

## **INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING**

**Organisation:** Payce Consolidated Limited

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28 February 2014

The Director  
Select Committee on Social, Public and Affordable Housing  
Parliament House  
Macquarie Street  
Sydney NSW 2000

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Dear Director,

Thank you for the opportunity to make a submission to the Inquiry.

Payce Consolidated Limited (Payce) is currently delivering an innovative NSW Government integrated housing project at Riverwood North, in Sydney's south-west, which is already successfully delivering excellent outcomes. The Riverwood North Renewal Project is substantially underway with the majority of social housing residents gaining occupancy in early February.

This submission presents a case study of the Riverwood North Renewal Project which identifies that there is a clear way forward to significantly resolve many of the issues facing government in the provision for social, public and affordable housing. Not only have the issues of ageing housing stock, inappropriate housing stock in relation to need, increasing maintenance costs and the need for significant capital upgrade been resolved, they have been resolved in a way that has delivered wider economic and social benefits.

Our submission draws on our ongoing consultation process which includes the local Riverwood community, community partners such as the Riverwood Public School and the Riverwood Community Centre, our senior managers and local authorities, including the local Council, Police and the local Housing Office. As such we have a unique perspective on how this project is impacting the community across a range of diverse groups.

The Riverwood North Urban Renewal Project involves the transformation of part of the Riverwood Housing Estate. The Riverwood estate is typical of the concentrated housing estates established in the 1960s and 1970s. The Riverwood project integrates public and private housing in a connected, harmonious community where all residents experience a genuine sense of belonging and inclusion, regardless of the nature of their ownership or tenure.

The Project involves replacing 176 old social housing units (including 86 bedsits) with an integrated community of 150 social housing units and approximately 600 private units. The Payce vision is to create an urban and community renewal showcase for integrated housing, social inclusion and community participation. This is being achieved through high quality master planning, urban design and partnerships, as well as a significant program of community inclusion.



The overarching message is that Payce - a listed public company with many years' experience in creating sustainable communities - is currently delivering a benchmark integrated project in partnership with Government. It is also important to note that this project is delivering real results for not only urban renewal but also community renewal and social inclusion.

The Payce model can be adopted across other estates in an efficient, timely and co-ordinated manner and, as showcased with the Riverwood North project, provide an urban renewal model for integrated development with superior outcomes for government, residents and the wider community.

Our confidence in the Riverwood Project is supported by our sponsorship (in concert with the NSW Government, St George Community Housing and the University of New South Wales) of a Longitudinal Study of the impacts of the Project.

I am happy to discuss any aspect of the submission. I would like the opportunity to address the Committee and explain our experience and observations in relation to urban renewal of social housing. I would also like to invite the Committee to visit the Riverwood North Project, and witness first-hand the positive impact the Project has so far achieved.

Yours sincerely

**Dominic Sullivan**  
**General Manager**

*Attachments:*

1. *Payce Submission*
2. *Washington Park Video*
3. *Riverwood Carols in the Wetland Video*
4. *Brooks Community Consultants Report*

**PAYCE SUBMISSION**  
To the Select Committee  
on Social, Public and Affordable Housing

**Riverwood North Urban Renewal  
- A Case Study -**

“To grow something you start with a seed and you nourish, nurture and encourage.  
This is true of a plant, a child, or a community.”

***Riverwood North: An Australian benchmark for a new integrated community***

**Project Objectives**

By designing an integrated mix of social, affordable and private housing create:

- A liveable, integrated and socially inclusive community.
- A revitalised urban area which exudes a strong sense of place and belonging.
- A place where people feel comfortable in a neighbourhood that is welcoming and protective.



## Background to Payce

Payce Consolidated Limited (Payce) has a reputation and strong track record in innovative urban renewal and design. Its award winning development on Homebush Bay led to the revitalisation of the whole area and - at Payce's instigation - spawned a new suburb now known as 'Wentworth Point'. Payce's experience and credentials in urban and community renewal at Wentworth Point, were instrumental in the decision by Government to select Payce as the successful tenderer in revitalising the Riverwood Estate.

## The Riverwood North Renewal Project

### Introduction and Vision

The Payce vision is to make Riverwood North an urban and community renewal showcase for social inclusion and sustainability, community participation, high quality master-planning and urban design, through an innovative model of *Community Oriented Development*.

