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# Ōtautahi and Affordable Housing: Need, Demand & Pathways to Making a Difference

**January 2021**

**Final report prepared for the**
**Wayne Francis Charitable Trust and the Rātā Foundation**

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## EXECUTIVE SUMMARY AND GLOSSARY

Urban Christchurch shows increasing misalignment between household incomes, rents and house prices for households with median incomes and below. Significant numbers and proportions of households face housing affordability stress. A small but significant proportion of households are burdened by crowding. The decline in access of low- and modest- income households to owner occupation has driven them into the rental market. Despite the enormous growth in rental stock, those who previously relied on rentals find themselves in very precarious housing as others with more resources crowd into the rental stock.

Many of the household characteristics associated with housing stress and precarity in Urban Christchurch are likely to increase in the period up to 2038 with likely increases in the number and proportion of households dependent on the private rental market. There are expanding numbers and proportions of households with low and modest incomes, particularly with limited potential to increase household incomes including senior households and one parent, one person and couple only households.
Some rental households whose affordable housing and other housing needs are not met by the private sector have found housing support. There remains in excess of 20,000 renter households with unmet housing need in Urban Christchurch.

There are substantial numbers of renter households with annual incomes less than $100,000 that could enter into some intermediary tenure in right price pointed dwellings. Some households have resources that could be utilised to provide for better housing solutions for themselves, but also take pressure off the rental market and relieve temporary housing supply and homelessness. Intermediate tenures provide opportunities to leverage those resources.

Over 4,000 renter households in Urban Christchurch could be assisted into full owner occupation if dwellings were at the right price point and around 18,000 renter households could afford some sort of shared equity product with 50% ownership.
Opportunities to provide affordable housing can be found across all Urban Christchurch sub-areas but in differing numbers. The data suggests that diversity in relation to tenure, dwelling typology and price points are most likely to embrace the range of households currently exposed to unmet housing need.

Unmet need is so great that provision of new builds affordable to low- and modest- income households will not lead to over-supply in the short to medium term. But there are some issues of positioning of, and product, for any organisation wishing to invest in, develop or build in Urban Christchurch.

Any organisation seeking to improve the supply and access to affordable housing needs to do so recognising they will be doing so as part of a wider housing system. A focus on the 75% of renter households in unmet need would be desirable. It is important that the focus of any intervention complements and does not substitute or backfill what others already do or are responsible for. Housing investment and provision should be seen as long-term and can have multiplier effects including drawing collaborative partners. Maintaining affordability in the longer term by either recycling invested capital across multiple households or by retaining the housing stock as affordable is critical.

Diversity in stock and diversity in tenures provide choice and adaptability. Dwellings need to be:

- affordable to operate as well as purchase;
- adaptable to changing needs; and
- accessible and functional for people of all ages and stages.

### Glossary

***Affordable housing*** is where households spend no more than 30% of their gross household income paying rent or servicing the mortgage and non-discretionary costs associated with buying a property.

***Housing affordability stress*** where a household's non-discretionary housing costs are in excess of 30% of their gross household income.

***Severe housing affordability stress*** where a household's non-discretionary housing costs are 50% or more of their gross household income.

***Stressed renter household*** is one paying more than 30% of their gross household income in rent.

***Severely stressed renter household*** is one paying 50% or more of their gross household income in rent.

***Housing need*** is the total number of renter households within a community which require housing assistance to meet their housing requirements. Also referred to as '*Total renter housing need'*.

***Other housing need*** are households experiencing housing stress because of needs beyond housing affordability stress such as crowding.

***Unmet housing need*** measures the total households or a proportion of the total households whose housing needs are not met through provision of Kāinga Ora (formerly Housing New Zealand Corporation), local authority, community housing providers or other non-market housing providers.

***Intermediate housing market*** consists of private renter households who have at least one member in paid employment and are unable to affordably buy a dwelling at the lower quartile house sale price.

***Proxy intermediate housing market measure*** is calculated in this report because data limitations make the calculation of the intermediate housing market difficult. The measure includes all private renters with household reference people aged less than 65 years and unable to buy at the lower quartile house sale price.

***Social housing*** is provided by Kāinga Ora (formerly Housing New Zealand Corporation), some local authorities, and some community housing providers (CHPs).

***Community housing sector*** consists of registered housing providers (CHPs) meeting regulated requirements around housing provision and products. The community housing sector provides a diversity of tenures including public housing rental places, social housing, long-term affordable rents, various forms of intermediate tenure housing such as shared ownership and progressive home ownership.

***Lower quartile house sale price*** is the sale price of dwellings a quarter of the way through the ordered distribution of all dwelling sales from the lower end.

***Price points*** indicate the purchase price, or less commonly rent, for a dwelling. For purchase, housing outgoings to service the price point will include the equivalent of a table mortgage and non-discretionary rates and insurance. For rental housing, the rent. For occupation right agreement, non-discretionary fees.

Affordable price points can be set in relation to household income or the income of the person servicing and responsible for the mortgage. See affordable housing above. Kiwibuild and other measures of price point relative to income are not necessarily affordable for around median and lower household incomes despite being at the lower end of available prices.

For purchased dwellings, the price point is affordable if the household is paying 30% or less of their household income in housing costs (rent or the cost of a mortgage required to buy a dwelling assuming a 10% deposit and the current mortgage interest rate (sourced from the RBNZ website).

# 1. INTRODUCTION

The Wayne Francis Charitable Trust and the Rātā Foundation are dedicated to making effective investments in the Ōtautahi which will strengthen community futures. The Wayne Francis Charitable Trust has a particular focus on young people and supporting positive transitions to adulthood. Both organisations:

- have recognised that Ōtautahi has a persistent problem of housing affordability among low- and modest- income households which impacts directly and indirectly on young people; and
- see opportunities to support residential new build developments that could contribute to providing affordable, secure housing opportunities for those struggling on the Ōtautahi housing market.

This research has been undertaken to assist their own and others' thinking around the nature of those opportunities and the best way to address them.

The analysis in this report has four components. Those are as follows:

- New statistical analysis to establish the extent of housing stress in owner occupation and rental sectors in Ōtautahi, demand by dwelling typology and tenure, and housing supply adequacy.
- A discussion of the findings from existing research and research in progress around affordability and the meaning of home for different population groups with a particular focus on young people, seniors, families with young children, and people marginal to the housing stock due to disability.
- An evidence-based comment on the housing typologies and designs that can meet diverse and changing needs.
- An evidence-based comment on the strengths and weaknesses of:
  - Different tenures (including alternative tenure vehicles such as co-operatives) for delivering secure, affordable housing.
  - Mixed developments using diverse dwelling types, tenures and price points.

The sections in this report are:

- Section 2 – Scope, Context and Data
- Section 3 – Housing Stress in Urban Christchurch
- Section 4 – Housing Patterns in Urban Christchurch's Future
- Section 5 – Housing Need and Unmet Need
- Section 6 – Pathways to Meeting Unmet Need
- Section 7 – Making a Difference

The findings are briefly summarised in the Executive Summary.

