### Homes and Places

Aucklanders live in secure, healthy, and affordable homes, and have access to a range of inclusive public places.

#### **FOCUS AREA DIRECTION Direction 1** Focus Area 1 Develop a quality compact urban form to accommodate Accelerate quality development at scale that improves Auckland's growth housing choices **Direction 2** Focus Area 2 Accelerate the construction of homes that meet Increase security of tenure and broaden the range of tenure models, particularly for those most in need Aucklanders' changing needs and preferences **Direction 3** Focus Area 3 Shift to a housing system that ensures secure and Improve the built quality of existing dwellings, particularly affordable homes for all rental housing **Direction 4** Focus Area 4 Provide sufficient public places and spaces that are Invest in and support Māori to meet their specific housing inclusive, accessible and contribute to urban living aspirations Focus Area 5

Create urban places for the future



## Homes and Places explained

#### Homes

Auckland must think strategically about how the housing system can provide secure, healthy and affordable homes for all its people.

The housing system does not work for many Aucklanders. We currently have one of the least affordable housing markets in the world. Aucklanders, whether buying or renting, pay more for housing than most other New Zealanders.

Addressing these issues will require different ideas and approaches.

#### How we got to this point

Auckland's housing supply has not kept pace with increases in population or met demand for investment, creating the current housing crisis.

Over the last few decades Aucklanders have generally had high expectations of their housing in terms of size and type: large and free standing. This determined what was being built and affected the average cost of housing.

Today, speculation in the real estate market pits investors against first-home buyers. This has underpinned price increases that have significantly outstripped wage and salary growth.

Since 1981, house prices in Auckland have increased at a faster rate than in the rest of New Zealand. Over the past 15 years they have trebled, and in the past five years they have increased by over 50 per cent.

The result is that a growing number of Aucklanders cannot afford to buy a home and will therefore not benefit from the financial security that home ownership traditionally provides. This puts them at a significant disadvantage in both the short and long-term.

Rents have also outstripped wage and salary growth, straining the budgets of many families and households. This has resulted in increasing incidences of housing stress, and the numbers of people who find themselves homeless and without shelter have increased considerably. Read more about homelessness in Auckland later in this section.

House price and rent increases also mean some households find themselves in unsuitable

accommodation. Some live far from jobs, schools and other facilities due to limited availability of affordable options.

This trade-off between the cost of housing and proximity to jobs and facilities is a driver of spatial inequalities and social exclusion in Auckland.

#### Changing the housing system

Auckland needs holistic thinking and action. Local and central government, developers, builders, home owners, investors, renters and non-government organisations all have a stake in the system and can all work towards smarter solutions.

The market has failed to supply the number and types of housing to meet Aucklanders' needs.

There are many factors that affect how many homes we build, how quickly we build them, what type of homes we build, and what they cost.

The way we regulate land supply, what we charge for development, and the size and capacity of the building sector are all aspects of the housing system that influence the price of a completed home.

But other fundamentals of the system also have to be looked at. For example:

- how and where urban development is initiated, and by whom
- productivity of the development and building sectors and their ability to innovate
- ability to ramp-up construction activity in times of strong demand
- the cost of new infrastructure for development and who pays for this
- different tax treatment of property investment relative to other investment types
- building material costs and the limits on product choice
- property sales methods
- the financial sector's lending and ownership criteria
- how innovative building approaches become mainstream.

In addition, affordability interventions generally focus on the price of a home. There are other large household budget items that are often ignored yet are part of ongoing living costs - being able to afford to live in a home once you have it is as important. For example, the urban form and where housing is located increases or minimises people's transport costs.

#### Demographic change and housing demands

Within the general context of consistent population growth, there are some broad population characteristics and shifts that will drive the demand for different housing solutions.

Auckland's and New Zealand's population is ageing. Over the next 30 years, a larger number of people will be aged 65 years and over. This group will also make up a larger proportion of Auckland's population than ever before.

The ability to find suitable and affordable housing in Auckland is not always straightforward for older people. The available housing stock often does not meet their needs, and the costs of owner-occupied and private and social rental housing are increasing. Also, the overall quality of the housing stock is poor, particularly the quality of rental stock, which has both health and safety implications.

Auckland's Māori and Pacific populations will continue to have relatively younger age structures due to their higher birth rates. By 2038 they are expected to reach a median age of 29.2 years and 29.7 years, respectively, compared with 42.0 years for Europeans.

Māori and Pacific peoples have seen no increase in home ownership over the past 30 years. This has traditionally provided households with both a secure home and greater intergenerational wealth.

If Māori and Pacific peoples are to enjoy the security of tenure, social mobility and levels of wellbeing in line with other groups, their poor housing outcomes cannot continue for the next 30 years.

#### **Places**

Auckland's places and spaces are where we live, work and play. Public places can be:

- · parks, playgrounds and sports fields
- streets and roadways
- town centres with their squares, plazas and spaces between buildings.

These places are where we meet and interact with each other, relax, enjoy being in the open air, share our differences and celebrate successes.

They have a key role in Aucklanders' mental and physical health as they are places for activity and recreation. Public places where people can interact and connect have always been important and will continue to be vital to Auckland's success.

Public places are part of a holistic approach to wellbeing and can provide respite for those who feel isolated or experience stress or safety issues at home.

As Auckland's population grows, we must provide sufficient public places that meet the needs of residents. They are an extension of our homes and the way we live, and their design must therefore be flexible to accommodate how people of all age groups will use them.

At its core, placemaking recognises that the elements of place such as buildings and spaces and the connections between them, and how people use and experience them are created collectively.

