

Housing



Sections

- Home ownership
- Housing Affordability
 - Household expenditure
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 - Rents
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- Waitakere City Council housing
- Household crowding
- Temporary dwellings and emergency housing
- Urban intensification

Introduction

Adequate housing is one of the most important basic needs for people. The ability to meet this need is influenced by the social and economic status of residents.

Housing costs can impact on social wellbeing. High housing costs may lead to people not being able to afford housing adequate to their needs. Housing costs can also affect the ability to pay for other necessities such as food and health care. Crowded and poor quality housing may contribute to physical and mental health problems.

There are a range of new housing options available e.g apartments and terraced housing. However, affordability remains critical, as does the ability to provide for changing local household structures.

Major Policy Initiatives and Directions

- A shift from market rents to income-related rents for state housing.
- An increased state housing building programme to supplement stock across the country, and especially in the Auckland region.
- The provision of central government loans to local government and third sector providers to build new housing or upgrade existing housing stock.
- The confirmation of Waitakere City Council's role in the provision of Older Adult Housing in the city.



- The launch of the Regional Housing Affordability Strategy.
- The adoption of the Regional Sustainable Urban Development Plan.
- The development of Waitakere City Council's Urban Design Guidelines to assist developers to build more sustainably.
- The ongoing implementation of the housing intensification strategies at both the regional and local levels to facilitate the development of a variety of housing type available in the city and region.
- Kiwibank's home loans scheme to enable those from low income households to buy homes.

Key Issues

- There is a high demand for Housing New Zealand Corporation (HNZC) accommodation and long waiting lists.
- There is currently no emergency housing in Waitakere City.
- HNZC rentals in Waitakere City are lower than other parts of the region, particularly Auckland City.
- There is little third-sector provision of "social housing", such as Habitat for Humanity, in Waitakere City.
- There is still a lack of local work on how housing developments can promote sustainable communities.
- There is a general lack of providers for a range of residential services such youth services and mental health.
- Housing affordability is still an issue, although less so in Waitakere

than in other cities in the Auckland region.

- Housing is more affordable in Waitakere. This, combined with the rise in Auckland house prices and rental costs, is driving population movement West. There is an associated impact of this on the ability of service providers to meet the needs of Waitakere's ever changing community.
- There are new emerging housing needs for refugees. Such groups need a range of social services coordinated in 'wrap around' support. Often services are there on 'day one' but are not sustained.
- New migrants often have different needs to do with the layout of the house, communal living and religious practices.
- People with disabilities are not well catered for. For example, funding will not be given by community health for alterations to housing such as ramps or bathrooms until the person actually moves into a home but they need the changes to be in place before they move in. For HNZC properties, however, the work can be done prior to the applicant moving in.
- There is a strong desire for older adults to live independently. However, many homes are not designed to meet their needs. For example, there is little affordable housing for the elderly with easy, level access and internal disabled access.
- Residents with mental health issues face difficulties getting housing. There is still a lot of stigma and discrimination although this is changing.
- Many social issues intersect around housing. We need greater clarity around housing partnerships.¹

¹ Councillors Wellbeing Discussion, 15 March 2004.

Some Highlights

- There is increasing housing choice in Waitakere City with different styles of housing developments e.g. Ambrico Place in New Lynn , Habourview in Te Atatu and Earthsong (Ranui Eco-housing) developments and retirement complexes.
- The Waitakere Gardens retirement home complex in Henderson comprises multi-level apartments and has been one of the most successful retirement developments in New Zealand.
- The Eco-wise Healthy Homes retrofitting project is enabling low-income families to upgrade insulation and minimise energy use.
- HNZC has initiated a building programme to augment existing housing provision in Waitakere City.
- There are growing opportunities to work more closely with HNZC and regional public health services to address health and housing issues in Waitakere.
- A partnership between Housing New Zealand Corporation and Te Whanau o Waipareira has resulted in the construction of 38 homes in Swanson for older adults and people with disabilities. The next stage will involve constructing a further 64 homes, with residents having access to a range of Waipareira services, including health, employment and budgeting services.

Home Ownership and Renting

Levels of home ownership (tenure) are a guide to population stability and the relative wealth of the community. Home ownership has traditionally been seen as a more secure form of tenure than renting in New Zealand.

- Most people in Waitakere City (64.7%) own their own home.

- However home ownership rates are falling both nationally and in Waitakere City. In Waitakere City the percentage of those owning their own home fell from 79.7% in 1991 to 64.7% in 2001.