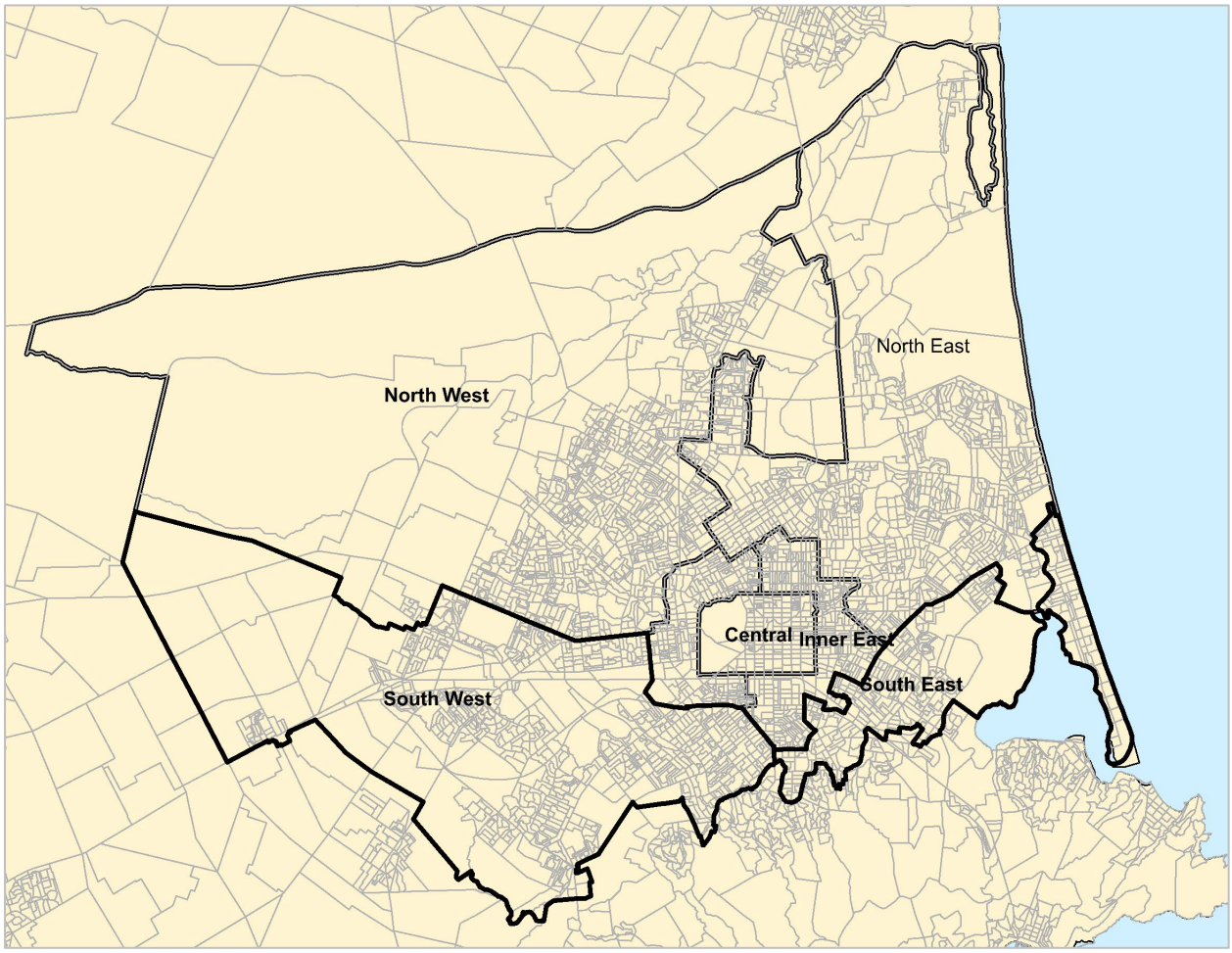
## 2. SCOPE, CONTEXT AND DATA

In this report, Ōtautahi refers to the Christchurch City Council area. Ōtautahi is a constituent of what has increasingly become referred to as Greater Christchurch which includes three councils: Christchurch City Council (CCC), Selwyn District Council (SDC), and Waimakariri District Council (WDC).

### Scope

The focus of this report is on Ōtautahi's major urban conglomeration and seven sub-areas within it: Central city; Inner East; Inner West; North East; North West; South East; South West. This excludes the Port Hills, Lyttleton and Banks Peninsula.

**Figure 2.1: Subarea boundaries**




The statistical analysis in this report builds on and extends analysis undertaken by Ian Mitchell (Livingston and Associates) on housing trends and futures in the Greater Christchurch regions – that is, Selwyn District, Waimakariri District, and Christchurch City. Other components of

the report draw on both domestic and overseas research and comments on the implications of that research for housing pathways in Ōtautahi.

**Context**

Greater Christchurch[1] is the second largest urban area in New Zealand and is home to 208,200 households. The majority live in Christchurch City (157,000 households or 75%). However, since 2010, the housing market and pattern of development activity has been disrupted by the 2010 and 2011 earthquakes and central Government responses to it.

The earthquakes destroyed or damaged a significant number of dwellings in Greater Christchurch. The majority of those homes were located in Ōtautahi. Approximately 8,000 low-income renters relocated out of the city to other predominately South Island urban centres or peripheral townships. This movement was reinforced by the Land Use Recovery Plan introduced by the then National Government which changed the land use regulations to those which:

- Allowed for increased development for new housing in a variety of peripheral townships (predominately in Selwyn and Waimakariri Districts);
- Provided comparatively restricted options for residential building within the urban sub-areas of Ōtautahi.

In addition, subsequent to the earthquakes, central Government increased infrastructure investment around Christchurch.

All those factors made residential builds in peripheral locations within the Selwyn District Council and Waimakariri District Council more attractive.

Ōtautahi's share of consenting activity fell from 70% of Greater Christchurch during the 2000-2004 period, to 57% in 2020 and 2021. By comparison SDC's share increased from 15% in the 2000-2004 period to 31% in 2020 and 2021.

Table 2.1 presents the number of residential building consents (number of units) issued between 2000 and 2021.

[1] Greater Christchurch in the context of this report refers to the combined area of Christchurch City and Waimakariri and Selwyn Districts

**Table 2.1: Residential Building Consents 2000-2021 by Councils in Greater Christchurch**

| | Waimakariri District Council | | Christchurch City Council | | Selwyn District Council | | Greater Christchurch |
|---|---|---|---|---|---|---|---|
| | Dwelling Consents | % Greater Christchurch | Dwelling Consents | % Greater Christchurch | Dwelling Consents | % Greater Christchurch | Dwelling Consents |
| **2000-2004** | 2,070 | 15% | 9,886 | 70% | 2,117 | 15% | 14,073 |
| **2005-2009** | 2,335 | 16% | 9,549 | 64% | 3,054 | 20% | 14,938 |
| **2010-2014** | 4,070 | 23% | 9,977 | 55% | 3,984 | 22% | 18,031 |
| **2015-2019** | 3,398 | 14% | 15,349 | 62% | 6,088 | 25% | 24,835 |
| **2020-2021** | 1,407 | 12% | 6,554 | 57% | 3,566 | 31% | 11,527 |

Source: Statistics New Zealand

Despite the relative decline in residential building compared to SDC and WDC, Ōtautahi's households are expected to increase substantially with the next two decades. Most of that increase is likely to be within Urban Christchurch. Urban Christchurch already accounts for 89% of Ōtautahi's population. The number of households in Urban Christchurch are projected to grow by 21% or a little less than 1,500 households per annum between 2018 and 2038. Approximately 94% (28,130 households out of 29,800) of Christchurch City Council's total growth between 2018 and 2038 is projected to occur within Urban Christchurch (Table 2.2).

**Table 2.2: Projected Household Numbers in Ōtautahi and Urban Christchurch 2018 to 2038**

| | Christchurch City Council area | | Urban Christchurch City | |
|---|---|---|---|---|
| | Households | Change | Households | Change |
| **2018** | 151,100 | | 134,890 | |
| **2020** | 155,000 | 3,900 | 138,780 | 3,890 |
| **2023** | 160,900 | 5,900 | 144,350 | 5,570 |
| **2028** | 168,300 | 7,400 | 151,200 | 6,850 |
| **2033** | 175,200 | 6,900 | 157,650 | 6,450 |
| **2038** | 180,900 | 5,700 | 163,020 | 5,370 |

Source: Statistics New Zealand

Statistics New Zealand has concluded that international migration has driven population growth in Ōtautahi with natural increase providing a positive but muted contribution in the recent past. There have been substantial losses in population associated with out-migration into other areas (Table 2.3). Between June 2018 and June 2021, natural population growth (+4,800 people) was lower than the net loss from internal migration (-5,700 people).

**Table 2.3: Contributors to Christchurch City's population growth June 2018 to 2021**

| | June 2018 to June 2019 | June 2019 to June 2020 | June 2020 to June 2021 |
|---|---|---|---|
| **Natural increase** | 1,600 | 1,500 | 1,700 |
| **Net internal migration** | -1,500 | -2,600 | -1,600 |
| **Net international migration** | 3,400 | 5,800 | 140 |
| **Total increase** | 3,500 | 4,700 | 240 |

Source: Statistics New Zealand

Housing costs across the whole metropolitan area have increased since the early 1990s. Table 2.4 shows the trend in median rents, lower quartile house prices, and median household incomes[2] in Christchurch City, Waimakariri and Selwyn Districts between 1991 and 2021. House sale prices have increased at a significantly faster rate than household incomes across Greater Christchurch. In more recent times (2020 to 2021) house sale price growth has accelerated and rental growth has also increased.

**Table 2.4: Median Rents, Lower Quartile House Prices (LQHP) & Median Household Incomes (Median Hhld I) by Councils in Greater Christchurch 1991-2020**

| | Waimakariri District | | | Christchurch City | | | Selwyn District | | |
|---|---|---|---|---|---|---|---|---|---|
| | Median rent | LQHP | Median Hhld I | Median rent | LQHP | Median Hhld I | Median rent | LQHP | Median Hhld I |
| **1991** | $146 | $80,000 | $31,100 | $147 | $68,000 | $31,100 | $134 | $61,000 | $35,500 |
| **1996** | $157 | $95,000 | $34,700 | $171 | $115,000 | $32,900 | $164 | $90,000 | $39,100 |
| **2001** | $181 | $110,500 | $39,700 | $171 | $126,800 | $36,500 | $168 | $104,000 | $47,200 |
| **2006** | $246 | $240,000 | $50,900 | $244 | $253,000 | $48,200 | $266 | $266,000 | $62,500 |
| **2013** | $394 | $325,000 | $68,800 | $356 | $336,000 | $65,300 | $435 | $399,500 | $85,100 |
| **2018** | $381 | $380,000 | $81,700 | $345 | $344,500 | $77,600 | $406 | $481,500 | $101,100 |
| **2019** | $400 | $385,000 | $84,600 | $345 | $345,000 | $80,300 | $432 | $457,750 | $104,600 |
| **2020** | $420 | $402,000 | $87,600 | $400 | $380,000 | $83,100 | $468 | $487,000 | $109,200 |

Source: MBIE, Headway Systems and Statistics New Zealand

### Sources, measures and data

Definitions and measures of housing needs, housing stress, housing affordability and housing segments are frequently left undefined. Where they are defined both definitions and their measures are often contested, opaque or inconsistently applied. The glossary (ii-above) sets out key definitions and measures for usage in this report. The statistical data sources include:

- Population projections sourced from Statistics New Zealand;
- Customised census data from Statistics New Zealand;
- Property transaction data source from the Ministry of Housing and Urban Development and Headway Systems; and

[2] Household incomes are assumed to have increased at 3.5% per annum between 2013 and 2019

- Interest rate data from the Reserve Bank of New Zealand.