The Riverwood North Renewal Project involves the redevelopment of social housing dwellings with a mix of private and social housing. The project was expected to take around 9 years, however Payce is expecting to deliver the project in half that time. This project is also demonstrating the success of the private sector and Government working together to revitalise Government assets and renew communities.

This development integrates social, affordable and private housing. Our approach is to create a connected, harmonious community where all residents experience a genuine sense of belonging and inclusion, regardless of the nature of their ownership or tenure.

Social connectivity is a central tenet of Payce's approach to *Community Oriented Development*. It describes both the urban design outcome of physical intersections and linkages which make it easier for local people to walk and cycle around their neighbourhood, as well as the social cohesiveness which underpins social inclusion and the opportunity for all people to fully participate in community life.

Riverwood North is being designed with people in mind. The objective is to marry urban design principles for people and places and community governance principles, to create ongoing social sustainability. In this regard it was important in the formulating the approved Concept Plan for the site to address the 'Radburnian' design limitations inherent in most concentrated social housing estates, which limit site connections and create ambiguity between public and private open spaces which ultimately lead to poor social outcomes.

It is important for the success of the project that the community itself plays the lead role in identifying, promoting and implementing sustainable programs for social inclusion and opportunity.

Payce believes in the power of partnerships. The genesis of the project is an agreement between Housing NSW and Payce concerning the physical urban renewal. However it is our aim that the project will involve new and innovative partnerships between numerous groups, organisations, businesses, and other levels of Government.

## **Project Overview**

Following a successful tender process in 2009/2010 with the former State Government, a Project Delivery Agreement was signed in 2010 between Payce and Housing NSW. The Riverwood North Renewal Project commenced in 2011.

### **Location:**

The estate is located approximately 15km from the Sydney CBD, within 150 metres of the M5 Motorway, adjacent to the refurbished Wetland Reserve and Riverwood Community Centre and Gardens, and in close proximity to the Riverwood train station and the newly completed Indoor Sports Centre.

### **The Project's place-making objectives:**

- Deliver quality modern residential apartments.
- Create a strong sense of place and belonging.
- Revitalise community open spaces and improve connectivity.
- Provide new, clean, safe and welcoming environments.

The redevelopment of Riverwood provides a public benefit to the community by facilitating a greater social mix through integration of private housing within the site and revitalising an area with ageing and dated social housing stock. The increase in housing density will directly and indirectly assist in the delivery of affordable housing in the area through the provision of new social housing stock that is better suited to tenants needs, including seniors' housing, and increasing the supply of private housing.

The project is consistent with the following aims and objectives of the NSW State Government, including to:

- ensure a sufficient supply of housing;
- assist in the delivery of affordable housing;
- support a strong social housing sector; and
- redevelop and renew public housing stock.

The site is suitable for increased housing as it is well situated in close proximity to the Riverwood retail centre as well as strong public transport linkages. The site is also located in close proximity to a number of community facilities, including the Riverwood Community Centre, Public School, community gardens, open space areas and recreation facilities.



The Metropolitan Plan for Sydney 2036 and the associated Subregional Strategies were developed to support the continuing economic growth of Sydney and enhance its standing as a global city. The draft South Subregional Strategy has a housing target of 35,000 new dwellings in existing areas by the year 2031. The Riverwood North Project is a significant contribution to the 7,100 of those dwellings identified as Canterbury LGA's (which encompasses the Riverwood site) portion of that target.

## Transforming Riverwood North

The urban renewal project comprises a 3.5 hectare portion of the Riverwood estate which was established in the 1950s and 1960s. The project involves the development of approximately 750 new homes, including 150 new social housing units and approximately 600 new affordable and privately owned units.

All units have been architecturally designed so as to meet the needs of Housing NSW tenants. The social housing buildings have also been designed to complement the design of the private apartment buildings, and to this end Payce has engaged the same architect to ensure consistency of design across the project.



Public spaces to bring people together.

The project is based on a plan of improved places and spaces which offer residents enduring environments that are safe and accessible for everyone.

## A New Urban Village

An architecturally inspired community, Riverwood North combines a series of improved public places which provide local people the opportunity to meet and gather, to know the neighbours and build social connections. This approach to urban design helps to develop a sense of community and belonging.