Percentage of those Owning their Own Homes 1991-2001

Ownership	1991	1996	2001
Waitakere	79.7	71.8	64.7
New Zealand	72.1	67.4	63.9

Source: Statistics New Zealand Census 1991, 1996, 2001

Household Income and Home Ownership

Both in Waitakere City and nationally, households with higher incomes tend to have much higher levels of home ownership than those with lower incomes.

In 2001, the level of home ownership in Waitakere City was:

- 56% for households on lower incomes (i.e. below \$20,000 per annum).
- 86% for those households on higher incomes (i.e. \$70,000 or more).² These are similar to national figures.
- The Henderson ward has both the lowest household income and the greatest decrease in home ownership.

² Source: Statistics New Zealand. Census 2001.

Ethnicity and Home Ownership

There are ethnic differences in home ownership rates.

In Waitakere City:

- Maori (29.6%)
- Pacific people (27.5%)
- Asians (41.3%) and
- Other ethnic groups (26.1%)

were much less likely to own their own homes than Pakeha (58.5%).

“The lack of affordable housing has a major impact on low income families especially Pacific people and new migrants – families are unable to save.” Elaine Lolesio, Manager, Monte Cecilia Housing Trust.

Renting

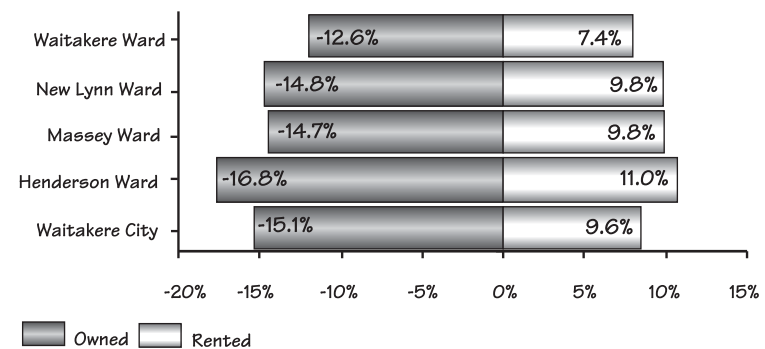
- As home ownership decreases, more and more households in Waitakere City are renting.
- Of New Zealand’s eight largest cities, the greatest changes in renting and ownership patterns between 1991 and 2001 occurred in Waitakere City, with a 15.1% fall in home ownership and a 9.6% increase in the number of those now renting.³

Changing Patterns of Tenure in each Ward

- There has been an increase in the proportion of households renting accommodation in every ward.

- However, the Henderson ward has seen the largest decrease in ownership and the highest increase in those renting.

Percentage Change in Proportion of People Owning & Renting - Waitakere City & Wards (1991-2001)



Source: Statistics New Zealand, Census 1991 and 2001

Housing Affordability

Household Expenditure on Housing

Household expenditure on housing is the proportion of expenditure spent on meeting housing costs such as rent, mortgage and property maintenance.

Housing costs are one of the largest costs in household budgets. Expenditure on housing can contribute to hardship, particularly for those on a low income.

³ Note, these percentages do not add up to 100 as there are other forms of tenure – such as staying with friends or family.

- Low income earners in the Auckland region spent more of their total weekly expenditure on housing costs than anywhere else in New Zealand.⁴
- Expenditure on housing related costs in Waitakere City is high and equates to well over one-third (40%) of total household spending. This has increased from 26.3% in 1998.⁵

In 2001:

- Waitakere City residents spent 27.9% of their total expenditure on housing costs, up from 12.6% in 1998. This was higher than in any other of the eight largest cities. Nationally residents spent only 23.3%.
- Waitakere City residents spent a further 11% of their total expenditure on household operations, for example furniture, appliances, domestic power etc, down from 13.7 % in 1998.
- Between 1998 and 2001, the proportion of household expenditure on food, clothing and transport also fell.

House Prices

House prices are increasing, making housing less affordable.

- The median house sale price in Waitakere City (as at December 2003) was \$245,000, which was a 25.3% increase from the 2001 median.⁶
- There was a 4.3% increase in the cost of living over the same period.⁷

Median House Prices in Waitakere City December 2000-2003

Year	House Price
2001	\$195,500
2002	\$211,000
2003	\$245,000

Source: Real Estate Institute of New Zealand 2004

House Prices by Area

House prices varied across different parts of Waitakere City. Houses in Glen Eden and Henderson were more affordable than houses in the Upper Harbour and Titirangi areas.