When we focus on place, we do things differently. Placemaking recognises that our places foster wellbeing and support the way we live. It is a process that puts community-based participation at its centre.

Good design influences what is possible in a space:

- would you walk through here?
- would you sit here?
- would you enjoy yourself here?
- would you bump into someone you know?

The quality of our public realm is critical to the successful evolution of our urban areas in particular.

Auckland's vision for the future is not only limited to what is measurable such as the number of jobs and homes created; it includes the quality of places that are created.

Getting placemaking right is crucial to the Auckland Plan 2050's quality compact growth model.

Public places reflect who we are and where we have come from; they are the destinations we travel to and they contribute to our sense of belonging.

#### How we will measure progress

We will track progress against a set of measures.

The measures for this outcome are:

- New dwellings consented by location and type.
- Net new dwellings consented and completed.
- Housing costs as a percentage of household income.
- Homelessness.
- Resident satisfaction with the built environment at a neighbourhood level.

#### How we can implement the plan

Aucklanders have a shared responsibility for implementing the plan. Read more about implementation later in this section.

# Develop a quality compact urban form to accommodate Auckland's growth

Auckland's population will increase significantly over the next 30 years and its urban form will continue to develop and change as a result.

Auckland will follow a quality compact urban form approach to growth to realise the environmental, social and economic benefits and opportunities this approach brings.

The Development Strategy sets out what this means.

Some of the benefits of this approach are that it:

- allows opportunities for more intensive living and working environments, and for more housing to be built around areas of activity and close to good transport options
- improves the efficiency of the substantial investment required in infrastructure – such as transport and wastewater – and other services. This also results in the best asset management and infrastructure provision
- means lower travel costs for people and businesses and increased economic agglomeration benefits
- helps to protect our natural environment and maintain Auckland's rural productivity by limiting urban sprawl.

A quality compact approach to future development will be achieved by:

- enabling sufficient capacity for growth across Auckland
- embedding good design in all developments and new housing
- sequencing and prioritising what gets delivered
- leveraging existing infrastructure investments
- aligning the timing of infrastructure provision with development.



# Accelerate the construction of homes that meet Aucklanders' changing needs and preferences

Auckland must make a significant change in its ability to meet housing demand. Our population is increasing at a fast rate, and our housing needs will continue to change.

There are currently about 540,000 dwellings in Auckland. These are made up of stand-alone houses, terraced housing and an increasing number of apartments. Around three quarters of our housing stock is stand-alone dwellings, dispersed throughout Auckland.

At today's rates of population growth and household occupancy, Auckland will likely require another 320,000 dwellings to be built by 2050.

Current levels of construction fall well below demand and a substantial change in how new housing is delivered is needed. This is particularly important given that much of what is currently built is at the higher priced end of the market.

Not only do we need more good quality housing to be built, we must also ensure that a range of housing types and sizes are built across the region.

We need to build more apartments, including for individuals and large families, and townhouses, of

different sizes and at different price points. Other examples could include intergenerational, papakāingastyle, and communal or co-housing.

This will reflect the fact that Aucklanders' lifestyles and housing preferences are changing. For example, there has been positive take-up of terraced housing and apartments that are close to transport corridors and nodes in recent years.

Our housing must also be well-designed and constructed and delivered at affordable prices. This includes homes and developments that are accessible for older people and people with disabilities.

Delivering the number of well-constructed and affordable homes that Aucklanders need is a significant challenge and can only be overcome through concerted effort.

Local and central government, the development, design and construction industries, and the financial sector, need to work together to find smart and practical ways to remove barriers and bottlenecks.



# Shift to a housing system that ensures secure and affordable homes for all

A secure and healthy home is the hub of family life and provides a foundation for building strong communities.

Auckland's future economic and social prosperity will be underpinned by our ability to provide housing that people can afford to own or rent, and in which they can feel at home.

Auckland is experiencing a housing affordability crisis. Affordability is measured by the amount a household spends on housing-related costs, like rent or mortgage payments, heating and transport, whether they own or rent their home.

The crisis has resulted in serious social and economic consequences such as an unparalleled surge in the number of people (including whole families):

- · without shelter, sleeping rough in cars or on the streets
- living in unsuitable and/or unhealthy temporary accommodation
- sharing units or houses in very crowded conditions.

Key workers such as teachers and nurses are leaving Auckland because they cannot afford to buy or rent a home here. Employers are reporting difficulties in retaining and attracting skilled staff.

This is all symptomatic of a housing system that is not working for all Aucklanders.

It points to the need for more state housing, and other social housing, such as housing provided by community housing providers or housing for older people provided by the council, for example. Also, the prospect of owning a home is becoming increasingly unrealistic for a growing number of Aucklanders. Renting has become a long-term, possibly permanent, reality for many families, individuals and households.

We need to ensure that renting is not a second-rate option to home ownership, and that the rental system better serves Aucklanders.

Specifically, we must ensure that:

- private landlords, including their agents, fulfil their duties and responsibilities under tenancy legislation
- people can afford their rental costs
- the rules are changed to minimise the disruptive effects on individuals and families of evictions at relatively short notice.

The deteriorating quality of much of Auckland's current housing stock is a concern. The financial and systemic barriers to maintaining and improving its condition must also be addressed.

Cold and damp housing all too often results in poor health outcomes, as described in Healthy homes. This creates substantial costs for individuals, families and society as a whole.

Our rental housing stock is typically in poorer condition than owner-occupied homes. We must work to ensure landlords are better able to maintain and repair their properties.

Addressing these issues will not be easy. Bold initiatives are needed if we are to ensure that all Aucklanders can realise their basic human right to adequate housing.