Above all, it's about creating places for people, and places which connect people. Characterised by the village square which is the heart and soul of towns across the globe, the new Garden Plaza will encompass small shops and eateries, civic uses including the new public library and lively meeting spaces for people to get out and about, greet each other, share stories, relax and participate in community life.

The Garden Plaza is designed to integrate with the surrounding housing which comprises both social and private apartments. The Plaza is the heart of the renewal precinct. The master plan connects

people with places by creating new linkages to the new Central Park, new Green Street, as well as the wetland reserve, community gardens and the existing Riverwood Community Centre.

Set in a landscape context and adjacent to parks and gardens and community facilities, Riverwood North has been designed for people of all ages and cultures – for young families and singles, teenagers and seniors. The aim is to enrich the social and urban fabric through diversity.

## ***Urban Renewal Approach***



- Re-integrate the site with the wider community by establishing new through site connections
- Improve open space and streetscapes, and opportunities for social connections
- Integrated architectural style to better blend mix of social and private housing
- New street edge buildings to create active frontages to improve safety and surveillance



## What we have achieved to date

### The Payce Model for Community Oriented Development

Payce has been successful in creating vibrant, happy and healthy communities by recognising that all communities need to be connected, integrated and inclusive. This success is built upon our commitment to empower and lead communities to realise their own potential.

To us a strong community is a group of interacting people; concerned about each other's welfare and well-being; living in a healthy place where they feel a sense of belonging and pride and where they feel free to participate fully in community life. It is a place where diversity of language, cultural heritage and lifestyle are celebrated and respected.

Our goal for social inclusion is for all Riverwood residents to know and experience their entitlement to participate fully in the social, cultural and economic life of the community.

Our goal for social sustainability is a community with the capacity, vision and leadership to find their own voice, run their own programs and be responsible for the ongoing health and happiness of their community.

Building upon the philosophy of inclusion and sustainability, our approach to community renewal at Riverwood North has three main pillars: participation, connections and ownership. Below is the Payce model for Community Oriented Development.

### **Participation and Inclusion**

Facilitate opportunities for residents of Riverwood Estate to be active and highly engaged in daily activities and events and to be able to influence the future direction of the community.

### **Connectivity**

Create a connected vibrant community that has a thriving network of groups and programs, creating a sense of community and where no-one feels isolated or abandoned.



### **Ownership**

A growing and immense sense of pride in the community, each other, and what can be achieved; a desire to invest both emotionally and physically in the community; and a growing sense of social entrepreneurship whereby individuals within the community feel a sense of confidence in themselves and the confidence to initiate new endeavours, new groups, programs or even businesses.

To support the urban renewal, Payce developed a Community Renewal Plan which sets out a clear vision for creating community well-being and achieving a new integrated community.

## **The outcomes for social inclusion:**

### **Jobs Program**

- Partnership with Riverwood Community Centre to provide business support and funding to local social enterprises (gardens and catering), targeting older male residents, sole parents, migrants and young people.
- Establishment of Business Advisory Boards to assist growth of existing social enterprises.
- Development of Jobs Today Foundation to drive growth in employment of local social housing residents, with overall aim of reducing unemployment by at least 50%.

### **Community Program**

- To drive participation and social inclusion, Payce supports a calendar of social and community events including:
  - New garden plaza designed to be the community hub.
  - Cinema in the park.
  - Music in the park.
  - Weekly community BBQs.
  - Riverwood Festival.
  - Harvest Days.
  - Volunteer Days (Clean Up Australia, Pink Day, Harmony Day, etc).
- New garden plaza designed to be community hub.
- New community garden planned to be the biggest in Australia.
- Online community portal to connect residents with news and events.
- Establishment and construction of a new library facility and lifelong learning centre.
- Support for establishment of a Men's Shed to address men's health and well-being.
- Mentoring and capacity building workshops for local school and community groups.

### **Education and Youth Program**

- 'Mathletics' sponsorship (online maths training) for local primary students.
- Support for School Garden project, including garden establishment and sponsorship of staff
- Computer learning hub for youth, their parents and seniors.
- Graffiti Plan.
- Kingsgrove Cricket Club Youth development program.
- Establishment of local Soccer Club—'Riverwood Pride'.