⁴ Source: Quality of Life Report 2003.

⁵ Source: Statistics New Zealand, Household Economic Survey, March 1998 and 2001.

⁶ Source: Real Estate Institute of New Zealand. Note: This is a median sale price not adjusted by the CPI.

⁷ Source: Consumer Price Index, December quarters.

Median House Price in Each Area for April 2004

Area	Median House Price	Number of Sales
Upper Harbour	356,000	27
Waitakeres	382,000	5
Henderson	270,000	255
Glen Eden	250,000	112
Titirangi	355,000	49
Waitakere City	275,000	448

Source: Real Estate Institute of New Zealand, 2004

Kiwibank's *In Reach* home loans were designed to assist low income people into housing. Although these have enabled people in smaller towns to buy houses, there has been a low pickup of these home loans in larger cities, including Waitakere, mainly due to the high price of houses.

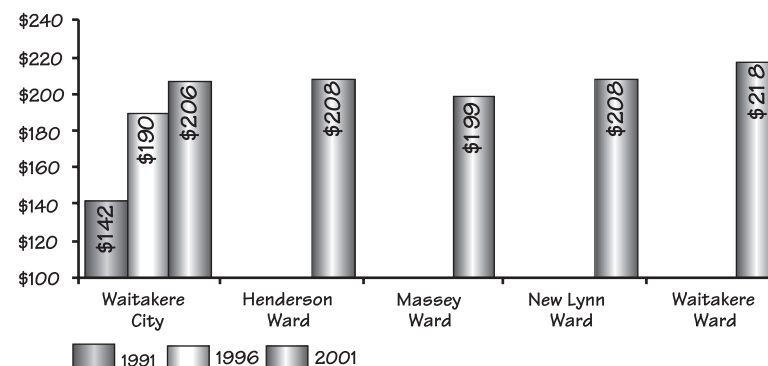
Rents

The average rent paid in Waitakere City has increased by 45% over a 10-year period (1991-2001).

The highest average rent was paid by households in the Waitakere ward (\$218 per week).⁸

In 2001 the average rent paid for a one bedroom home or unit was \$145 per week. The average rent for a four bedroom home was \$260 a week.

Average Rent Paid - Waitakere City & Wards (1991-2001)



Source: Statistics New Zealand, Census 1991, 1996, 2001

Rent by Type of Landlord

The average rent in Waitakere City is increasing. However, the rent paid varied significantly by landlord. Rents to private sector landlords and Waitakere City Council were higher than those charged by the Housing New Zealand Corporation.

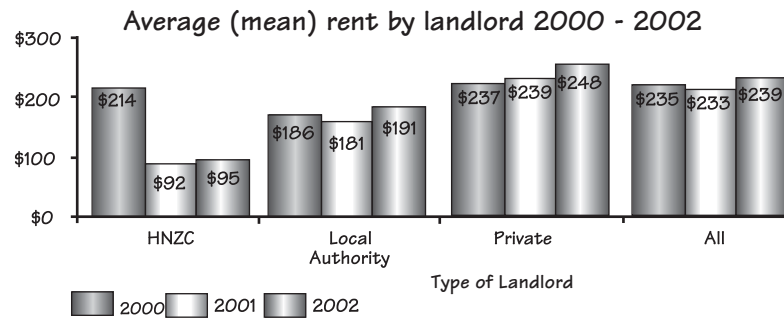
Housing New Zealand Corporation tenants, who are low-income earners, can receive a Government subsidy called income-related rent (IRR). Those who are eligible pay no more than 25% of their total household income in rent (up to a certain threshold).

- There was a slight increase in rents paid to landlords in the private sector and to Waitakere City Council between 2000 and 2002.

⁸ Source: Statistics New Zealand, Census 2001.

- There was, however, a significant reduction in the rent paid for HNZC properties. This has fallen from an average of \$214.00 in 2000 to \$96.00 in 2003 as a result of the introduction of the income-related rents policy⁹.

Average Rent Paid by Type of Landlord 2000-2002



Source: HNZC, 2004

Government Support for Housing

Accommodation Supplement

Some non-HNZC low income households may be eligible for an accommodation supplement from Work and Income NZ. In some cases this may provide a subsidy that is close to what they would receive if they were in HNZC accommodation.

- The number of accommodation supplements paid to Waitakere residents has fallen from 16,398 subsidies in 1999, to 14,912 in 2002.

