



housing

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Housing

Housing is more than accommodation: it locates people in a community, and where someone lives affects how they feel, the people they interact with, their health and their relationships with others.

Land Supply

The increasing scarcity of land is impacting on the way Aucklanders are living. More of us, for example, are living in high-rise and terraced homes or multi-unit dwellings (Housing New Zealand, 2010a). (See Appendix table A3). It is predicted that by 2029, residential land supply in Auckland's urban limits will be exhausted (Urban Intensification Taskforce, 2009, p. 7). For areas such as central Auckland, the North Shore and Manukau, it is predicted residential land will be exhausted closer to 2015–2016 (Department of Building and Housing, 2008a, p. 8).

Auckland's business land could be used for residential development, but this raises concerns about how this would affect economic development in Auckland (Urban Intensification Taskforce, 2009, p. 7). The quality of life and housing stock for residential developments in commercially zoned/industrial land is also a concern.

Increasing Housing Demand

Auckland's increasing and changing population will have a significant impact on Auckland's housing demand. By 2021 there are expected to be 135,500 new households in Auckland (Urban Intensification Taskforce, 2009, p. 7). Moreover, whilst the population is growing, average household size is declining, and this trend will further increase the housing shortage (McDermott, 2008, p. 20).

House Sales and Prices

House prices in Auckland have been increasing dramatically over the past decade. From 2002–2008 real house prices increased by around 80% – almost as great an increase as Auckland saw in the decades from 1960–2000 (MSD, 2008, p. 14). Although this increase slowed during the recession, Auckland's housing market is now recovering, as can be seen in figures for both house sales and prices. Sales have increased by 16% from 2009/10 and prices by 7% (Infometrics, 2010, p. 1). It should be noted, however, that housing sales do not necessarily lead to increased housing ownership due to the high number of investment properties in Auckland's housing market.



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Home Ownership

Home ownership rates are currently the lowest they have been since the 1950s (St John and Wynd 2008, p. 13). This corresponds with the rising house prices discussed above.

Home ownership generally increases the further away Aucklanders live from the city centre (see Appendix table A3). Therefore, it is not surprising that the highest rates of home ownership are in Rodney and Franklin (around 74% in 2006) while central Auckland had the lowest rate (56%) (MSD, 2008, p. 15).

Rent

Rents are rising at faster rates than both income and inflation. In 2006/07 approximately 21% of Aucklanders were paying more than \$300 per week towards rent; this rose to 26% in 2007/08 and to 34% in 2008/09 (Bascand, 2009, p. 4). One of the drivers is the increased number of renters in the market. This rise is unsurprising given Auckland's increasing population and the increasing costs of home ownership in Auckland (MSD, 2008, p. 16).

The cost of renting accommodation in Auckland varies dramatically according to proximity to the city centre. There is a clear pattern of higher average rent close to the city centre and rent decreasing as houses are located further from the city centre (see Appendix table 3).

In addition to high average rent, Aucklanders are spending greater percentages of their income on housing costs (see Appendix table A9). More than 44% of renters spend more than 25% of their household income on housing costs, with 19% spending more than 40% (Bascand, 2009, p. 5).

Intermediate Housing Market

The intermediate housing market includes households who are renting, have one or more members in paid employment and cannot afford to buy a house at the lower-quartile house price under regular bank lending conditions (Darroch Ltd, 2010, p. 27). There is an increasing number of Aucklanders unable to enter the housing market because of the growing private rental market and house price inflation. From 2001 to 2006, the number of households increased from 72,300 to 187,300 (DTZ New Zealand, 2008, p. 7). This contributes to the growing problem of housing affordability, particularly for first-home buyers.



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Housing Shortages

There is a housing deficit in Auckland, with the number of houses being built not keeping up with the demand for housing and growth in population. The deficit is about 2500 houses each year - 500 houses in the north, 400 houses in the west, 400 houses centrally, and 1200 houses in the south (The Salvation Army Social Policy and Parliamentary Unit, 2008, p. 18). The issue is getting more serious: in 2010 the rates of new dwelling consents dropped to its lowest figure in the last 20 years (ARC, 2010, p. 5).