# Provide sufficient public places and spaces that are inclusive, accessible and contribute to urban living

Public places and spaces provide 'breathing space' for people. They help us connect with others and with our surroundings, offer respite from the pressures of daily life and are part of a holistic approach to wellbeing.

Public places play a role in the quality of our urban life, as they provide opportunities for people to:

- undertake numerous recreational activities
- enhance their everyday activities such as going from home to work or school.

Our public places are where children play, people relax and meet others, and where we hold celebrations. They are an extension of living space, especially for people who have limited or no private outdoor space. They need to be well designed, inclusive and accessible to a wide range of people.

They help create our identity and define a sense of place by reflecting local communities, local character and local history.

They also help to green the city, play a part in carbon reduction, and contribute to eco-system health and biodiversity.

As Auckland's population increases and becomes more urbanised, our public places and spaces will become even more important to our wellbeing. This is particularly the case in areas of high growth, increased density and socioeconomic need.

This has implications for the number, size and location of our public places. It is also an important reason why we need to think differently about what we consider to be a public place and how we conceive its use. We also need to think differently about how we design and deliver them.

They have to:

- support multiple uses
- be able to adapt and change in the future
- reflect who we are as communities, Aucklanders and New Zealanders.

As Auckland grows and intensifies, space will be at an even higher premium.

Acquiring new public space is expensive. Auckland must therefore complement any new public places by getting more out of what we already have. Innovative and thoughtful design will be key ways of meeting this challenge.



# Accelerate quality development at scale that improves housing choices

Auckland must increase production efficiencies to deliver new housing at the scale and pace necessary to meet anticipated need. This includes the ability to accelerate the delivery of quality large-scale developments.

Our development and construction sectors must raise their productivity and take up new opportunities. The right support mechanisms need to be in place for this to happen.

This has been recognised by many, including the Mayoral Housing Taskforce Report<sup>77</sup> charged with finding solutions to address housing supply.

Delivering housing is a complex process. There are multiple players in the system and they need to work together to ensure new housing meets demand, and is affordable.

Some fundamental requirements for long-term success include:

- making the right decisions about development location and development sequencing
- lowering house build and operating costs
- improving access to finance
- raising the capacity and capability of the building industry to deliver an appropriate range of housing types
- · well designed, quality new developments and housing
- coordinating investment in infrastructure.

#### How this can be done

New Zealand's building industry is small-scale and fragmented, and there is a shortage of qualified builders. Local capacity and expertise needs to be strengthened. We also need to attract big development companies from overseas who have expertise in delivering large-scale projects and who will help build local expertise over the medium term.

Auckland needs to replicate overseas construction techniques, and be able to use alternative and newly launched products with ease. The aim is to bring the cost of construction down.

For instance, the level of prefabrication in our construction industry is largely restricted to components, such as panels and trusses, as opposed to at-scale and wholesale prefabrication occurring in factories with dwellings being 'assembled' on-site. Visit the Prefab NZ website<sup>78</sup> to read more about these construction methods.

Adopting these new approaches, however, requires our legislative, testing and accreditation mechanisms, such as the New Zealand Building Code, to be flexible, less costly and more responsive.

It also requires our building industry to be adaptable, well-coordinated and equipped with sufficient expertise to be able to move away from bespoke houses built largely on-site.

We need to accelerate large-scale quality developments.

This can be done by:

- making it easier to source affordable building materials without compromising quality
- deploying innovative designs at scale
- helping the industry readily adopt modular building techniques or other faster ways of construction
- amalgamating land parcels to allow for at-scale development
- encouraging large-scale overseas development companies to enter the Auckland market.

# Increase security of tenure and broaden the range of tenure models, particularly for those most in need

Tenure broadly describes the legal and financial arrangements that give someone the right to live in a home.

Security of tenure is crucial to people's wellbeing as it provides them with stability and continuity. Households that have a reasonable level of control and certainty over their living arrangements are better able to plan for their future.

The tenancy types most common in Auckland are owneroccupier and renting from a landlord. The landlord might be a private individual, a non-governmental organisation such as a community housing association, or local or central government.

#### How this can be done

Many people are being priced out of the ability to buy a home

Therefore, we have to explore new and different ways to buy, rent and manage our housing.

This can include:

- cooperative and collective ownership models
- rent-to-buy models
- encouraging long-term institutional landlords.

Body corporates govern many aspects of living in multiunit developments. It will be increasingly important that body corporates are managed well.

This requires tightening up rules around the management of body corporate funds. It is also important that apartment and unit owners understand their rights and responsibilities when buying into a body corporate.

We must continue to focus on improving stability and security of tenure for households that rent. Households that rent have few legal protections and are subject to power imbalances that limit their ability to plan for financial expenses.

Rent increases in New Zealand are unregulated aside from a frequency limit of once every six months. In contrast, many mortgages may be fixed for two to five years, at the discretion of owners.



# Improve the built quality of existing dwellings, particularly rental housing

It is estimated that our current housing stock will make up half of all dwellings in Auckland in 2050.

We must ensure that the quality of existing housing is improved significantly. Healthy homes are fundamental to our health and wellbeing. Housing requires ongoing maintenance, repairs and in some cases modifications. However, this can be costly and disruptive, and there are inadequate levers to enforce minimum standards.

Cold and damp housing is the most serious issue in Auckland's existing dwellings. They cost more to heat, and have links to negative health outcomes. Rental housing stock is typically in poorer condition than owner-occupied houses.

The impact of cold and damp housing is greatest on those with weak or vulnerable respiratory systems, mostly children and older people. Respiratory infections are a leading cause of hospital admissions for children under two years of age.