The population projections used were provided by the Greater Christchurch Partnership. These projections were similar to Statistics New Zealand's high growth series for Selwyn and Waimakariri Districts and slightly higher than the medium projections for Christchurch City.

## 3. HOUSING STRESS IN URBAN CHRISTCHURCH

New Zealand has been facing a significant housing crisis for at least a decade. It is a crisis that impacts most severely on very low-income households, but precarious housing is affecting modest income households as well. Population groups such as seniors who have been assumed to be largely both affordably and securely housed have emerged in New Zealand's homelessness statistics. Rising house prices and shifts in the concentration of housing stock have meant owner occupation is beyond the reach of many modest income households. The expanding numbers of households and people in the intermediate housing market, combined with significant declines in community, council and state housing stock ownership generate significant pressure on housing access and wellbeing among very low income as well as vulnerable households.

In this section we discuss various dimensions of housing stress in Urban Christchurch as follows:

- Housing costs and housing affordability.
- Crowding.
- Homelessness and precarious housing.

**Housing Costs and Housing Affordability**

Housing affordability is considered compromised when housing costs (rents or the cost to service a mortgage plus other housing costs) exceed 30% of gross household income. Housing affordability comes under pressure when housing costs increase at a faster rate than household incomes. When housing costs to household incomes exceed 30% these households are deemed to be in housing stress. Severe housing stress refers to 50% or more of household incomes being expended on housing costs. We focus on two dimensions of housing affordability in Urban Christchurch. The first dimension is the affordability of renting. The second dimension is the affordability of entering into owner occupation.

It should be noted that:

- For low- and modest- income households, the impact of housing costs in excess of 30% is more critical than for high-income households. This is because the residual incomes of high-income households may still be adequate to meet the other needs of the household even after housing costs. For low- and modest- income households excess housing costs profoundly affect their ability to meet their other basic living needs.
- It has been typically accepted that housing costs for owner occupier households with mortgages may be of marginally higher proportions than for renting households. That is because mortgage payment for an owner-occupied dwelling has been treated as including some pre-saving which offsets future housing costs when household incomes fall in later life and retirement.

As Table 3.1 shows, lower quartile house sale prices have increased significantly faster than household incomes over the last 20 years in each of the Urban Christchurch sub-areas.

**Table 3.1: Median Rents, Lower Quartile House Prices and Median Household Incomes by Urban Christchurch Sub-areas**

| June Quarters | 2001 | 2006 | 2013 | 2018 | 2020 | 2021 | 2001-2021 Change | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Total % | % pa |
| **Central** | | | | | | | | |
| **Lower quartile house prices** | $135,000 | $256,000 | $254,250 | $385,000 | $399,000 | $383,750 | 184% | 5% |
| **Median market rent** | $196 | $284 | $394 | $427 | $452 | $488 | 149% | 5% |
| ***Median hhld income*** | *$31,946* | *$42,626* | *$62,000* | *$59,200* | *$63,700* | *$66,100* | *107%* | *4%* |
| **Inner East** | | | | | | | | |
| **Lower quartile house prices** | $85,000 | $195,000 | $215,000 | $260,000 | $302,500 | $336,500 | 296% | 7% |
| **Median market rent** | $209 | $309 | $440 | $433 | $423 | $456 | 119% | 4% |
| **Median hhld income** | $25,273 | $34,226 | $50,400 | $50,400 | $54,700 | $57,000 | 126% | 4% |
| **Inner West** | | | | | | | | |
| **Lower quartile house prices** | $165,000 | $290,000 | $368,530 | $454,750 | $515,000 | $525,000 | 218% | 6% |
| **Median market rent** | $200 | $291 | $403 | $409 | $429 | $463 | 132% | 4% |
| ***Median hhld income*** | *$39,726* | *$51,266* | *$70,600* | *$70,300* | *$75,200* | *$77,800* | *96%* | *3%* |
| **Northeast** | | | | | | | | |
| **Lower quartile house prices** | $115,000 | $240,000 | $216,000 | $299,000 | $352,000 | $400,000 | 248% | 6% |
| **Median market rent** | $196 | $275 | $379 | $357 | $384 | $415 | 112% | 4% |
| ***Median hhld income*** | *$37,239* | *$49,062* | *$65,900* | *$65,200* | *$84,700* | *$87,700* | *136%* | *4%* |
| **Northwest** | | | | | | | | |
| **Lower quartile house prices** | $135,000 | $258,750 | $354,000 | $405,750 | $437,750 | $500,000 | 270% | 7% |
| **Median market rent** | $180 | $246 | $357 | $362 | $370 | $400 | 122% | 4% |
| ***Median hhld income*** | *$41,980* | *$55,124* | *$72,900* | *$73,000* | *$77,900* | *$80,500* | *92%* | *3%* |
| **Southeast** | | | | | | | | |
| **Lower quartile house prices** | $99,000 | $210,000 | $245,000 | $276,625 | $317,250 | $385,000 | 289% | 7% |
| **Median market rent** | $156 | $222 | $319 | $338 | $353 | $381 | 145% | 5% |
| ***Median hhld income*** | *$33,785* | *$43,385* | *$54,100* | *$53,900* | *$56,900* | *$58,500* | *73%* | *3%* |
| **Southwest** | | | | | | | | |
| **Lower quartile house prices** | $118,475 | $235,000 | $300,000 | $379,000 | $400,000 | $455,625 | 285% | 7% |
| **Median market rent** | $179 | $256 | $387 | $366 | $398 | $429 | 140% | 4% |
| ***Median hhld income*** | *$33,785* | *$43,385* | *$65,200* | *$66,100* | *$71,500* | *$74,400* | *120%* | *4%* |

Source: MBIE, Headway Systems and Statistics New Zealand

Although rents appear to be tracking median household incomes, this is misleading in relation to housing affordability stress. Ōtautahi as a whole has a persistent problem of housing affordability stress among renting households.

Table 3.2 shows that this is particularly prevalent among lower income households. Notably, however, among households with incomes in excess of $70,000, there are renting households in housing affordability stress. Some of these renting households are in severe housing affordability stress. Some 12% of renting households with household incomes in excess of $70,000 were in housing affordability stress and 1% were in severe housing affordability stress in 2018.

**Table 3.2: Housing Affordability Stress by Household Income for Renting Households in Ōtautahi 2001-2018**

| Gross household income | Stressed (30% or more of Household Income) | | | Severely stressed (50% or more Household Income) | | |
|---|---|---|---|---|---|---|
| | 2001 | 2013 | 2018 | 2001 | 2013 | 2018 |
| **Less than $30,000** | 83% | 90% | 93% | 48% | 70% | 83% |
| **$30,001 to $50,000** | 15% | 71% | 85% | 0% | 13% | 33% |
| **$50,001 to $70,000** | 5% | 23% | 52% | 0% | 0% | 4% |
| **$70,001 to $100,000** | 0% | 7% | 11% | 0% | 1% | 1% |
| **Over $ 100,000** | 0% | 2% | 1% | 0% | 0% | 0% |
| **Total** | 37% | 37% | 41% | 19% | 16% | 20% |

Source Statistics New Zealand

Public housing places provide access to the Income-related Rent Subsidy (IRRS). As a result households in public housing are not in housing affordability stress, whether those are in public housing places delivered through the government's housing provider Kainga Ora or through IRRS registered community housing providers. Similarly, most community housing providers do attempt to provide long-term affordable housing in stock that provides for people beyond those on the public housing register. As a consequence, housing affordability stress in rental is most likely to be felt by those in the private rental market.

Table 3.3 provides a modelled estimate of private renting households in housing affordability stress for 2020 in Urban Christchurch. Numbers vary from sub-area to sub-area, but 20,500 private renting households were estimated to be in housing affordability stress.

**Table 3.3: Estimates of Affordability Stressed Private Renting Households Urban Christchurch Sub-areas 2020**

| Urban Christchurch and Sub-areas | Estimated Affordability Stressed Private Renting hhlds 2020 | % All Private Renting hhlds in Affordability Stress 2020 | Affordability Stressed Private Renting hhlds as % of All hhlds 2020 |
|---|---|---|---|
| **Central** | 950 | 34% | 24% |
| **Inner East** | 3,070 | 42% | 24% |
| **Inner West** | 1,560 | 37% | 19% |
| **Northeast** | 3,840 | 47% | 12% |
| **Northwest** | 4,510 | 48% | 13% |
| **Southeast** | 2,260 | 49% | 15% |
| **Southwest** | 4,310 | 45% | 13% |
| **Urban Christchurch** | 20,500 | 45% | 15% |

Source: Modelled based on data from Statistics New Zealand

NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

Table 3.3 also shows considerable proportions of all private renting households are in affordability stress irrespective of sub-area. Proportions never fall below a third and near half of all private renting households in the Northeast, Northwest and Southeast. Almost a quarter of all households in Central and Inner East are private renting households in housing affordability stress.