A Lack of Affordable Housing

There are not enough houses being built in Auckland, and those that are being built are not catering for low-income families. When comparing projections for housing need with trends in building homes, there are real concerns about an increasing lack of affordable housing across Auckland (McDermott, 2008, p. 22). On average, in 2010 Aucklanders spent approximately \$312, or 27.5% of their income, on housing costs per week (see Appendix table A9). Many Aucklanders are struggling with housing costs. Over 8% of Aucklanders feel that 'being too expensive' is a major problem with their flat or home (See Appendix table B1). Even if expensive housing costs are not a considered a major problem for most Aucklander, there is growing concern about affordability. In the 2008/09 Environmental Awareness Survey, approximately 60% of Aucklanders said they found their housing costs affordable – leaving 40% who did not (Reid, 2009). Some families are responding by banding together; for example, five whanau who belonged to the same kohanga reo bought land collectively and live together as a community (James and Saville-Smith, 2010, p. 108).

Housing for Low-income Families and Individuals

Auckland's housing supply is not matching the housing needs of Aucklanders. There are not enough houses being built and the houses that are being built are not affordable for low-income families and individuals. The result is that those on low-incomes are finding it increasingly harder to find appropriate accommodation and are sharing with other families in crowded conditions (St John and Wynd, 2008, p. 14). There is also a need for retrofitting and modernising existing homes to make them healthy and suitable for the people who live in them, particularly in south Auckland (Gravitas Research and Strategy Ltd, 2009, p. 44). The current trends in Auckland's housing landscape are likely to put more pressure on low-income earners as people are unable to afford accommodation in close proximity to their workplaces and are then faced with increased transportation costs (Darroch Ltd, 2010, p. 232).



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Social Housing

Social housing (also referred to as public or state housing) is rental accommodation provided by central and local government (Darroch Ltd, 2010, p. 28). There are a number of challenges with social housing in Auckland. First, there is a constant undersupply of social housing: while 44% of New Zealand's social housing is located in Auckland, Aucklanders make up around 60% of the waiting lists for social housing (Housing New Zealand, 2010a). In November 2010, there were 9860 people on Auckland's Housing New Zealand waiting list, with 4298 classified as having 'severe' or 'significant' housing needs. By far the greatest demand is in central Mangere with over 650 people on the waiting list (Housing New Zealand, 2010b).

Second, there are challenges with mismatches between housing stock and the needs of those applying for social housing. The majority of the houses were built in the 1940s and 1950s and designed for families with 2–3 children; consequently these houses do not cater for Auckland's current demographic needs (Department of Building and Housing, 2008b, p. 17).

Homelessness

Statistics New Zealand defines homelessness as not having shelter, being in temporary accommodation, being in uninhabitable homes, or sharing accommodation without privacy and personal space (Statistics New Zealand, 2009, p. 5). Homelessness in Auckland is most visible through Auckland's 'rough sleepers', i.e. those who are sleeping in doorways, bushes, bus shelters, or empty buildings (Auckland City Mission, 2009, p. 12). The majority of 'rough sleepers' are in Auckland's central business district (CBD), where there are approximately 100–150 'rough sleepers' (Auckland Homeless Steering Group, 2009, p. 1). Homelessness affects Maori Aucklanders more than other ethnic groups. Around 70% of Auckland City Mission's homeless clients are Maori (Auckland City Mission, 2009, pp. 12–13).

On one particular night 91 'rough sleepers' were found in central Auckland, while there were 267 beds available in boarding houses in the area (Gravitas Research and Strategy Ltd, 2009, pp. 6–7). So although boarding houses are available, they are not meeting the needs of Auckland's homeless, who may have a variety of challenges. For example, of the 200 homeless people who Auckland City Mission work with, 37.5% have drug and alcohol issues and 17.5% have been diagnosed with mental health issues. Thus supporting homeless Aucklanders is more than just providing accommodation: to enable these people to live long-term in accommodation, support must include access to addiction and mental health services, and to skills, through education (Lifewise, 2009).

Because of the range of issues facing Auckland's homeless, there is a need for an interagency approach. The Auckland Homeless Steering Group aims to bring together the different agencies involved and take a collaborative approach to supporting homeless Aucklanders (Auckland City Council, 2009, p. 1).



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Homelessness Amongst Women and Children

The main cause of homelessness for women in Auckland is leaving situations of domestic violence and relationships (Bukowski, 2009, p. iii). As noted above, even with boarding house beds available, there are still 'rough sleepers' opting for the street. One of the issues this has highlighted is the inappropriateness of boarding houses for women, youth and children (Gravitas Research and Strategy Ltd, 2009, p. 7). One woman explained that the lack of privacy, locks, and security made her fear for her safety (Bukowski, 2009, p. 51).