This also applies to other forms of rental accommodation, such as boarding houses, that equally need to be healthy and warm.

Read more about Healthy homes later in this section.

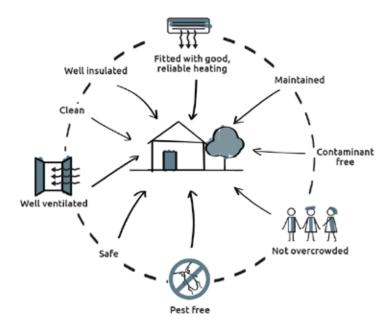
#### How this can be done

Auckland's rental households are a priority.

Improvements in the rental housing stock can be made by:

- addressing the inability or unwillingness of some owners to attend to repairs, maintenance and needed upgrades
- addressing the powerlessness of tenants to require owners to undertake ongoing maintenance
- introducing compulsory 'warrants of fitness' for all rental properties and using levers to enforce minimum standards
- clarifying the relative ambiguity of the provisions under the Residential Tenancies Act.

Figure 21- Healthy homes



# Invest in and support Māori to meet their specific housing aspirations

Like all Aucklanders, Māori want to live in warm and secure homes. Māori want their homes to support the way they live and the activities they associate with a prosperous quality of life, especially education and employment. Connectivity in terms of transport and communications are equally as important.

In addition, some Māori may prefer housing options such as papakāinga or whanau-oriented housing that reflect te ao Māori, and support the ability to extend manaakitanga and strengthen whanaungatanga.

Many Māori in Auckland live in homes that do not meet these aspirations. Housing choices can be limited by:

- employment options and income
- · access to savings and intergenerational equity
- not being able to access services, support, and bank lending on an equitable basis.

#### How this can be done

Māori have experienced particular housing stresses over many years. Housing-related services therefore need to be responsive and innovative in meeting Māori needs.

Ways to address this could include:

- ensuring Māori have access to affordable housing initiatives to promote community health, whānau stability and Māori social wellbeing
- leveraging off the work that the community and the Māori housing sector is already doing to create increased options and opportunities for housing for Māori.<sup>79</sup>
- ensuring regulatory and consenting processes are effective and responsive to Māori developers and iwi organisations
- tapping into the potential of Māori commercial enterprises from across New Zealand, some of which are already playing a key role in delivering housing
- aligning housing initiatives in Tāmaki Makaurau with the Māori Housing Strategy He Whare Āhuru He
   Oranga Tāngata – Better Housing, Better Lives.<sup>78</sup>



## Create urban places for the future

Well-designed public places and spaces are an integral part of urban living. They are also important for our rural and island communities whose needs are different.

Our urban public places will play an increasingly vital role in the future as Auckland grows and intensifies.

Public places and spaces include a wide range of land that is publicly owned, and potentially available for use by everyone, such as:

- open space, sports fields and parks, ranging from small local parks to large regional parks
- · walkways, greenways and cycleways
- roads and footpaths
- squares, plazas and some land between buildings.

Given the cost of land, we will not be able to rely exclusively on acquiring new public places to meet the needs of a growing, and increasingly urbanised population.

It is therefore crucial that we:

- consider all publicly owned land as potential public space that is able to contribute to greening the city
- use existing public places and spaces as effectively and efficiently as possible, including green spaces for sport and recreation
- design our public places to be multi-functional in use, and adaptable in the future
- focus investment in areas of greatest need, such as areas of particularly high population density, or areas characterised by underinvestment
- create public places that are welcoming to all, with inclusive design and architecture
- ensure our public places and spaces are accessible for all people, applying universal design principles.

Placemaking plays an important role in creating high quality urban environments. It also supports our culture and identity, such as Auckland's unique Māori cultural identity, in our public places. We can also reflect and embed our unique local character in the built environment by, for example, incorporating and integrating built heritage and public art into existing and new spaces.

#### How this can be done

First, we need to shift our perception of what a public place or space ought to be.

Second, we need to adopt different approaches to the design of public places so they:

- can perform many functions at the same time, giving people flexibility in how they use them, and finding the right balance between the various functions of a space
- connect areas and residents to each other and to the public amenities they value.

Auckland is already starting to recognise the value of turning its public places to new and multiple uses. This needs to be accelerated.

While some parts of Auckland are well served with quality public places and spaces, others are not.

Investment must therefore be specifically targeted at:

- those areas that undergo significant growth and where population densities are increasing
- those parts of Auckland that are currently under-served and where it will make the most difference to quality of life

Our efforts could focus on:

- restructuring streets and other public land into new public places and spaces that support housing intensification and centre development, and provide safe environments for the people who use them
- communities where real improvements in quality of life can be achieved, using place-based initiatives. These combine investment in public spaces, service centres and community facilities to achieve broader social, cultural, environmental and economic outcomes.

# Implementing the Homes and Places outcome

#### Implementation partners

Private sector landlords, not for profit sector housing providers, the development sector, the construction industry, Auckland Council and central government all contribute to delivering Homes and Places across Auckland.

Private individuals, community housing providers, and central government are the main housing providers within Auckland.

#### Central and local government

Central government is a key contributor to the housing market in Auckland through a variety of functions:

- providing social housing Housing New Zealand is the largest single residential landowner in Auckland and provides a range of support services to social housing tenants
- · providing accommodation support for individuals
- government grants that enable community organisations to provide housing and related services
- policy settings and the legislative frameworks.

Central government has recently signalled its intent to change the legislative framework that provides for minimum quality standards for privately-owned rental properties.