The geographic pattern of private renting households and their concentration in the inner-city sub-areas, particularly on its north and eastern fringe, are evident in Figure 3.1.

**Figure 3.1: Housing Affordability Stressed Private Renting Households in Urban Christchurch 2020**

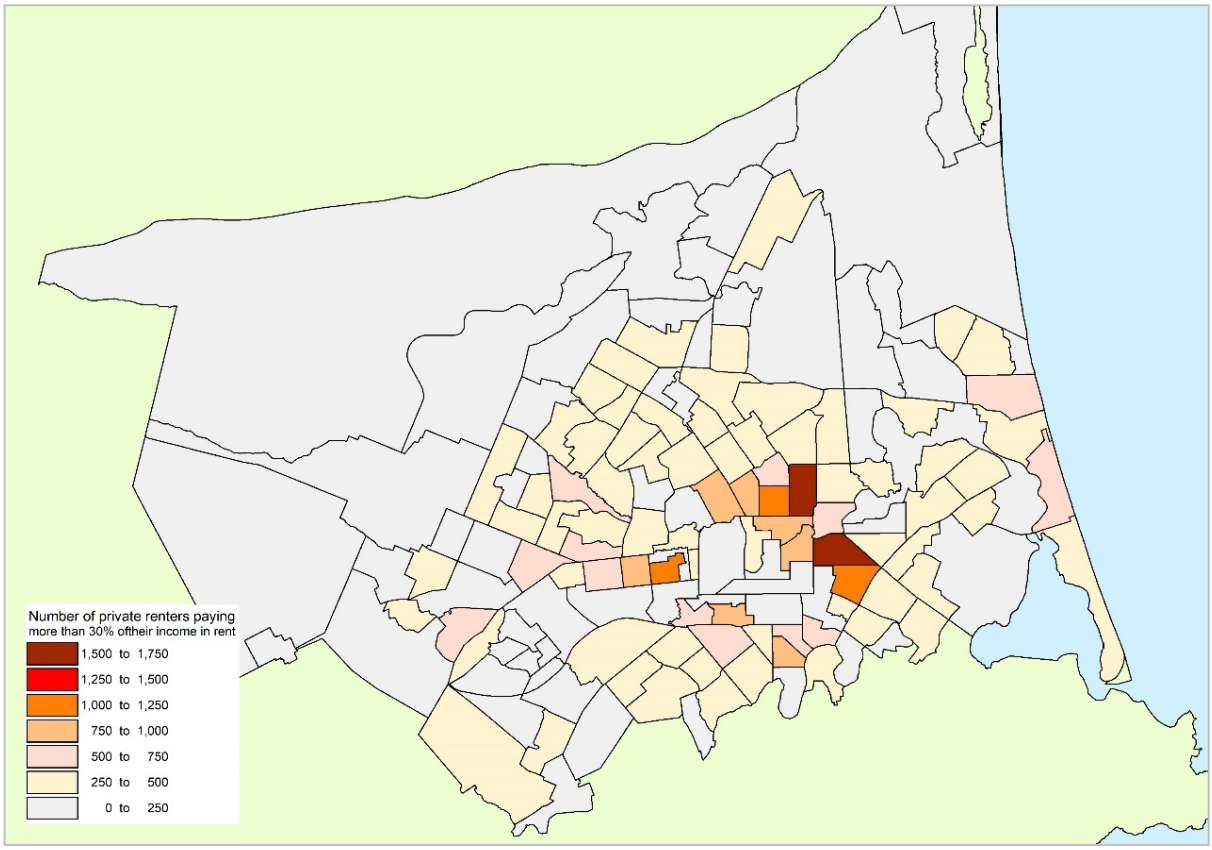
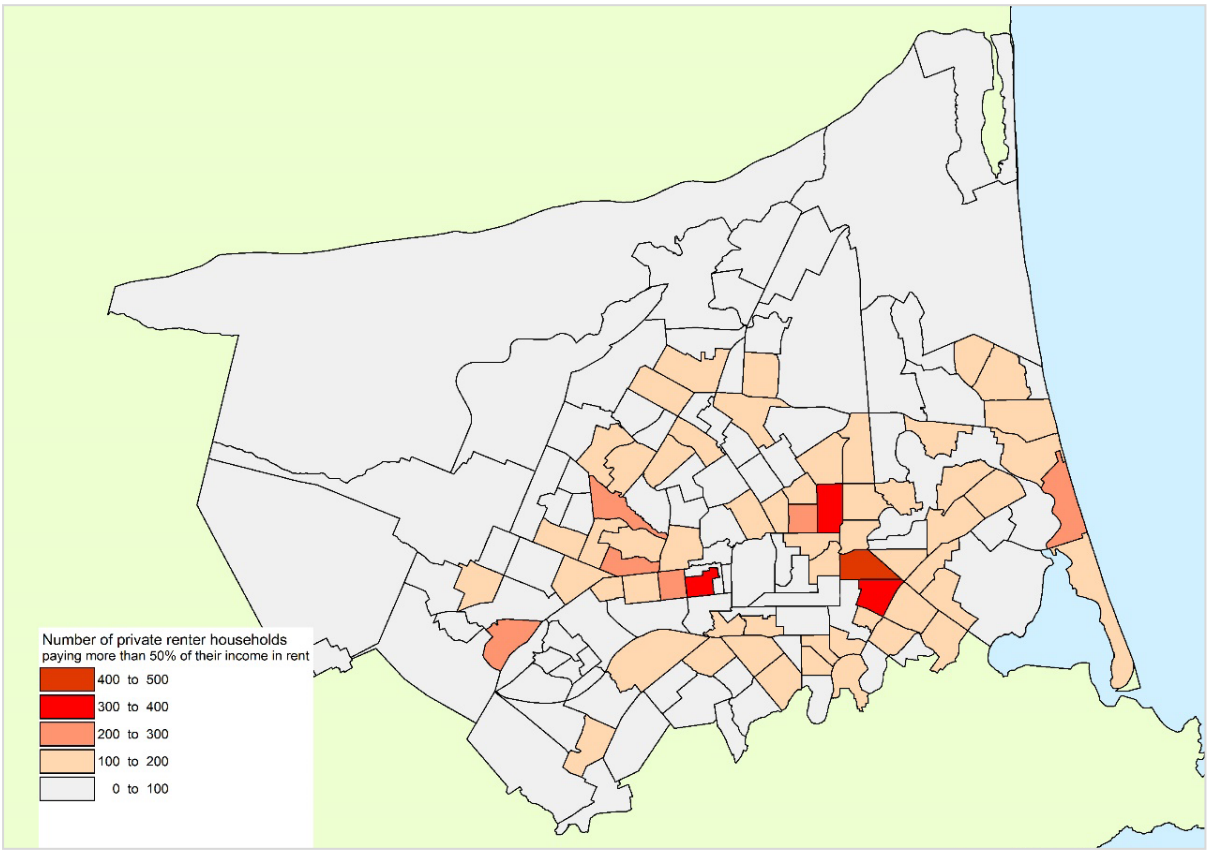



Figure 3.2 shows that severely housing affordability stressed households with rent outgoings more than 50% of their household incomes tend to be located on the south-eastern side of the central city.

**Figure 3.2: Severely Housing Affordability Stressed Private Renting Households in Urban Christchurch 2020**




Housing affordability stress among private renting households is typically most burdensome among low- income households. However, Northeast, Northwest, and Southwest have high proportions of middle- income households (earning between $50,000 and $100,000 per annum) paying more than 30% of their income in rent. The same patterns are evident among private renting households paying more than 50% their gross income in rent (Table 3.4).

Among households in private rented housing, housing affordability stress is also most likely to burden seniors (Table 3.5). Those households relying on a single income are also likely to be stressed. As Table 3.6 shows, one-person households and one parent households with children had the highest proportions in housing affordability stress in 2020.

The patterns evident in Table 3.5 and Table 3.6 largely prevail irrespective of sub-area in Urban Christchurch. As later discussion shows, housing affordability stress is sometimes mitigated through incorporating multiple individual and family earners in a dwelling. This can contribute to issues of crowding.