## Positive changes in the local community

### Summary

The following is a short précis of community initiatives and outcomes which demonstrate the positive impact the Project and Payce is having on the local community:

- Regular integrated community events, including Carols, Cinemas in the Park, Festivals, Community BBQs which are attracting both private and social housing residents. So far, in excess of 10,000 people have attended our community events, and the weekly community BBQ attracts somewhere between 50-100 people per week.
- Payce successfully assisted in establishing the Riverwood Men's Shed – which now hosts approx. 50 men from the estate and visiting men from private areas outside the estate.
- Successful mentoring of the local school community (as described below), including helping to establish a regular and viable P&C committee.
- Establishment of the Riverwood Pride Youth soccer team.
- Sponsorship of local Kingsgrove youth cricket program.
- Through the social housing tenants' representative committee, advocating the change from "tenant" focus to "resident" focus, in order to reduce the distinction and stigma of being a public housing "tenant".
- Active program for security and surveillance which has led to a noticeable decline in crime activity, and a greater sense of safety and security for the community.
- Focus on generating employment and training opportunities. This has led to a MOU with the Riverwood Community Centre; the creation of Social Enterprise Advisory Board involving local businesses; and the establishment of a social enterprise café to train young people off the estate.

While Payce has partnered with a number of community organisations (Riverwood Community Centre, Men's Shed, Youth sporting organisations, local businesses, Tenants Committees), our involvement with Riverwood Public School is a good case study of the positive impact to date of the Project.

As indicated, Payce has sponsored the following initiatives for the Riverwood Public School:

- entire student population subscription to the online "Mathletics" tutoring program;
- sponsorship of a part time literacy teacher;
- establishment of the school community garden and kitchen;
- sponsorship of the 'Harvest Seed Spoon' program which employs dedicated staff to delivering the garden program;
- Mentoring of the school P&C; and
- Mentoring and support for school fundraising.

The Riverwood Public School is a small, multicultural school, catering for students from Preschool to Year 6. The school population is 81% non-English speaking background.

In the two years that Payce has been involved on the Riverwood North Urban Renewal Project and partnering directly with the school, the Riverwood Public School's NAPLAN Results have shown:

- The most growth of all schools in their School Education Group (SEG) of 18 schools.
- An average growth in reading of 131.1
  - Difference from state – 47.9
  - Difference from NSW – 45.4
  - Difference from SEG – 41.5
- Year 3 trend data indicated an improvement in:
  - Reading from 316.3 to 361.0
  - Spelling from 324.5 to 350.4
  - Grammar and Punctuation from 340.9 to 343.7
  - Numeracy from 302.2 to 315.2



The community support for the Riverwood Public School P&C has also improved. Payce provided staff to mentor and facilitate the establishment of a regular P&C committee. Prior to our involvement at Riverwood North, the P&C meetings were practically non-existent to now over 30 people attending this year's AGM.

Payce's involvement has also led to an increase in school fundraising. Following Payce's mentoring program, the school last year held three fundraisers (organised in partnership with Payce which included Cinema in the Park). This fundraising has now led to the school being able to itself continue the funding of the 'Mathletics' program for the students.

## Project Deliverables

### Challenges at outset of the Project

- Over concentration of social housing, which is heavily stigmatised by appearance and reputation.
- Majority of the social housing stock is not fit for purpose – or not appropriate for people with a disability or for seniors (i.e.– no lift access, poor private open space, ongoing maintenance issues).
- High concentration of socio-economically disadvantaged households (the weekly median household income in Riverwood estate is \$259 compared to \$1,154 for Sydney, and an unemployment rate of 34.9% compared to a Sydney average of 5.3%).
- Ageing and dilapidated social housing stock (being approx. 40-50 years old) which is at the end of its reasonable shelf life.
- Social housing stock does not match client demand – that is, there is an undersupply of one and two bedroom units.
- Stock would require significant capital upgrades in the next 10-20 years; is not of marketable quality; it does not meet current BCA standards, and does not provide lift access or adequate parking.
- Based on a major typical upgrade (carpets, painting, kitchens, bathrooms, electrical wiring and common areas) the capital cost of upgrades would be in the order of \$110,000 to \$150,000 per unit.
- The total cost to NSW Housing of retaining and upgrading the existing stock could potentially be up to \$130 million.