Auckland Council and central government work together to deliver Homes and Places through:

- contributing funding that supports the provision of bulk infrastructure within Auckland, unlocking potential development
- delivering projects that unlock development opportunities.

Auckland Council facilitates the release of land for development through the Auckland Unitary Plan and other planning processes and consenting services.

Panuku Development Auckland<sup>81</sup> helps to rejuvenate parts of Auckland – from small projects that refresh a site or building, to major transformations of town centres or neighbourhoods.

Panuku Development Auckland coordinates with Auckland Council, Auckland Transport and Watercare to deliver many of these projects together with Housing New Zealand, the New Zealand Transport Agency, and other Crown agencies.

The Auckland Design Manual (ADM)<sup>82</sup> developed by Auckland Council provides guidance on the design concept and development phase in accordance with the Auckland Unitary Plan<sup>83</sup> rules. The ADM's Universal Design Tool<sup>84</sup> and guidance on Māori Design<sup>85</sup> are examples of more specific guidance that can apply to both private and public places.

#### Community housing sector

Community housing providers play a fundamental role in supporting people to be well-housed and live in homes that are habitable, affordable, accessible, secure and culturally appropriate. Community Housing Aotearoa<sup>86</sup> is New Zealand's umbrella organisation that supports the community housing sector and providers to achieve these goals.

#### Māori housing sector

There are a number of actors across government and the community housing sector that support and enable Māori housing aspirations. Some of these include:

- the Māori Housing Network<sup>87</sup>: this network is led by central government agency Te Puni Kōkiri and provides information, advice and practical support to build capability and improve housing outcomes for Māori
- Te Matapih<sup>88</sup>: an independent organisation that advocates for Māori housing interests and assists policy development at central and local government levels
- Community Housing Aotearoa: supports other Māori housing providers in partnership with Te Matapihi.

Auckland Council will develop an implementation approach for this outcome working alongside our key partners and stakeholders. This will be built on existing programmes and ensure all new elements introduced in the Auckland Plan 2050 are planned for.

#### Mechanisms used to work together

The Housing First Auckland partnership applies a multiagency approach to provide ongoing wrap-around support services to help people stay in their homes and to end homelessness in Auckland. Find out more on the Housing First website.<sup>89</sup>

Central government has signalled its intention to accelerate the construction of housing and development at scale in Auckland through a range of mechanisms.

Some of these mechanisms include:

- working with iwi, councils and the private sector to establish the KiwiBuild home building programme and major greenfield and urban development regeneration projects
- over \$2 billion funding for KiwiBuild<sup>90</sup> to deliver 100,000 homes for first-home buyers, half of them in Auckland
- establishing an urban development agency to support KiwiBuild and to allow such large-scale projects to be built more quickly
- identifying vacant or under-utilised Crown-owned land that is suitable and available for housing development and facilitating the construction of dwellings to increase housing supply in collaboration with the iwi/ hapū of Tāmaki Makaurau and private developers.

In the long-term, Auckland Council needs to find new ways of funding infrastructure through existing funding tools or potentially coming up with new mechanisms.

The Auckland Housing Programme is a joint initiative between Housing New Zealand and its subsidiary company, HLC Ltd, to deliver small, medium and large-scale housing developments in Auckland over the next 10 years. Read more about this initiative on the Housing New Zealand website.<sup>91</sup>

Auckland Council offers tailored services to meet consenting needs for large-scale and complex developments. As an alternative to the standard online consenting service, Auckland Council partners with developers through the qualified partner service<sup>92</sup> (applies to standardised, repeat new builds or selected customers with approved assurance plans) and premium service<sup>93</sup> (for large-scale development, infrastructure projects or social infrastructure projects including emergency housing, iwi developments and Māori housing developments).

#### Supporting strategies and plans

#### **Auckland Unitary Plan**

The Auckland Unitary Plan<sup>94</sup> helps achieve the direction of the Auckland Plan 2050 by setting the rules for:

- what can be built and where
- how to create a higher quality and more compact Auckland
- how to provide for rural activities
- how to mitigate environmental impacts.

#### How to get involved

- If you're interested in providing community housing visit the Housing assessment website<sup>95</sup>
- to find out more about the building and consents process and other building considerations see Building and consents.<sup>96</sup>

#### Supporting information

Central government sets the framework for ensuring that Auckland's land for development meets demand, through the National Policy Statement on Urban Development Capacity. Read more on the Ministry for the Environment website.<sup>97</sup>

Auckland's Mayor set up a taskforce early in 2017 to identify barriers and constraints to building new homes in Auckland at a speed and scale needed to meet the demand caused by population growth. Read the Mayoral Housing Taskforce Report.<sup>98</sup>

# Supporting information

Homelessness in Auckland

Healthy homes

Household crowding

The housing continuum

Mixed tenure housing

Renting in Auckland

### Homelessness in Auckland

One of the worst impacts of the Auckland housing crisis has been the significant increase in homelessness. This includes people sleeping on the streets and in cars but can also be described in other ways.

Stats NZ defines the state of homelessness as a living situation where people, with no other options to acquire safe and secure housing, are:

- without shelter for example, sleeping rough or living in a car
- living in temporary or emergency accommodation such as night shelters, refuges, hotels/motels, motor camp sites and boarding houses, or sharing accommodation temporarily with others
- living in uninhabitable housing, such as dilapidated dwellings or those not intended for human habitation, like garages.

Read more about the New Zealand definition of homelessness on the Stats NZ website.<sup>99</sup>

Homelessness is complex and results from multiple factors.

A key driver is a lack of social and affordable housing. The most at-risk groups include those with mental health issues or alcohol and drug addictions, and those experiencing family violence.