Number and Proportion of Waitakere City Population who received Accommodation Supplements 1999-2002

Year	Number	Percent
1999	16,398	9.6
2000	15,935	9.2
2001	14,877	8.4
2002	14,912	8.2

Source: Ministry of Social Development, 2003

Housing New Zealand Corporation

The Government provides subsidised housing through HNZC.

- There has been an increase in the number of HNZC properties in West Auckland over the past five years.¹⁰
- The number of houses has increased by 17%, from 2,294 houses in 1999 to 2,675 in 2003.
- There is a reduction in the amount of "churn" in HNZC properties. Turnover has dropped from 30% in 1999 to 9.4% in 2003.
- The number of new tenancies in any one year has decreased significantly from 745 in 1999 to 364 in 2003 as a result of dramatically reduced turnover.

⁹ Source: HNZC, 2004.

¹⁰ Source: Year ended June 2003.

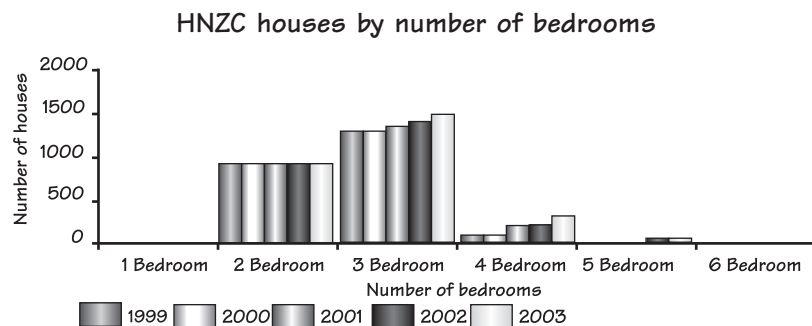
Housing New Zealand Corporation Property Statistics in West Auckland, 1999-2003

	1999	2000	2001	2002	2003
Number of Properties	2294	2367	2367	2548	2675
New Tenancies	745	787	560	369	364
Percentage Turnover	30.0%	30.1%	19.4%	10.5%	9.4%

Source: HNZC, 2003

There has been an increase in the number of larger (three or more bedroom) HNZC homes.

“Waitakere needs more Housing New Zealand Corporation rentals and more affordable housing provided through the private sector. People in Waitakere regard their connections, church, family, health services etc. as very important and want to remain in the area.” Elaine Lolesio, Manager Monte Cecilia Housing Trust



Source: HNZC, 2004

Housing New Zealand Corporation and Older Adults

HNZC has recently built or leased four new older adult housing developments in West Auckland.

They are:

- Millbrook, Henderson - 16 units.
- Pepperwood Mews, Kelston - 42 units - nearly complete
- 352 Swanson Rd, Ranui - 37 units
- 379 Swanson Rd, Ranui - 27 units

“Over the last year (May 2003 - April 2004), HNZC has housed in the communities of West Auckland, 587 households. Of those families housed, 29 (4.94%) of these families have been part of New Zealand’s quota refugee commitment.” Angela Pearce, Housing New Zealand Corporation.

Housing New Zealand Corporation wait lists

Despite the increase in HNZC stock, there are a large number of people on HNZC waiting lists wanting to live in West Auckland.

HNZC assesses, ranks and prioritises applicants waiting for houses. Those ranked as ‘Priority A’ are considered the most urgent to house. There has been an increase in both the size of the HNZC waiting lists and the number of high priority applicants in West Auckland. The waiting list in Henderson for Housing New Zealand Corporation rental tenancies was the highest in the country as at 31 May 2004.¹¹

¹¹ Angela Pearce, Regional Manager HNZC, June 2004.

- The waiting list increased from 1460 in 2002, to 1720 in 2003.
- There has also been an increase in Priority B applicants wanting to live in West Auckland.

Housing New Zealand Corporation Applicants by Priority, West Auckland 2002-2003

Priority	June 2002	Percent	June 2003	Percent
A (Most urgent)	6	0.4	0	0.0
B	453	31.0	747	43.4
C	890	61.0	830	48.2
D	111	7.6	143	8.4
Total	1460	100	1720	100

Source: HNZA, 2004

“A major issue is people languishing on HNZA waiting lists.” Elaine Lolesio Manager, Monte Cecilia Housing Trust.

“HNZA don’t seem to have enough properties out West – some people are in urgent need of appropriate housing – especially larger homes that are close to services and public transport.” Praveen Chandra, President Waitakere Ethnic Board.

Family Types and Housing New Zealand Corporation Wait Lists

There are a high number of families with children on the Housing New Zealand Corporation waiting lists.

