

Summary of preliminary research – Tūwharetoa Kāinga Strategy

Part 1: The housing crisis from an international and national perspective

The housing crisis is one of the most difficult long-term challenges Aotearoa faces. Housing affordability is a key concern for Government, NGOs, charitable and Iwi entities. Home ownership contributes to social and economic outcomes and provides New Zealanders with a real and tangible stake in the communities in which they live. Unaffordable homes translate into pressures on families, the social housing system and on Government support. Houses are at three times the median income against the international standard for affordability and New Zealand is considered “seriously” or “severely” unaffordable – the problem is particularly acute in Auckland.

The Ministry of Business Innovation and Employment (MBIE) estimated a nationwide shortage of around 70,000 homes as of 1 June 2017 (of which around 45,000 are estimated to be in Auckland). This can be attributed to the population growth of 18% in the last decade. The gap between the demand and the lack of supply has contributed to a large increase in prices, as well as increasing rents. Between 2013 and 2018, house prices were rising over twice as fast as household incomes. Household ownership has now fallen to the lowest levels in 60 years. House prices increased by 54% between 2013 and 2018, while household incomes have risen by only 23%. Homeownership rates are even lower for Māori, worse so for Pacific Islanders, and are rapidly falling.

Over the past three years, there has been a significant increase in the number of people who need public housing. Between 30 June 2016 and 30 June 2018, the number of applicants on the Social Housing Register increased 111% (5,577 applicants). This can be attributed in large part to a combination of factors, including insufficient general housing supply and the increasing cost of private rentals.

The prevalence of New Zealand children living in sub-standard housing conditions has developed into a major public health and children’s rights issue, with multiple effects on the health and wellbeing of children. This contributes to a greater burden of disease and poorer outcomes, particularly amongst those who live in lower-income households, amongst one parent families of all ethnicities, and Māori and Pacific children.

Aotearoa has a population of \$4.2 million, of which 598,605 register themselves as Māori, or part Māori. About 5.4% of Māori are aged 65+ and about 34% are aged under 15 years of age.

In 2013, 435,135 households rented their homes, an increase from 388,275 in 2006. It is reasonable to expect that in 2019, this figure reached in excess of 500,000 households. Most households reported to be renting from the private sector (83.7%). The median weekly rental paid in Aotearoa is \$280, with the most common rents paid between \$250 - \$349 per week.

Part 2: Information about our rohe and the situation of people within the rohe

Housing and affordability

There are 1,717,500 homes in the Waikato region with a further need for 7,500 homes. Based on population growth, a further 51,000 homes are needed by 2043.

The shortfall is in social and affordable housing. The median house price in the Waikato is \$529,000, which can be considered unaffordable at 6.2x the median income. The median household income is \$85,000.

Approximately 46% of Waikato housing stock was built before thermal insulation was legislated by NZ law (1978 legislation). Around 53% of housing in the region could benefit from retrofitted roof space and or subfloor insulation. Accessibility is an important consideration as we see our population aged over 65+ years grow in numbers.

Population statistics

The population within our rohe is 37,466 and Census New Zealand estimates this will climb to 39,100 by 2038. However, it is possible it will climb higher and quicker as some statistics show that New Zealand’s population will continue to grow and may not peak in the next 100 years.

- 32,384 of the population live in Taupō and the remainder live in the wider Tūrangi area.
- The median age is 40.6 years, while the median for Aotearoa is 38 years.
- Approximately 9,500 register themselves as Māori within the rohe – that’s about 25% and a 6% increase since 2006.
- Europeans make up the largest ethnic group in Taupō.
- 17% (6,370) of the population are over 65 years of age (NZ is 14.3%) of which approximately 630 are Māori kaumātua.
- 21.4% (18,018) of the population are under the age of 15 (NZ is 20.4%) of which 3,107 are Māori.

So, our rohe has a greater percentage of older and younger people than the national average.

Unemployment statistics

- Unemployment in the rohe is 6% for the total population, while it is 13% for the Māori population, both of which are lower than the national average.
- The median income for the rohe is \$28,200, but for Māori it is \$22,500 – this is a significant issue and an indicator of the health, low potential and struggles driving our community.
- Additionally, 50% of Māori in the rohe have an income of less than \$20,000 per year, while 15.5% of Māori within the rohe have an income of more than \$50,000.

Household statistics and occupancy

There are 14,014 households in the rohe (12,123 in Taupō and 1891 in Tūrangi) but there are 21,221 dwellings in 2019 including those under construction. This difference is due to the 31.7% of dwellings that are unoccupied (6,727 dwellings) – these dwellings are primarily holiday homes or Air BnBs.

Median house prices, rent and annual income

Both prices and rents continue to increase considerably (23% price increase and 88% rent increase since 2006), while income only increases slightly (25-49% since 2006).