Homelessness is increasingly affecting groups who have not traditionally been at risk.

This includes low-income households (both working and beneficiaries), sole parent households, and young people (in particular gay, lesbian, bisexual, transgender and intersex - GLBTI).

The rate of homelessness in Auckland is likely to remain high – and possibly get worse – unless there is a systematic and coordinated effort from all partners and stakeholders to end it.

Initiatives to address this may include increasing the social housing stock, reviewing the eligibility criteria for social housing, and enhancing security of tenure.

#### Numbers of homeless in Auckland

Analysis of 2013 Census data by the University of Otago<sup>100</sup> found 20,296 Aucklanders met the definition of homeless:

- 771 people without shelter
- 3175 people in temporary accommodation
- 16,350 sharing temporarily
- an additional unknown number of people living in uninhabitable dwellings.

The number of homeless people in Auckland is likely to have been understated because of:

- the unknown number of people living in uninhabitable dwellings
- the complexities involved in reaching the homeless
- a reluctance by households to reveal their true circumstances.

Homelessness in Auckland had increased by 35 per cent between the 2006 and 2013 censuses. The study also found that nationally, 52 per cent of homeless adults were working, studying or both.

Read the Severe housing deprivation in Aotearoa/New Zealand 2001-2013<sup>101</sup> on the Healthy Housing website.

# Healthy homes

Housing is one of the key modifiable determinants of health. Inadequate housing can have far-reaching consequences for health outcomes.

A healthy home is a core foundation for positive health and wellbeing.

A healthy home can be defined as one that is:

- of good quality and habitable
- well insulated, ventilated and fitted with good, reliable heating
- not overcrowded
- pest and contaminant free
- safe (potential hazards are minimised and/or isolated and/or eliminated)
- clean and maintained<sup>102</sup>

Unhealthy homes are often cold, damp and mouldy due to inadequate insulation, heating and ventilation.

People who live in unhealthy homes have increased risk of contracting a range of serious and avoidable illnesses such as meningitis, rheumatic fever and pneumonia.

Unhealthy homes also heighten the risk of physical injury and can lead to depression and other forms of mental illness.

These health risks are often exacerbated by the fact that people who live in unhealthy homes are more likely to have to make trade-offs between housing costs and decent food, heating, health services and other necessities of life.

Those who are affected, including children, are often hospitalised and treated but they return home to the same conditions that caused the illness. The most vulnerable people, particularly children and older people, are among those who experience the worst effects of inadequate housing.

#### Unhealthy homes and health

Poor quality housing is a significant driver of hospitalisation among children.<sup>103</sup>

Poor quality housing, particularly cold and damp houses, is linked to the following diseases:

- asthma
- · respiratory infections
- rheumatic fever

- cardiovascular disease
- respiratory illnesses and infections, including asthma, bronchiolitis, pneumonia, bronchiectasis, tuberculosis.<sup>104</sup>

Doctors report that illnesses related to poor quality housing are increasing in number and severity, with serious long-term consequences and disability. The rate of bronchiectasis in children (an irreversible, life-threatening lung disease usually only seen in adults or in developing countries) has tripled in 15 years.<sup>105</sup>

Hospitalisation rates for bronchiolitis have nearly doubled from 2000 to 2015, over 2000 per 100,000 children.<sup>106</sup>

Over 400 per 100,000 children were hospitalised in 2015 for asthma.<sup>107</sup>

Sub-standard, high-cost housing at least doubles the risk of admittance to hospital for pneumonia, and is the most important risk factor for rheumatic fever and meningococcal disease.<sup>108</sup>

Māori and Pacific children are at significantly greater risk of hospitalisation and death from preventable housing related disease. Rates of hospitalisation for Māori aged 15-29 with bronchiectasis were 14.5 times higher than for non-Māori, Pacific, Asian (MPA) peoples.

Overall, Pacific peoples were 8 times more likely to be hospitalised than non-MPA and Māori were 4.4 times more likely to be hospitalised.<sup>109</sup>

Poverty is one of the most significant determinants of poor health outcomes, and poor housing is a key component of poverty. Auckland's low-income suburbs have the worst rates of preventable, poverty-related childhood diseases in Auckland.

There is no simple means of ensuring all Aucklanders have access to healthy homes.

Solutions will involve increasing supply, and building to high standards, increasing the social housing stock, as well as improving the built quality of existing dwellings (particularly rental properties).

### Household crowding

A key impact of Auckland's housing crisis is household crowding.

What is considered to be a crowded household can vary across Aucklanders, and there is no official statistic or index of household crowding in New Zealand.<sup>110</sup>

Stats NZ reports that the Canadian National Occupancy Standard provides the best fit to measure crowding for the New Zealand context, although it is acknowledged that it may not fully align with all social and cultural norms.

This measure states that crowding occurs where a household needs one or more additional bedrooms to meet the following conditions:

- no more than two people per bedroom
- children aged between five and 18 of different genders should not share a bedroom
- single adults aged 18 years or over should have their own bedroom.

Using this definition, Goodyear and Fabian<sup>111 112</sup> found that at the 2013 Census:

- 8 per cent of Auckland households were considered crowded over 36,500 households
- 15 per cent of Aucklanders lived in crowded households
   more than 203,000 Aucklanders
- Auckland accounted for almost half of all crowded households in New Zealand

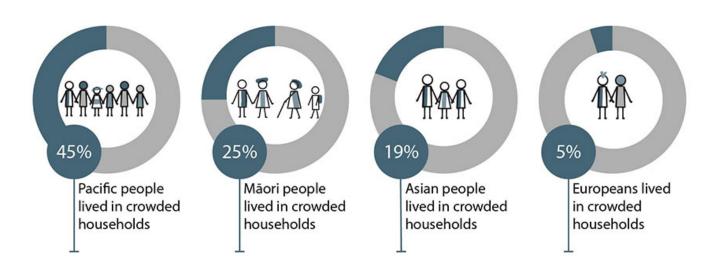
Figure 22- House crowding in Auckland by ethnic group.