**Table 3.4: Proportion of Stressed and Severely Stressed Private Renting Households by Sub-area Urban Christchurch and Household Incomes 2018**

| Housing Costs to Hhld Incomes | Central | Inner-East | Inner-West | Northeast | Northwest | Southeast | Southwest |
|---|---|---|---|---|---|---|---|
| **More than 30% of Household Incomes in Housing Costs** | | | | | | | |
| **$30,000 and under** | 92% | 92% | 93% | 93% | 94% | 96% | 92% |
| **$30,001-$50,000** | 82% | 77% | 81% | 88% | 89% | 85% | 88% |
| **$50,001-$70,000** | 38% | 32% | 44% | 56% | 67% | 43% | 62% |
| **$70,001-$100,000** | 6% | 5% | 8% | 9% | 19% | 4% | 15% |
| **$100,001-$150,000** | 0% | 1% | 1% | 1% | 3% | 0% | 2% |
| **$150,001 or More** | 0% | 0% | 0% | 0% | 1% | 0% | 0% |
| **Total private renters** | 30% | 40% | 35% | 44% | 44% | 46% | 41% |
| **More than 50% of Household Incomes in Housing Costs** | | | | | | | |
| **$30,000 and under** | 80% | 77% | 82% | 85% | 86% | 87% | 84% |
| **$30,001-$50,000** | 23% | 16% | 24% | 35% | 48% | 26% | 42% |
| **$50,001-$70,000** | 2% | 1% | 5% | 1% | 8% | 3% | 6% |
| **$70,001-$100,000** | 0% | 0% | 1% | 1% | 3% | 0% | 2% |
| **$100,001-$150,000** | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| **$150,001 or More** | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| **Total private renters** | 14% | 19% | 16% | 22% | 23% | 25% | 20% |

Source: Modelled based on data from Statistics New Zealand

**Table 3.5: Housing Affordability Stressed Private Renting Households by Sub-areas in Urban Christchurch by Age of Reference Person 2020**

| Urban Christchurch Sub-areas | 0-29 years | | 30-39 years | | 40-49 years | | 50-64 years | | 65 years and over | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Hhlds | % | Hhlds | % | Hhlds | % | Hhlds | % | Hhlds | % |
| **Central** | 400 | 31% | 230 | 25% | 100 | 27% | 130 | 34% | 80 | 57% |
| **Inner-East** | 880 | 35% | 640 | 32% | 520 | 41% | 650 | 48% | 380 | 63% |
| **Inner-West** | 520 | 33% | 270 | 25% | 280 | 35% | 290 | 41% | 190 | 65% |
| **Northeast** | 910 | 40% | 960 | 42% | 720 | 40% | 720 | 45% | 530 | 66% |
| **Northwest** | 1450 | 47% | 970 | 39% | 790 | 40% | 720 | 42% | 570 | 63% |
| **Southeast** | 520 | 40% | 540 | 42% | 410 | 41% | 460 | 52% | 330 | 74% |
| **Southwest** | 1320 | 40% | 970 | 35% | 740 | 37% | 690 | 42% | 580 | 66% |

Source: Modelled based on data from Statistics New Zealand

**Table 3.6: Housing Affordability Stressed Private Renting Households by Sub-areas in Urban Christchurch 2020**

| Urban Christchurch Sub-areas | Couples with Children | | Couple only | | One Parent with Children | | One person | | Multi family | | Other | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Hhlds | % | Hhlds | % | Hhlds | % | Hhlds | % | Hhlds | % | Hhlds | % |
| **Central City** | 60 | 24% | 160 | 17% | 60 | 59% | 470 | 45% | 0 | 0% | 190 | 25% |
| **Inner-East** | 320 | 29% | 350 | 22% | 510 | 76% | 1460 | 61% | 20 | 12% | 410 | 22% |
| **Inner-West** | 190 | 24% | 190 | 19% | 200 | 64% | 610 | 59% | 20 | 16% | 350 | 30% |
| **Northeast** | 650 | 30% | 390 | 29% | 1130 | 77% | 1140 | 67% | 60 | 19% | 470 | 27% |
| **Northwest** | 900 | 32% | 480 | 31% | 830 | 75% | 1060 | 66% | 80 | 23% | 1160 | 42% |
| **Southeast** | 300 | 30% | 210 | 26% | 620 | 77% | 860 | 70% | 20 | 17% | 250 | 27% |
| **Southwest** | 710 | 28% | 450 | 25% | 890 | 76% | 1200 | 69% | 70 | 16% | 990 | 33% |

Source: Modelled based on data from Statistics New Zealand

## Crowding

High housing costs can drive crowding. So too can housing stock inappropriate to the needs of households wishing to live intergenerationally. Issues of design and stock homogeneity, particularly the supply-side preoccupation with three-bedroom dwellings in suburban areas, can also generate under-utilisation of housing stock. A raft of research has shown that even where households want to downsize, for instance, the stock is not easily available and the price points of stock, even when smaller, is frequently not affordable for low- and modest-income households.

Of all the councils in Greater Christchurch, Ōtautahi had the highest level of crowding in 2018. Around 9% of renting households were crowded. By contrast Selwyn District Council had relatively low levels of crowding (Table 3.7).

**Table 3.7: Crowding and Utilisation of Stock in Greater Christchurch by Tenure 2018**

| Greater Christchurch Councils | Owner Occupiers | | Renters | | Total households | |
|---|---|---|---|---|---|---|
| | Dwellings | % of total | Dwellings | % of total | Dwellings | % of total |
| **Waimakariri District** | | | | | | |
| 1 bedroom needed (crowded) | 210 | 1% | 135 | 4% | 345 | 2% |
| 2 + bdrms needed (severely crowded) | 39 | 0% | 18 | 1% | 57 | 0% |
| *Total – crowded* | *249* | *1%* | *153* | *5%* | *402* | *2%* |
| *Total – No extra bedrooms required* | *1,776* | *10%* | *906* | *30%* | *2,682* | *13%* |
| 1 bedroom spare | 5,115 | 30% | 1,131 | 37% | 6,246 | 31% |
| 2 or more bedrooms spare | 10,038 | 58% | 873 | 29% | 10,911 | 54% |
| *Total not crowded* | *16,929* | *99%* | *2,910* | *95%* | *19,839* | *98%* |
| *Total stated* | *17,178* | *100%* | *3,063* | *100%* | *20,241* | *100%* |
| **Christchurch City Council** | | | | | | |
| 1 bedroom needed (crowded) | 1,470 | 2% | 2,421 | 7% | 3,891 | 3% |
| 2 + bdrms needed (severely crowded) | 345 | 0% | 699 | 2% | 1,044 | 1% |
| *Total – crowded* | *1,815* | *2%* | *3,120* | *9%* | *4,935* | *4%* |
| *Total – No extra bedrooms required* | *11,031* | *13%* | *12,663* | *35%* | *23,694* | *19%* |
| 1 bedroom spare | 30,681 | 36% | 14,136 | 39% | 44,817 | 37% |
| 2 or more bedrooms spare | 42,267 | 49% | 6,228 | 17% | 48,495 | 40% |
| *Total not crowded* | *83,979* | *98%* | *33,027* | *91%* | *117,006* | *96%* |
| *Total stated* | *85,794* | *100%* | *36,147* | *100%* | *121,941* | *100%* |
| **Selwyn District Council** | | | | | | |
| 1 bedroom needed (crowded) | 147 | 1% | 144 | 4% | 291 | 2% |
| 2 + bdrms needed (severely crowded) | 42 | 0% | 24 | 1% | 66 | 0% |
| *Total – crowded* | *189* | *1%* | *168* | *5%* | *357* | *2%* |
| *Total – No extra bedrooms required* | *1,242* | *9%* | *717* | *22%* | *1,959* | *12%* |
| 1 bedroom spare | 3,882 | 29% | 1,254 | 38% | 5,136 | 30% |
| 2 or more bedrooms spare | 8,304 | 61% | 1,152 | 35% | 9,456 | 56% |
| *Total not crowded* | *13,428* | *99%* | *3,123* | *95%* | *16,551* | *98%* |
| *Total stated* | *13,617* | *100%* | *3,291* | *100%* | *16,908* | *100%* |

Source: Statistics New Zealand 2018 Census

Within Urban Christchurch, crowding is evident among both owner occupiers and renting households but the burden of crowding falls particularly on renting households. The Inner West and Southwest sub-areas had the highest proportion of crowded renter households (Table 3.8). Levels of crowding were higher for Pasifika than for those of Māori descent and other households.

**Table 3.8: Crowding by Urban Christchurch and Sub-areas by Tenure 2018**

| Sub-areas | Owner Occupiers | | | Renters | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | Crowded | Total Stated | % Crowded | Crowded | Total Stated | % Crowded | Crowded | Total Stated | % Crowded |
| **Central** | 9 | 639 | 1% | 105 | 1,554 | 7% | 114 | 2,193 | 5% |
| **Inner East** | 117 | 4,032 | 3% | 537 | 5,802 | 9% | 654 | 9,834 | 7% |
| **Inner West** | 66 | 3,123 | 2% | 363 | 3,363 | 11% | 429 | 6,486 | 7% |
| **Northeast** | 363 | 18,414 | 2% | 453 | 5,871 | 8% | 816 | 24,285 | 3% |
| **Northwest** | 387 | 20,589 | 2% | 621 | 6,852 | 9% | 1,008 | 27,441 | 4% |
| **Southeast** | 207 | 8,157 | 3% | 261 | 3,510 | 7% | 468 | 11,667 | 4% |
| **Southwest** | 552 | 19,416 | 3% | 675 | 7,029 | 10% | 1,227 | 26,445 | 5% |
| **Urban Total** | 1,701 | 74,370 | 2% | 3,015 | 33,981 | 9% | 4,716 | 108,351 | 4% |

Source: Statistics New Zealand 2018 Census

Data limitations mean that it is difficult to disaggregate ethnicity exposure to crowding in Ōtautahi. However, one in four Pacific people lived in crowded dwellings and one in eight identifying as of Māori descent lived in crowded dwellings (Table 3.9).