### Project Outcomes

- Whole of project life community involvement in the design and delivery of the project
- Single point entity (in this case Payce) responsible for the entire project outcomes – i.e. concept plan, design, construction, community engagement, community renewal, marketing
- New social housing units constructed to a market standard;
- New social housing to be designed in an integrated manner with the private/market housing;
- An concept plan to be designed and delivered for the whole site area incorporating seamless design and new shared community spaces and facilities
- Greater emphasis on social integration
- Focus on public open spaces
- New social housing units to be capable of future strata registration
- New social housing units to be an integral part of a new blended residential community
- Development of a sense of pride and a new sense of community belonging and inclusion

## **Current Status and Achievements**

- Tenant Relocation completed - March 2011
- Demolition completed - June 2011
- Concept Plan Approval completed - July 2011
- Project Approval for 150 Social Housing Units completed - November 2011
- Remediation completed - February 2012
- Social Housing Unit Construction underway - March 2012
- Social Housing Unit Construction substantially completed - December 2013
- Social Housing residents tenant new units - February 2014
- Commencement of construction of private units – January 2014

## **Social and Economic Benefits**

The Riverwood North renewal delivers a number of important social and economic benefits, including:

- **Housing** – the new development will provide:
  - renewal and revitalisation of Housing NSW dwellings, a key community asset;
  - dramatically reduce maintenance costs;
  - increased housing within proximity to public transport, community facilities, employment, educational, commercial and retail centres;
  - a range of housing types that responds to the social mix of the area; and
  - public (20% approximately) and private (80% approximately) housing to diversify the social mix;
- **Public Open Space** – the provision of dedicated and formal public open space areas and improved connections to surrounding public open space areas would be a direct benefit to the community;
- **Jobs** – 1,000 Full time equivalent construction jobs have and will continue to be created;
- **Urban Renewal** – promote urban renewal of an area with ageing dwelling that are no longer suitable for NSW Housing requirements and improved infrastructure, including roads, footpaths and open space; and
- **Community Facilities** – provision of community facilities through continued engagement with the local Council and community facilities and services that are as a direct result of Payce's involvement in the project. This includes the new Riverwood Library and community centre



## **Public Domain and Open Space**

Payce's involvement in the Riverwood North project not only delivers new buildings, but also a fully landscaped precinct. This includes:

- new parks;
- new streetscapes and extensive tree canopies;
- new street and pedestrian lighting;
- greater green connections throughout the suburb;
- new public plaza; and
- proposed creation of a new regional park on the western fringe, including new community garden

This will provide the same high quality landscape and open space outcomes, as evidenced by the recently refurbished Salt Pan Creek Reserve.



## Conclusion

The Riverwood North Urban Renewal Project is already demonstrating the unique ability of Payce to deliver strategic social outcomes and community renewal in partnership with the NSW Government and like-minded organisations such as St George Community Housing (which will have responsibility for the ongoing management for the social housing units).

The ongoing aim of the project and the commitment of Payce is to deliver a dynamic and cohesive integrated community, which exudes a real sense of place and belonging.

Riverwood North is the benchmark for integrated architectural design, integrated community and integrated urban design of public spaces in new residential estates.

Numerous social and economic benefits are accruing as the Project achieves the stated objectives:

- creating an integrated socially mixed new suburb;
- making Riverwood a community renewal showcase for social inclusion;
- delivering new social housing at significant discount to market;
- ensuring that the new social housing is intermingled and of the same high quality design as private units;
- maximising and leveraging existing transport and community infrastructure.

Our confidence in the Riverwood North Project is supported by our sponsorship (in concert with the NSW Government, St George Community Housing and the University of New South Wales) of a Longitudinal Study of the impacts of the Project.

The community support, energy and enthusiasm is evidenced not only in the attached Community Findings Report, but also in the fact that the concept plan and numerous project applications have not been met by any objections.

Adoption and utilisation of Payce's model and expertise presents the NSW Government with significant opportunities by:

- supporting The NSW Government's target for increasing the supply of housing;
- addressing the entrenched disadvantage inherent in concentrated housing estates;
- ensuring publicly owned housing assets are renewed in line with benchmark design practices and current building codes;
- providing increased value; and
- delivering improved community and social outcome.

Payce would be pleased to extend an invitation to the Committee Members to attend a site tour of the Riverwood North Estate to showcase what can be achieved with this model.