- crowding rates varied significantly by ethnic group:
  - 45 per cent of Pacific peoples lived in crowded households
  - 25 per cent of Māori
  - 19 per cent of Asians
  - 5 per cent of Europeans
- by local board area the highest rates of household crowding were in:
  - Māngere-Ōtāhuhu 42 per cent of residents lived in a crowded household
  - Ōtara-Papatoetoe 39 per cent of residents lived in a crowded household.

Between 1991 and 2013, crowding rates fell considerably in most parts of New Zealand, but remained at around the same level in Auckland.

There is no official data for the years since 2013. However, given the increase in housing costs and the continued shortfall in housing supply, it is reasonable to expect that household crowding in Auckland has worsened since the 2013 Census.

It is important to note that levels of household crowding are likely to be understated as people tend to feel uneasy about fully disclosing their living arrangement in an official capacity such as the census. Similarly, these statistics will not reflect instances of 'functional crowding' where household members sleep, live and eat together in a single room to cut down on heating costs.



The link between household crowding and negative health consequences is well documented.<sup>113</sup> For example, there is a well-established association between overcrowding and avoidable diseases such as rheumatic fever and respiratory illnesses.

Household crowding can also affect mental and emotional wellbeing. Living in close quarters, without adequate privacy or enough space for all, can place significant strain on the relationship between household occupants.

As with many of the other problems associated with the housing crisis, reducing household crowding requires acceleration in the construction of affordable houses and new measures to enhance the security of tenure. Increasing Auckland's social housing stock will make a significant difference as well.

## The housing continuum

The Auckland Plan 2050 has a strong focus on ensuring that Aucklanders have security of tenure, as renting is becoming a long-term, possibly permanent, reality for many households. Not every Aucklander may be able to, or will choose to, own their own home.

The diagram below shows the continuum, or range, of housing tenure models from emergency housing through to private home ownership.

It helps us understand the levels of housing assistance that different households may need.

The diagram also shows the importance of using a combination of central and local government policy levers to deliver optimal housing outcomes, for example:

- · ending homelessness
- · delivering mixed tenure housing.

#### **Emergency housing**

Emergency housing is temporary and includes overnight accommodation and short term stays of around 12 weeks. This type of housing responds to an urgent and immediate need for accommodation. The affected household either has nowhere else to go or is unable to remain in its usual residence. This type of accommodation requires high levels of subsidy.

#### Social housing

Social housing is subsidised rental accommodation. It is usually funded by the Income Related Rent Subsidy and provided by the government or community housing providers, with support services as needed.

#### Assisted rental housing

Assisted rental housing is rental housing usually made available below market rent levels and usually part funded by the government through the accommodation supplement. Assisted ownership includes schemes which provide household income-related pathways to home ownership such as rent to buy, affordable equity and shared ownership. Schemes are typically provided by community housing providers with criteria-based eligibility. The role of assisted home ownership has increased recently and this is likely to continue.

#### Private ownership and private rental

Private ownership and private rental are tenures under the free market with affordability determined by market conditions. Some eligible households may be able to access an accommodation supplement from the government to lower the burden of housing costs.

Emergency Social Assisted Assisted ownership Private rental Ownership

Increasing support

Decreasing support

### Mixed tenure housing

The term 'mixed tenure housing' generally refers to the provision of housing options at a variety of costs and tenures in developments. For example, developments which include social and affordable housing alongside housing offered at full market price.

This can be done in several ways.

Legislation can require developers to ensure that a certain proportion of completed dwellings in a subdivision or multi-unit development is sold at a price that is accepted (often specified) as being affordable. Other delivery mechanisms include long-term renting options, rent-to-buy options and social housing.<sup>114</sup>

Mixed tenure housing models also seek to integrate communities.

This can involve developing whole neighbourhoods in which some streets are intended for owner occupiers, and others for social housing, or adopting a 'pepper-potting' approach in which social housing is located amongst privately-owned housing.

Mixed tenure communities reduce spatial inequality and bring about wider benefits such as de-stigmatisation of an area, social cohesion and better health outcomes. These have positive multiplier effects that:

- · help enhance the sense of belonging
- · induce positive, participatory actions
- improve access and connectivity
- create opportunities for sustained prosperity.

In Auckland, a mixed tenure housing model is being used by the Auckland Housing Programme, a joint venture between Housing New Zealand and its subsidiary company HLC Ltd. Visit the Housing New Zealand website<sup>115</sup> for more information about the housing programme.

The programme is designed to deliver small, medium and large-scale housing developments in Auckland.

It involves increasing the number of new and affordable dwellings in areas of existing Housing New Zealand stock, by replacing current stock.

New dwellings are sold on the open market, some at a price deemed affordable, and the remainder are retained by Housing New Zealand for social housing purposes.

The programme is seeking to build around 11,000 additional new social housing homes and just over 12,600 new affordable and market homes by 2026.

The mixed tenure housing model will remain an important consideration for the life of the Auckland Plan 2050 because its aim is not just to increase the supply of new dwellings, but to optimise housing outcomes for all Aucklanders.

## Renting in Auckland

#### The current rental situation

Secure, healthy and affordable housing is fundamental to the health and wellbeing of Aucklanders.