Median Houses Prices		Median Rent Prices		Median Annual Income	
Taupō	\$529,595	Taupō	\$376	Taupō	\$87,700
Mangakino	\$206,000	Mangakino	\$190	Mangakino	\$57,200
Turangi	\$332,205	Turangi	\$249	Turangi	\$63,300

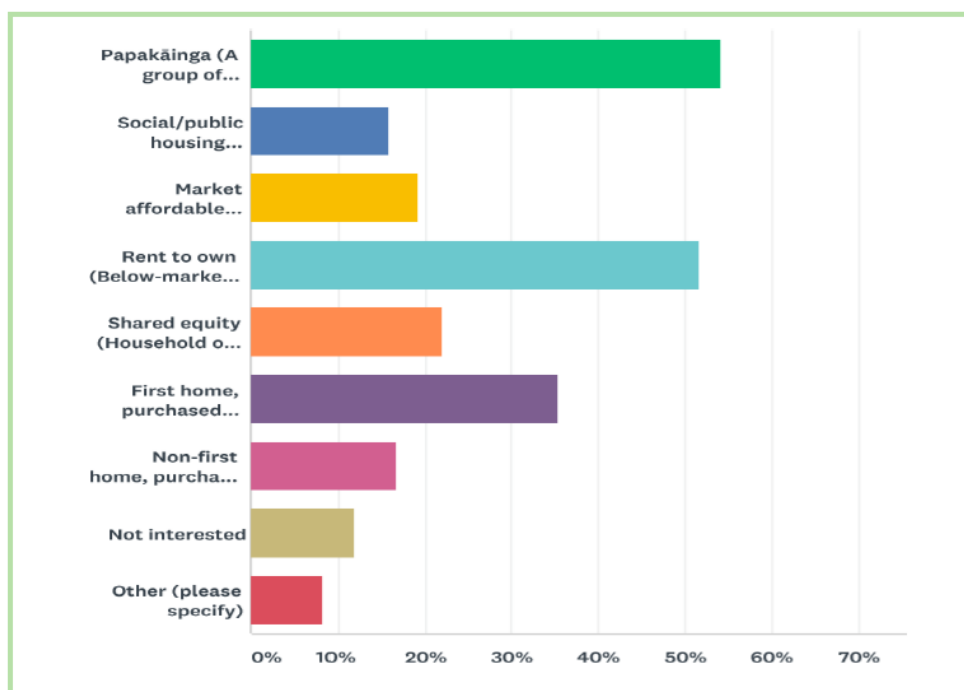
Public and social housing within the rohe

A 2013 study showed public and social housing within the rohe is only 164 (1.1% of the dwellings) – so only a small portion is provided by the local council, compared to a national percentage of 3.6%. The current Ministry of Social Development (MSD) register of applicants for **social housing sits at 60**, although we know this is below the actual requirement as many opt to not apply.

A 2006 report showed that housing deprivation within the rohe sat at 301 people considered ‘Severely Housing Deprived’. We expect that this has **more than doubled in the past 10 years, to greater than 700**. This includes people without housing at all, in shared accommodation or in severely crowded permanent private residence.

TST Housing Survey

TST conducted a housing survey from October 2019 to February 2020. Some general findings are included below. The specific and individual responses will be used to inform Parts 4 and 5 of this strategy to allow specific solutions to be designed for very specific demands and needs identified. We received 707 responses from our database of more than 4,000 members. Approximately 32% of the responses were from members living within the rohe.



- **Market Affordable Rentals** – those provided at below market rates by landlords who seek to achieve a social housing outcome, in many cases rental subsidies are being received by the household too.
- **Rent-to-Own** – where below market rent is charged so tenants can clear debt and save a deposit to purchase the house they are living in.
- **Shared-Equity** – where the household owns 75% through a combination of deposit paid and mortgage, and with the other 25% owned initially by another party, which the household has to buy-out after a given time period.
- **First Home purchase** – where it is directly between the buyer with a loan from a lending organisation.

Importance of Te Ao Māori and culture (as it relates to housing)

“The ability to live as who you are, without feeling compelled to adopt another identity to fit in with wider society, is an important aspect of wellbeing, as is having a sense of belonging and connection to a culture and place.” (Smith, 2018). Te Ao Māori is important to our overarching wellbeing. Culture (as it relates to housing) also remains an important consideration, and strong cultural identity can be attributed to overall wellbeing.

Part 3: The kete of resources and solutions

This part of our Strategy looks at the relevant organisations in Aotearoa, the resources they could provide to the delivery stage of this strategy, as well as examples of where these resources are already being put into practice and delivering more, better, and affordable housing to the people of Aotearoa. The majority of these are directly applicable to our rohe and our situations. Our investigations have also introduced us to some very good examples of hapu and iwi kāinga solutions that have either been completed or at various stages of progress. The majority of Māori organisations have been very generous in sharing their experiences, as well as providing good advice on how best to proceed, to avoid some of the challenges they had faced.

Part 3 is comprehensive in its assessment, and includes detailed information on the following:

- National Government
- Ministry for Housing and Urban Development
- Kāinga Ora
- KiwiBuild
- Healthy Homes
- MSD
- MBIE
- Te Pūni Kōkiri
- Energy Efficiency and Conservation Authority (EECA)
- Papakāinga
- Te Matapihi – Māori Housing
- Community Housing Aotearoa
- NZ Housing Foundation
- The Salvation Army
- Habitat for Humanity
- Lifewise (Rangatahi)
- Abbeyfield (Kaumātua)
- Affordable design, building and construction
- He Korowai Trust – Kaitaia
- Te Puna Wai – Wanuiomata
- Rotokauri – Tainui
- Te Pā Tāhuna – Ngāi Tahu
- Waingākau Villahe – Flaxmere