**Table 3.9: Crowded Households by Ethnicity in Ōtautahi 2018**

| Crowding and Utilisation | Māori | | Pasifika | | Other | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % Hhlds |
| **Two or more bedrooms needed (severely crowded)** | 310 | 2% | 170 | 5% | 780 | 1% | 1,250 | 1% |
| **One bedroom needed (crowded)** | 1,130 | 7% | 390 | 11% | 3,090 | 3% | 4,600 | 3% |
| **Total Crowded** | **1,440** | **9%** | **550** | **16%** | **3,860** | **3%** | **5,860** | **4%** |

Source: Statistics New Zealand

### Homelessness and Precarious Housing

Unaffordable housing and crowded housing are associated with homelessness and precarious housing. There is also persistent evidence that private rented housing tends to be precarious. In the past this has been associated with the very lightly regulated nature of the rental market. The Residential Tenancies Amendment Act 2019 may see some changes in investor behaviour into the future, but these patterns have not yet become clear. What is clear is that owner occupation followed by rental in public housing and by Community Housing Providers tend to be longer term and less precarious. There is, however, also a significant number of people that are in temporary accommodation which is indicative of homelessness (Amore, 2019; Amore, Viggers and Howden-Chapman, 2021).

Table 3.10 provides modelling of households in 2018 and 2020 respectively. In order of precarity, the owner occupiers are likely to be least stressed. Also stressed are:

- Stressed private renters paying more than 30% of their household income in rent;
- Private renters paying less than 30% of their household income in rent but unable to affordably buy a dwelling at the lower quartile house sale price (LQHP);
- Private renter households with sufficient income to affordably buy a dwelling at the lower quartile house sale price; and
- Owner occupier households.

**Table 3.10: Households by Housing segments by Sub-areas 2018 and 2020**

| Sub-areas | Other | | Social or Public Renting Households | | Stressed Private Renting Households | | Private Renting Households Unable to Affordably Buy | | Households of Renting Households Potentially able to Buy | | Owner occupiers | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % All Hhlds | Hhlds | % All Hhlds |
| **Central** | | | | | | | | | | | | |
| 2018 | 60 | 2% | 170 | 6% | 690 | 22% | 400 | 13% | 1,030 | 34% | 790 | 26% |
| 2020 | 60 | 1% | 170 | 4% | 1,010 | 25% | 380 | 9% | 1,440 | 36% | 1,030 | 26% |
| **Inner East** | | | | | | | | | | | | |
| 2018 | 340 | 3% | 980 | 8% | 2,980 | 24% | 120 | 1% | 4,020 | 32% | 4,540 | 36% |
| 2020 | 340 | 3% | 980 | 8% | 3,100 | 24% | 240 | 2% | 3,960 | 31% | 4,560 | 36% |
| **Inner West** | | | | | | | | | | | | |
| 2018 | 240 | 3% | 480 | 6% | 1,520 | 19% | 1,070 | 13% | 1,520 | 19% | 3,500 | 43% |
| 2020 | 260 | 3% | 480 | 6% | 1,570 | 19% | 1,140 | 14% | 1,510 | 18% | 3,510 | 43% |
| **Northeast** | | | | | | | | | | | | |
| 2018 | 480 | 2% | 1,990 | 7% | 3,720 | 12% | 300 | 1% | 3,850 | 13% | 20,570 | 68% |
| 2020 | 500 | 2% | 1,990 | 6% | 3,870 | 12% | 530 | 2% | 3,690 | 12% | 20,900 | 67% |
| **Northwest** | | | | | | | | | | | | |
| 2018 | 550 | 2% | 1,500 | 4% | 4,340 | 13% | 1,070 | 3% | 3,600 | 11% | 22,870 | 69% |
| 2020 | 570 | 2% | 1,500 | 4% | 4,560 | 13% | 910 | 3% | 3,880 | 11% | 23,140 | 68% |
| **Southeast** | | | | | | | | | | | | |
| 2018 | 270 | 2% | 1,030 | 7% | 2,220 | 15% | 210 | 1% | 2,100 | 14% | 9,120 | 62% |
| 2020 | 290 | 2% | 1,030 | 7% | 2,270 | 15% | 380 | 3% | 1,960 | 13% | 9,200 | 62% |
| **Southwest** | | | | | | | | | | | | |
| 2018 | 640 | 2% | 1,920 | 6% | 4,050 | 12% | 860 | 3% | 4,160 | 13% | 21,600 | 66% |
| 2020 | 660 | 2% | 1,920 | 6% | 4,390 | 13% | 580 | 2% | 4,640 | 14% | 22,250 | 66% |

Source: Modelled based on data from Statistics New Zealand, Kainga Ora, and RBNZ.

Key trends include:

- Central sub-area proportionally has the highest number of stressed renters.
- Central and Inner West sub-areas also had high proportion of households who were able to affordably pay their rent but unable to affordably service the mortgage required to buy a dwelling at the lower quartile house sale price; and

- Central and Inner East sub-areas had relatively high proportion of households that appear to be able to service a mortgage at the lower quartile house sale price but have remained in private rental accommodation.

Notable is the expansion of the 'intermediate housing market'. Intermediate housing markets are defined as private renter households who have at least one member in paid employment, unlikely to be eligible for public housing, and are unable to affordably buy a dwelling at the lower quartile house sale price.

Because of data limitations, we have had to provide a proxy estimate of the relative size of the intermediate market. That estimate includes all households with reference people aged less than 65 years of age who are unable to buy at the lower quartile house sale price. With low unemployment rates this provides a comparable estimate to the classically defined 'intermediate housing market'.

Using that proxy intermediate housing market measure, it is estimated that the number of households in the intermediate housing market increased from 23,310 to 24,130 households between 2018 and 2020, an increase of 820 or 4%. This reflects increase in the number of renters, growth in the lower quartile house sale price, increases in household incomes and the fall in mortgage interest rates.

Despite muted expansion of the intermediate housing market between 2018 and 2020, significant proportions of households are in the intermediate housing market. Central, Inner West, Northwest and Southeast have close to half of renting households in that category. Overall, about 45% of all renting households and 17% of all households irrespective of tenure can be expected to be in the intermediate housing market in Urban Christchurch (Table 3.11).

**Table 3.11: Estimated Household Numbers by Sub-areas and as Proportion of Renting Households and All Households 2018 and 2020**

| Urban Christchurch and Sub-areas | June 2018 | | | June 2020 | | |
|---|---|---|---|---|---|---|
| | Intermediate Households | % All Renting Households | % All Households | Intermediate Households | % All Renting Households | % All Households |
| **Central** | 1,070 | 47% | 35% | 1,270 | 42% | 31% |
| **Inner East** | 3,080 | 38% | 24% | 3,260 | 39% | 25% |
| **Inner West** | 2,260 | 49% | 28% | 2,310 | 49% | 28% |
| **Northeast** | 4,160 | 42% | 14% | 4,520 | 45% | 15% |
| **Northwest** | 5,150 | 49% | 15% | 5,120 | 47% | 15% |
| **Southeast** | 2,350 | 42% | 16% | 2,460 | 44% | 17% |
| **Southwest** | 5,240 | 48% | 16% | 5,190 | 45% | 15% |
| **Urban Christchurch** | 23,310 | 45% | 17% | 24,130 | 45% | 17% |

Source: Modelled based on data from Statistics New Zealand, Kainga Ora, and RBNZ.

## 4. HOUSING PATTERNS IN URBAN CHRISTCHURCH'S FUTURE

The housing patterns of the future depend on a combination of population shifts, shifts in the composition of households, and the supply and cost of dwellings. Some of these are more predictable than others. The structural ageing of populations and, indeed, the housing stock are relatively predictable unless there are significant shocks.

Overseas, COVID has had significant impacts on life expectancies. That is not expected here. However, two significant shocks have impacted on housing. The 1990s housing reforms saw a major shift in housing access, patterns of tenure, and the concentration of stock in the hands of property investors. The other shock, much more focused on Ōtautahi, was the Canterbury earthquakes and the impact that has had on the housing stock across Greater Christchurch and Ōtautahi in particular.

Both population change and the impacts on the Greater Christchurch housing stock and its distribution have been briefly noted in the discussion of context in Section 2 of this report. The following discussion focuses on the housing patterns likely to be observed in Urban Christchurch if current trends largely prevail. These future housing patterns have been modelled and focus on:

- Changes in the number of households by sub-areas within Urban Christchurch.
- The changing age profile of households.
- The changing composition of households.
- Potential changes in demand around dwelling typologies and tenures.

### Future Household Numbers and Tenure

Projections show modest growth of household numbers to 2038 in Ōtautahi (Christchurch City Council), most of which is likely to be in Urban Christchurch. The numbers of owner occupiers and rentals are expected to increase, but persistent decline in owner occupation and the concentration of housing stock in the hands of property investors nationally will be reflected in Ōtautahi. Most of the rental increase can be expected to be in private rental if current patterns in Ōtautahi and nationally continue (Table 4.1).

