediating the style of redevelopment occurring in all sites.

We always have the knock down the house and build a new two storey McMansion. The area is old housing and would not be strong enough to hold a second storey ... We don't get that many additions because they are not worth refurbishing. (Auburn Council Officer)

Over the last 12 months we have had a lot of applications for multi-unit housing. The main ones are duplexes, especially on the narrow lots. (Fairfield Council Officer)

Councillors see dual occupancies as a way that people can stay in the area. Because rather than selling up and having to move elsewhere, what they can do is redevelop with a second dwelling and stay in the second dwelling or get a family members to stay in the second dwelling ... they are not forced out if they cannot afford it or cannot maintain a house. (Bankstown Council Officer)

From the above comments it is clear that the type of existing dwelling mediates the type of renewal activity present in each of the case study locations. Importantly, it should be recognised that the style of redevelopment is also driven by the ownership pattern: new detached dwellings in all areas are likely to be developed by current residents, while dual occupancies (especially in Bankstown) are also likely to be driven by existing residents who want to stay in the area. While at Auburn it is suggested that the preference for detached dwellings by existing residents results in the building of large 'McMansion' style houses. This is also the case at Cabramatta. In all locations the current lot arrangement is identified as a barrier to renewal.

But a lot of flats buildings are from the 60s and 70s and badly designed. I doubt you can knock them down, because what would you do if you gave them a higher heights? The sites are too narrow. You would need to amalgamate them. (Auburn Council Officer)

Interestingly, both Bankstown and Fairfield Councils have initiated significant land use surveys across their entire LGA. While in both cases this process was to be fed into strategic planning and would not become public knowledge, the documents outlined potential sites of lot consolidation. This process is testament to the role of lot consolidation in redevelopment and the capacity of local councils to meet their dwelling targets outlined under the Metropolitan Strategy. In terms of renewal it is the ubiquitous three storey walk up flats which represent the most significant problem – especially given the gun barrel lots on which they are built (Randolph, 2006). Further, the issue of Strata title and the difficulty in consolidating multi-unit dwellings for redevelopment is recognised as paramount.

Almost all of it is strata-ed [sic]. But the stuff that is strata-ed is almost impossible to develop. (Auburn Council Officer)

The issue is more around the limitations of the strata development. (Fairfield Council Officer).

Thus, from a council point of view, consolidation, both in terms of, first, generating large enough lots to develop high density dwellings which meet the planning guidelines of local councils and, second, consolidating ownership patterns to facilitate renewal (dwelling demolition) are recognised as considerable challenges to market led renewal in the case study sites. In addition, the character of the development industry operating in these areas is identified by council as a significant factor in mediating renewal

opportunities. Development in each of the case study sites is, according to council, facilitated through a number of small, local development companies.

I don't think that the market is here for the large companies, like Stockland, Meriton or Mirvac. We have had Landcom come in, but that was more for housing estate type developments. So at the moment it is still in the hands of local developers. (Bankstown Council Officer)

[The developers in the area] are not your Meriton's or major developers like that. They are more inclined to be companies who have done developments in western Sydney. (Penrith Council Officer)

[The developers] might do odd jobs outside, but most are in Fairfield. (Fairfield Council Officer)

Most of development is the little guys. (Auburn Council Officer)

The dominance of local developers has a number of important implications for renewal in middle-ring Sydney. First, it is recognised that small-scale, infrequent (often referred to as 'mum-and-dad') developers lack the institutional knowledge required to facilitate development. That is they are neither aware of the planning guidelines which direct development nor do they have those informal associations with council which facilitate efficient and innovative development. Second, due to the relatively small-scale nature of the developers, they are less likely to have the capacity to consolidate lots given that they potentially have limited funding and are less likely to purchase lots as part of a long-term development strategy (i.e. buy and hold lots until neighbouring lots become available).

The housing market is identified, by both local councils and the Department of Planning, as the mechanism charged with renewing middle-ring Sydney suburbs – providing new and better housing options in the future. However, a number of questions remain: under what circumstances is the renewal of these sites appealing to the market? And will the style of renewal meet the planning objectives of council and the Department of Planning, especially if the majority of development is in the form of lower-density renewal facilitated by local developers on small Torrens title lots?

Conclusion

Renewal in our case study areas, and in middle-ring suburbs more generally, presents the precarious nexus of market, state planning and local communities. In terms of the market the issue will be how to stimulate investment in a market which has traditionally been unappealing to private interests (especially large developers and investment companies/superannuation funds). It is unlikely that these sites will be a 'profit bonanza' (Randolph, 2006). Broader economic activity is central here. Renewal and redevelopment is not driven solely by opportunities opened up by new state plans (such as the Metropolitan Strategy or local planning policy), but operationalised in a wider set of economic functions, such as interest rates, land ownership, the availability of finance, and taxation and levy regimes (Bunker, 2007). Given these contingencies, is it correct to assign highly directive development numbers to individual sites (under the Metropolitan Strategy) given the unique interaction of these variables at each location?

In terms of state-centred issues, the question is: how are market players stimulated to enter the area? Is the state willing to alter planning guidelines in an effort to stimulate renewal – higher floor space ratios, more storeys, etc.? And if this is the case, how do councils maintain the public realm, ensure service provision and good quality urban design?

In regard to the community, issues remain regarding the capacity of local residents to remain in areas where (in some cases) they have lived for extended periods. How do households on low incomes remain in sites driven by private renewal and increasing prices? Is there scope for the state to re-enter the equation through provision of affordable housing?

While metropolitan planning is increasingly focusing development growth on 'strategic centres' in middle-ring suburbs, we argue here that this policy should be contextualised in local property markets – emphasising affordability – and the characteristics of current residents. Renewal is of little use if all it does is further marginalise disadvantaged groups as they are forced to move into areas more spatially

deprived – at least all of our case study sites are serviced by railway stations. If these sites are renewed, increasing residential densities, they will meet the objectives of centralised planning, but are they economically and socially sustainable? Yet at the same time, how is the private market stimulated to provide new dwellings which align with the dwelling targets, service provision and urban design criteria established by the state government and local councils?

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