In June 2003 those on the wait lists for houses in West Auckland were:

Family Type	Number of Households
Single (24 and under)	27
Single 35+	318
Single 1 child	294
Single 2+ children	447
Couple no children	202
Couple 1+ child	432

Source: HNZA, 2004.

“Housing is a major issue. Access to appropriate housing for our young families is very difficult. It is even more difficult for families with specialised housing needs.” Wai Health & Social Services, Te Whanau o Waipareira Trust.

Waitakere City Council Housing

Waitakere City Council currently provides 336 houses or units for older adults in the city.¹² This accounts for around 2.3% of all rented private dwellings.

¹² Source: Waitakere City Council, 2004.

Household Crowding

Crowding can be an indicator of housing affordability. Differing definitions of 'crowding' also reflect different customs and cultural attitudes towards the number of people living in households and sharing rooms.

However, living in crowded housing can contribute to poor health, such as respiratory illnesses and infectious diseases that are easily passed from one person to another at close proximity.

This indicator measures the number of households that need another two or more bedrooms.

- The percentage of people living in crowded households in Waitakere City has decreased slightly over the past five years from 4.8% in 1996 to 4.3% in 2001.
- However, this percentage is still higher than the national average of 2.9%.
- Household crowding is more common among Pacific people, Maori, and those on lower incomes.¹³

Percentage of People Living in Crowded Households in Waitakere City by Ethnicity 2001

Ethnicity	Percent
European	1.1
Maori	6.7
Pacific	18
Asian	4.9
Other	6.8

Source: Statistics New Zealand, Census 2001

"Overcrowding and the flow on effects of ill health and tensions leading to domestic violence are major issues." Elaine Lolesio, Monte Cecilia Trust.

Temporary Dwellings and Emergency Housing

In 2001 the Census showed there were 168 people living in temporary dwellings such as tents, caravans, yachts and barges.¹⁴

Although some choose to live in temporary dwellings, others do so to reduce accommodation and living costs.

Emergency Housing

There is an urgent need for emergency housing in Waitakere City. Agencies report there is no emergency housing and they are having to send families to be housed in places such as Monte Cecilia in Mangere, or make informal arrangements on an ad hoc basis.

Emergency Housing Providers in Waitakere City 1996 -2004

Year	Number of Emergency Houses
1996	9
1998	6
2004	0

Source: Community agencies, 2004

¹³ Source: Statistics New Zealand, Census 2001.

¹⁴ Source: New Zealand Census, 2001.

“We have had cases of families living in cars and under a house. Access to affordable housing is a key issue.” Friendship Centre Trust.

“Although we are based in Mangere we have people seeking assistance from Waitakere because of the lack of emergency housing in the West. There are difficulties for people relocating to Manuaku for emergency accommodation as they wish to retain their links in Waitakere.” Elaine Lolesio Manager, Monte Cecilia HousingTrust.

“The Friendship Centre Trust, with assistance from the Housing New Zealand Corporation, is hoping to open an emergency house in mid 2004. This will be registered for up to five women and ten children.” Mark Woolley, Community Chaplain, Friendship Centre Trust.

Urban Housing Intensification

There is a changing pattern of land use in New Zealand cities. As the population grows there is increasing pressure on existing housing and land, particularly in the Auckland region.

- 7146 building consents were issued in Waitakere City between 1998 and 2002 for new residential buildings. Of these 1280 were issued for the year ended March 2002.
- A large portion of building consents issued in Waitakere City are for medium to high density dwellings, such as terrace housing, apartments, units and flats.
- Despite the provision of more intensive housing, the relative proportion of two and three bedroom units has declined over the 1991-2001 period. Conversely the proportion of four and five bedroom houses has increased.

New Apartments, Units and Flats as a Proportion of All New Dwellings (1998- 2002)

	Waitakere	Average Across the 8 Largest Cities	NZ
1998	9.7	20.8	12.2
1999	18.5	12.3	13.1
2000	26.0	14.4	15.2
2001	15.7	13.2	10.9
2002	18.4	12.7	14.4

Source: Statistics New Zealand, Building Consents 2003

Questions Arising from the Community

Is the average wage keeping up with house prices?

Does Kiwibank meet the needs of low-income, first-home buyers in Waitakere?

What are local and central government putting in place to meet the growing rental needs in Waitakere for those most marginalised, such as older adults, those with disabilities, low income households, refugees and migrants?

How can we positively address overcrowding within a cultural framework?

How can we develop more community based emergency housing and supported accommodation for mental health consumers?