**Table 4.1: Projected Household Numbers by Tenure in Urban Christchurch and Christchurch City Council 2018-2038**

| Years | Urban Christchurch Households | | | | Christchurch City Council Households | | | |
|---|---|---|---|---|---|---|---|---|
| | All | Owner occupied | Rental | % All Owner Occupied | All | Owner Occupied | Renting | % All Owner Occupied |
| **2018** | 134,890 | 82,990 | 51,900 | 61.5% | 151,100 | 95,950 | 55,150 | 63.5% |
| **2023** | 144,350 | 87,010 | 57,340 | 60.3% | 160,900 | 99,390 | 61,510 | 61.8% |
| **2028** | 151,200 | 90,220 | 60,980 | 59.7% | 168,300 | 102,790 | 65,510 | 61.1% |
| **2033** | 157,650 | 92,950 | 64,700 | 59.0% | 175,200 | 105,480 | 69,720 | 60.2% |
| **2038** | 163,020 | 95,030 | 67,990 | 58.3% | 180,900 | 107,720 | 73,180 | 59.5% |
| | | | | **Change 2018-2038** | | | | |
| | 28,130 | 12,040 | 16,090 | -3.2% points | 29,800 | 11,770 | 18,030 | -4.0% points |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

The growth in the number of households is unevenly distributed across urban Christchurch. Table 4.2 presents the projected growth in the number of households by sub-area and tenure between 2018 and 2038.

The central sub-area is projected to grow by 4,690 households, more than doubling its population over the next 20 years. This in part reflects the rebuild and intensification of Christchurch's inner city. The Central sub-area has the lowest rate of owner occupation of all the sub-areas.

With the exception of the Southeast sub-area (projected to increase by 8%), the other three sub-areas Southwest (projected to increase by 27%), Northwest (projected to increase by 17%) and Northeast (projected to increase by 17%) are all projected to grow faster than the inner-city sub-areas.

**Table 4.2: Projected Household Numbers by Tenure in Urban Christchurch Sub-areas 2018-2038**

| | Central | Inner East | Inner West | Southeast | Southwest | Northeast | Northwest |
|---|---|---|---|---|---|---|---|
| **Total Households** | | | | | | | |
| 2018 | 3,080 | 12,640 | 8,090 | 14,680 | 32,590 | 30,430 | 33,380 |
| 2028 | 6,220 | 13,570 | 8,710 | 15,440 | 37,660 | 33,190 | 36,410 |
| 2038 | 7,770 | 14,130 | 9,240 | 15,840 | 41,400 | 35,620 | 39,020 |
| *2018 to 2038* | *4,690* | *1,490* | *1,150* | *1,160* | *8,810* | *5,190* | *5,640* |
| **Owner Occupied Households** | | | | | | | |
| 2018 | 790 | 4,540 | 3,500 | 9,120 | 21,600 | 20,570 | 22,870 |
| 2028 | 1,600 | 4,600 | 3,610 | 9,460 | 24,420 | 22,150 | 24,380 |
| 2038 | 1,950 | 4,530 | 3,640 | 9,480 | 26,380 | 23,290 | 25,760 |
| *2018 to 2038* | *1,160* | *-10* | *140* | *360* | *4,780* | *2,720* | *2,890* |
| **Renting Households** | | | | | | | |
| **2018** | 2,290 | 8,100 | 4,590 | 5,560 | 10,990 | 9,860 | 10,510 |
| **2028** | 4,620 | 8,970 | 5,100 | 5,980 | 13,240 | 11,040 | 12,030 |
| **2038** | 5,820 | 9,600 | 5,600 | 6,360 | 15,020 | 12,330 | 13,260 |
| *2018 to 2038* | *3,530* | *1,500* | *1,010* | *800* | *4,030* | *2,470* | *2,750* |
| **Proportion Owner Occupied Households** | | | | | | | |
| **2018** | 26% | 36% | 43% | 62% | 66% | 68% | 69% |
| **2028** | 26% | 34% | 41% | 61% | 65% | 67% | 67% |
| **2038** | 25% | 32% | 39% | 60% | 64% | 65% | 66% |
| *2018 to20 38* | *-1%* | *-4%* | *-4%* | *-2%* | *-3%* | *-2%* | *-2%* |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

### Household Age Profiles and Change

The majority of growth is projected to occur in households with reference people aged 65 years and older. Owner occupation rates in Ōtautahi are sustained in part by the continued high owner occupation rates among seniors. Even among seniors, however, future rates of owner occupation are forecast to decline. This is evident in Table 4.3.

**Table 4.3: Projected Household Reference Age 2018-2038 for Urban Christchurch by Tenure**

| Household Reference Age | 2018 | 2020 | 2023 | 2028 | 2033 | 2038 | 2018 to 2038 | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Hholds | % change |
| **Urban Christchurch Total** | | | | | | | | |
| Less than 30 years | 17,220 | 16,880 | 16,370 | 19,440 | 21,190 | 21,020 | 3,800 | 22% |
| 30 to 39 years | 23,490 | 24,520 | 26,060 | 20,800 | 20,020 | 22,140 | -1,350 | -6% |
| 40 to 49 years | 24,880 | 25,470 | 26,360 | 27,390 | 25,950 | 23,720 | -1,160 | -5% |
| 50 to 64 yrs | 36,000 | 36,710 | 37,770 | 37,380 | 37,860 | 37,980 | 1,980 | 6% |
| 65 yrs and over | 33,340 | 35,120 | 37,800 | 46,200 | 52,630 | 58,150 | 24,810 | 74% |
| Total | 134,930 | 138,700 | 144,360 | 151,210 | 157,650 | 163,010 | 28,080 | 21% |
| **Owner occupiers** | | | | | | | | |
| Less than 30 years | 5,980 | 5,680 | 5,240 | 5,990 | 6,440 | 6,280 | 300 | 5% |
| 30 to 39 years | 11,650 | 11,890 | 12,250 | 9,610 | 8,870 | 9,530 | -2,120 | -18% |
| 40 to 49 years | 14,840 | 14,940 | 15,090 | 15,130 | 14,170 | 12,730 | -2,110 | -14% |
| 50 to 64 yrs | 25,730 | 25,990 | 26,380 | 25,690 | 25,360 | 24,790 | -940 | -4% |
| 65 yrs and over | 24,790 | 26,090 | 28,050 | 33,800 | 38,110 | 41,690 | 16,900 | 68% |
| Total | 82,990 | 84,600 | 87,010 | 90,220 | 92,950 | 95,020 | 12,030 | 14% |
| **Renters** | | | | | | | | |
| Less than 30 years | 11,240 | 11,200 | 11,130 | 13,450 | 14,750 | 14,740 | 3,500 | 31% |
| 30 to 39 years | 11,840 | 12,630 | 13,810 | 11,190 | 11,150 | 12,610 | 770 | 7% |
| 40 to 49 years | 10,040 | 10,530 | 11,270 | 12,260 | 11,780 | 10,990 | 950 | 9% |
| 50 to 64 yrs | 10,270 | 10,720 | 11,390 | 11,690 | 12,500 | 13,190 | 2,920 | 28% |
| 65 yrs and over | 8,550 | 9,030 | 9,750 | 12,400 | 14,520 | 16,460 | 7,910 | 93% |
| Total | 51,940 | 54,100 | 57,350 | 60,990 | 64,700 | 67,990 | 16,050 | 31% |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

Renter households have growth in all the age groups with the strongest growth in 65 and over (which accounted for 49% of the increase in renter households). The change in the age profile of owner occupiers is complicated by the expected migration of middle-aged home buyers to Selwyn District Council and Waimakariri District Council. This expectation reflects recent demographic trends showing strong migration from Christchurch City to Selwyn and Waimakariri Districts. At the same time the rate of owner occupation has increased in both districts while falling in Christchurch City. Greater Christchurch Partnership population projections also includes the assumption that this trend is likely to continue.

Table 4.4 presents the projected growth in the number of households by sub-area and age of the household reference person. Central sub-area is projected to have strong growth across all age groups. By contrast, all the other sub-areas have projected growth which is dominated by households with reference people aged 65 years and older. Almost 7,000 senior- headed households are expected to be added between 2018 and 2038 in the Southwest. The Northwest and Northeast sub-areas are projected to have senior-headed households increase by an excess of 6,000 households in the Northwest and in excess of 5,000 in the Northeast.