An adequate supply of quality, affordable housing located near jobs and transport links is a core foundation for strong communities, society and the economy.

Auckland's housing landscape has changed in the last 10 years, and more so in the past five years.

Auckland's housing challenges are escalating. Home ownership rates are decreasing and finding affordable housing is moving beyond the reach of many Aucklanders. This has resulted in lengthy travel times to employment, and increased financial stress, overcrowding and homelessness.

Business productivity, competitiveness, economic stability and social cohesion in our communities are all affected by a lack of affordable housing.

With a growing pool of potential tenants, landlords can be selective about who they rent to and what price they charge. This can disadvantage some potential renters already struggling to find secure accommodation.

Renting is no longer a short-term step before home ownership. It is becoming a long-term housing solution for many, and the number of lifelong renters is likely to increase.

Long-term renters increasingly include professionals, higher income earners and families who are unable to transition into home ownership. This will have a significant, and as yet unknown, impact on social and economic outcomes.

Traditionally, financial security in New Zealand has been largely predicated on home ownership.

Lifelong renters do not have the same opportunities, through property, to create wealth for their retirement or for the next generation.

A shortage of rental properties that are suitable for people living with physical disabilities, or that can be modified to suit their needs, such as handrails, level access showers and wider doorways, and the often prohibitive cost of private rentals for people on fixed incomes, will result in higher levels of stress for many older Aucklanders. This will place greater pressure on government for support.

Compared to other countries, renters have less protection and security. Renting costs can be high, and the quality of housing is often poor.

The scope for renters to create a home of their own (by making minor alterations, redecorating, hanging pictures or even having a pet) is also usually more restricted.

#### Regulation

The New Zealand Residential Tenancies Act 1986 (RTA)<sup>116</sup> is the principal act relating to residential tenancies. It defines the rights and responsibilities of landlords and tenants of residential properties.

Tenancy disputes and mediation are considered by the Tenancy Tribunal, which has legal powers.



There are two main types of residential tenancy in New Zealand:

- a periodic tenancy this continues until either landlord or tenant gives written notice to end it
- a fixed term tenancy this lasts for a predefined period of time.

The rental market and the associated policy settings have not caught up with the changes in Auckland's housing landscape resulting in issues of affordability, security of tenure and housing quality.

#### Affordability

Households in Auckland spend more of their income on housing than elsewhere in New Zealand.<sup>117</sup>

Rents are largely unregulated, and high demand means tenants can face regular rent increases with little recourse. The only restriction is that under the RTA, rents can only be increased once every six months.

High housing costs can mean there is little left over to meet basic needs such as food and heating, particularly for lower-income renters.

The negative trade-offs can include:

- frequent moves to find cheaper accommodation
- · taking lodgers or overcrowding
- substantial commute times.

Rates of overcrowding are estimated to be higher in rental accommodation than in owner-occupied housing. There are frequent reports of multiple people sharing a home that was not designed to accommodate large numbers of occupants, particularly in the southern parts of Auckland.

Read more in the Housing Continuum in this section.

Worsening housing affordability also creates pressure for government finances in the form of increased payments to support low income households meet their housing costs.

#### Security of tenure

By international standards, security of tenure provided by the RTA is weak, short term tenancies are the norm and tenants can be asked to leave at short notice, and for no stated reason. Under a periodic tenancy, landlords must give at least 90 days written notice, or 42 days if the property is being sold or a member of the landlord's family is going to live there. Tenants must give at least 21 days written notice.

Germany, for example, has a well-established rental sector with high levels of legislative protection for tenants, and gives tenants the ability to decorate their home. Indefinite tenancies are the norm and there are few reasons a tenancy can be terminated.

Transience is more common for Auckland renters, affecting their ability to be part of a cohesive community.

At the time of the 2013 Census, 35 per cent of renters had lived in their house for less than one year, compared with 14 per cent who owned their own home.<sup>118</sup>

Seniors and school age children are particularly affected by transience in the rental market. Transience increases the frequency of school moves which impacts on educational attainment.

The 2013 Census recorded 44 per cent (more than 120,000) of Auckland's children living in rental housing. Just over a quarter (28 per cent) of 5 to 9 year olds, and 25 per cent of 10 to 14 year olds in Auckland rented households had moved at least once in the past year.



By contrast, only 12 per cent of 5 to 9 year old children in owner-occupied households, and 10 per cent of 10 to 14 year olds, had moved during the previous year.<sup>119</sup>

For older Aucklanders, moving to new areas without connections can lead to isolation and security concerns.

#### Housing quality

Poor and deteriorating housing quality is a pandemic issue in New Zealand, particularly for private rental housing.

Tenants are more likely to experience poor quality housing than owner-occupiers.

A comprehensive study into housing quality in New Zealand undertaken in 2015 found that almost half (49 per cent) of all houses surveyed showed some visible signs of mould, and that there was a higher prevalence among the properties that were rented (56 per cent) compared to owner-occupied (44 per cent).<sup>120, 121, 122</sup>

Few minimum quality standards are required under the RTA. The Act introduced new obligations for landlords and tenants, including provisions to make working smoke alarms in all rental properties compulsory, and requiring minimum standards of insulation in rental properties by 2019.

There is an under-supply of good quality rental stock in Auckland, and it often comes at a premium price.

Lower-income renters, facing greater restrictions on their ability to pay, are most affected by quality issues and trade off quality for affordable accommodation.

Housing quality remains a key priority.

Research such as the BRANZ 2015 Housing Condition Survey<sup>123</sup> articulates the link between a warm, dry home and positive health outcomes, particularly for children.