Homeless women with children find it challenging to stick to education and employment because they and their children struggle with health issues. Their health improves as they are able to find accommodation (Bukowski, 2009, pp. 47–49).

Hidden Homeless

The number of homeless 'rough sleepers' in Auckland appears small, but these numbers are deceptive. There are greater numbers of 'hidden homeless' who do not have a permanent home, but move between friends and family to get shelter and food. For example, it is reported that there around 30 'hidden homeless' in west Auckland (Gravitas Research and Strategy Ltd, 2009, p. 40).

Household Crowding

At 16%, Auckland has the highest average rate of household crowding in New Zealand. It also has high levels of crowding inequality: crowding figures in the north of Auckland are as low as 5%, while in the south rise to 25% (RCAG, 2009, para 2.69). When broken down by ethnicity, crowding is highest for Pacific (48%), Maori (27%), Other (23%), and Asian Aucklanders (21.5%), and lowest for Pakeha/NZ European Aucklanders (5%) (MSD, 2008, p. 16). In addition to the health risks of crowding (outlined in *Health*), there are economic risks. For example, for those who are in rental accommodation, crowding can breach tenancy agreements and result in eviction with only 10 days' notice (Gravitas Research and Strategy Ltd, 2009, p. 37).

Almost half of Pacific Aucklanders are living in crowded households. There have been suggestions that this is due to custom and choice; however, a study of more than 1300 Pacific Aucklanders found that more than 30% perceived crowding as an issue for them, rather than a cultural decision. The study supported the idea that crowding was more often about economic hardship than custom and choice (Schluter et al., 2007). When Pacific mothers in Auckland were asked about other factors which concerned them in relation to housing, concerns included housing quality, cost, insulation and dampness (James and Saville-Smith, 2010, p. 36).



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Healthy Homes

The conditions in which people live have significant health impacts. Poor housing leads to poor health, for both children and adults. For example, adults may suffer from tuberculosis and mental illness, while children in poor housing are overrepresented for respiratory and meningococcal diseases (Schluter et al., 2007). A large Auckland case study found that the greatest risk factor for developing meningitis amongst children was crowding. This is because of increased close physical contact and sharing of kitchen utensils in crowded homes (James and Saville-Smith, 2010, pp. 36, 56). Maori and Pacific Aucklanders are disproportionately affected. There is also evidence to link the higher rates of colds, flu and asthma symptoms among Maori and Pacific Aucklanders with poor housing (Gravitas Research and Strategy Ltd, 2009, p. 52).

Cold and damp homes are also a concern in Auckland. Approximately 10% of Aucklanders think dampness is a major problem with their home, and approximately 15% think their home is too cold (see Appendix table B1). While leaky homes are a problem in central and north Auckland, other areas of Auckland are also struggling. In a longitudinal study, over 30% of Pacific mothers in south Auckland reported having problems with dampness and cold in their homes (St John and Wynd 2008, p. 92).

Leaky Homes

‘Leaky Homes’ are buildings which are unable to drain or dry properly because their cladding systems or building envelopes are not weather-tight. The resulting water damage leads to mould and fungi in the home, which can cause breathing disorders and other health issues (Williamson, 2010). Figures are uncertain but it is estimated that between 22,000 and 89,000 New Zealand buildings are leaky homes (PricewaterhouseCoopers, 2009, p. 3). More than 75% of the homes under claim through the Weathertight Homes Resolution Services Act are Auckland homes (Williamson, 2010), and claims are particularly high from central and north Auckland. The Minister of Building and Construction has estimated there could be more than 80,000 people in leaky homes who cannot afford to repair or sell their homes (McSorley, 2010, p. 1).

Housing for the Elderly – The Implications of an Ageing Population

There are around 1500 low-cost dwellings for Aucklanders aged over 65 (Darroch Ltd, 2010, p. 124). The majority of social housing for the elderly is provided by government, with another 25% provided by charities and community organisations. Most of the housing is in the south, west and north-west of Auckland (Darroch Ltd, 2010, p. 127).



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MacroAuckland

As the population of Auckland ages, the number of older people is expected to double to around 329,300 in the next 25 years (Saville-Smith et al., 2009, p. 31). This demographic shift will place more demand on low-cost housing for elderly Aucklanders.

If Auckland's current trends continue, by 2050 approximately 10,000 older rental households will be on waiting lists for social housing and 22% of elderly will be living in housing with no insulation during the winter (Saville-Smith et al., 2009, p. 21).



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