**Table 4.4: Projected Household Reference Age 2018-2038 for Urban Christchurch Sub-areas by Tenure**

| Urban Sub-area | Household Reference Person Age | | | | | |
|---|---|---|---|---|---|---|
| | **less than 30Yrs** | **30 to 39 yrs** | **40 to 49 yrs** | **50 to 64 yrs** | **65 yrs & over** | **Total** |
| **Central** | | | | | | |
| 2018 | 860 | 740 | 410 | 650 | 460 | 3,120 |
| 2028 | 1,700 | 1,220 | 840 | 1,220 | 1,240 | 6,220 |
| 2038 | 2,110 | 1,530 | 860 | 1,450 | 1,830 | 7,780 |
| *2018 to 2038* | *1,250* | *790* | *450* | *800* | *1,370* | *4,660* |
| **Inner East** | | | | | | |
| 2018 | 2,520 | 2,700 | 2,230 | 3,080 | 2,100 | 12,630 |
| 2028 | 2,720 | 2,330 | 2,410 | 3,200 | 2,910 | 13,570 |
| 2038 | 2,830 | 2,410 | 2,040 | 3,230 | 3,620 | 14,130 |
| *2018 to 2038* | *310* | *-290* | *-190* | *150* | *1,520* | *1,500* |
| **Inner West** | | | | | | |
| 2018 | 1,360 | 1,440 | 1,470 | 2,070 | 1,770 | 8,110 |
| 2028 | 1,420 | 1,210 | 1,560 | 2,110 | 2,420 | 8,720 |
| 2038 | 1,490 | 1,270 | 1,350 | 2,130 | 3,010 | 9,250 |
| *2018 to 2038* | *130* | *-170* | *-120* | *60* | *1,240* | *1,140* |
| **Southeast** | | | | | | |
| 2018 | 1,760 | 2,650 | 2,860 | 4,020 | 3,400 | 14,690 |
| 2028 | 1,820 | 2,180 | 2,970 | 3,980 | 4,490 | 15,440 |
| 2038 | 1,890 | 2,200 | 2,440 | 3,890 | 5,420 | 15,840 |
| *2018 to 2038* | *130* | *-450* | *-420* | *-130* | *2,020* | *1,150* |
| **Southwest** | | | | | | |
| 2018 | 4,090 | 6,300 | 5,900 | 8,250 | 8,060 | 32,600 |
| 2028 | 4,630 | 5,710 | 6,760 | 8,900 | 11,660 | 37,660 |
| 2038 | 5,070 | 6,170 | 5,940 | 9,190 | 15,030 | 41,400 |
| *2018 to 2038* | *980* | *-130* | *40* | *940* | *6,970* | *8,800* |
| **Northwest** | | | | | | |
| 2018 | 3,280 | 4,650 | 5,910 | 9,440 | 10,110 | 33,390 |
| 2028 | 3,530 | 3,890 | 6,270 | 9,370 | 13,350 | 36,410 |
| 2038 | 3,700 | 4,060 | 5,420 | 9,360 | 16,490 | 39,030 |
| *2018 to 2038* | *420* | *-590* | *-490* | *-80* | *6,380* | *5,640* |
| **Northeast** | | | | | | |
| 2018 | 3,370 | 5,020 | 6,110 | 8,490 | 7,450 | 30,440 |
| 2028 | 3,610 | 4,270 | 6,570 | 8,600 | 10,130 | 33,180 |
| 2038 | 3,930 | 4,520 | 5,690 | 8,730 | 12,760 | 35,630 |
| *2018 to 2038* | *560* | *-500* | *-420* | *240* | *5,310* | *5,190* |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

### Changing Composition of Households

The structural ageing of Ōtautahi's population is also reflected in the growth in the number of households as well as changes in both household composition and in tenure. The majority of the projected growth is expected to occur in couple only and one person households. Couple only and one person households make up around 82% of projected total growth between 2018 to 2038 (Table 4.5). Couples with children tend to have less discretionary income compared to couple without children households on the same gross income. Needing to larger dwellings compared to couples without children increases the challenge for households with children to become owner occupiers.

**Table 4.5: Projected Household Composition 2018-2038 for Urban Christchurch by Tenure**

| Household Composition | 2018 | 2020 | 2023 | 2028 | 2033 | 2038 | 2018 to 2038 |
|---|---|---|---|---|---|---|---|
| | | | | **Urban Christchurch Total** | | | |
| Couple only | 40,110 | 41,690 | 44,010 | 46,460 | 48,510 | 50,520 | 10,410 |
| Couples with children | 34,020 | 34,610 | 35,440 | 36,330 | 36,940 | 37,120 | 3,100 |
| One parent | 16,780 | 17,010 | 17,250 | 17,590 | 18,040 | 18,380 | 1,600 |
| One person | 35,740 | 37,170 | 39,230 | 42,380 | 45,570 | 48,390 | 12,650 |
| Other | 8,240 | 8,300 | 8,420 | 8,440 | 8,590 | 8,610 | 370 |
| *Total* | *134,890* | *138,780* | *144,350* | *151,200* | *157,650* | *163,020* | *28,130* |
| **Owner occupiers** | | | | | | | |
| Couple only | 28,710 | 29,760 | 31,350 | 32,970 | 34,090 | 35,190 | 6,480 |
| Couples with children | 22,440 | 22,530 | 22,660 | 22,770 | 22,750 | 22,440 | 0 |
| One parent | 7,450 | 7,380 | 7,290 | 7,290 | 7,310 | 7,270 | -180 |
| One person | 20,960 | 21,530 | 22,380 | 24,020 | 25,640 | 26,980 | 6,020 |
| Other | 3,430 | 3,390 | 3,340 | 3,170 | 3,150 | 3,140 | -290 |
| *Total* | *82,990* | *84,600* | *87,010* | *90,220* | *92,950* | *95,020* | *12,030* |
| **Renters** | | | | | | | |
| Couple only | 11,440 | 11,930 | 12,660 | 13,490 | 14,420 | 15,330 | 3,890 |
| Couples with children | 11,590 | 12,060 | 12,780 | 13,560 | 14,190 | 14,680 | 3,090 |
| One parent | 9,330 | 9,590 | 9,960 | 10,300 | 10,730 | 11,110 | 1,780 |
| One person | 14,780 | 15,610 | 16,850 | 18,360 | 19,930 | 21,410 | 6,630 |
| Other | 4,810 | 4,920 | 5,090 | 5,270 | 5,440 | 5,470 | 660 |
| *Total* | *51,950* | *54,110* | *57,350* | *60,980* | *64,700* | *67,990* | *16,040* |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

The Central sub-area has more diverse growth in relation to household composition compared to other Urban Christchurch sub-areas (Table 4.6). All the other sub-areas are projected to be dominated by couple only and one person households.

**Table 4.6: Projected Household Composition 2018-2038 for Urban Christchurch by Sub-area**

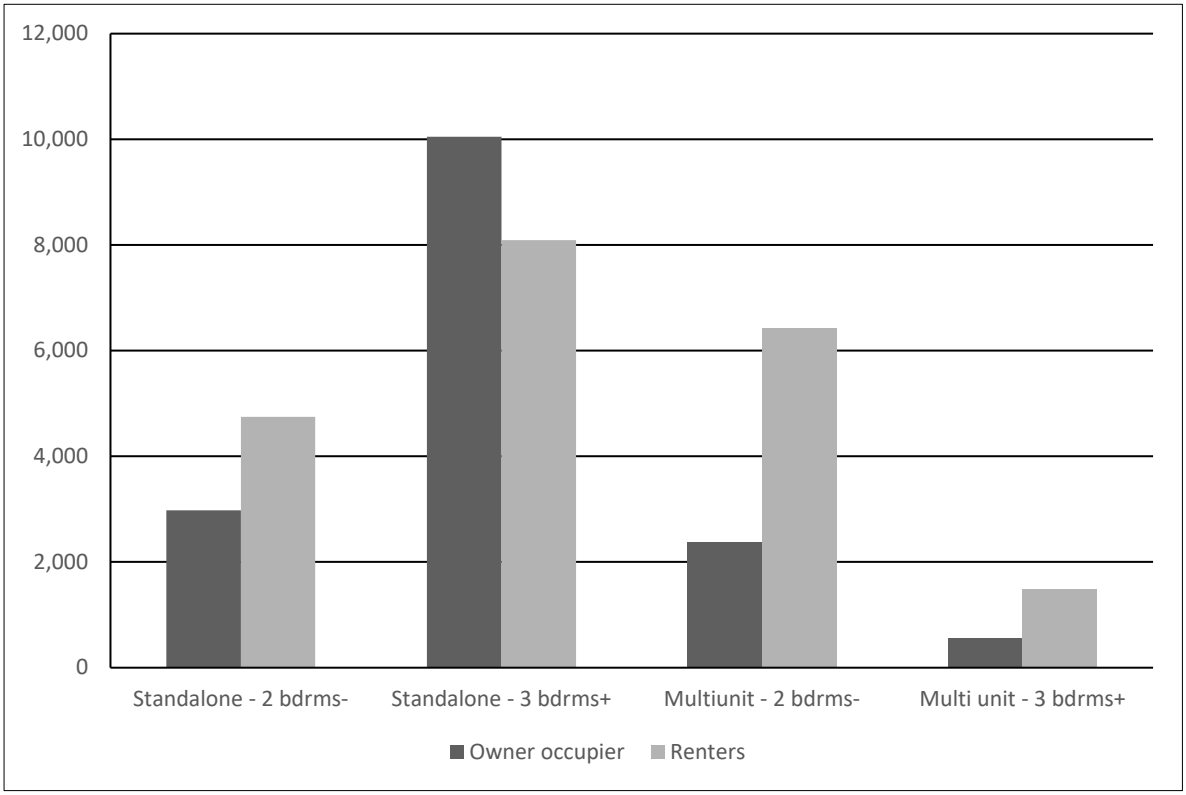
| Urban Christchurch | 2018 | 2028 | 2038 | 2018 to 2038 |
|---|---|---|---|---|
| **Central** | | | | |
| Couples only | 1,100 | 2,270 | 2,810 | 1,710 |
| Couples with children | 290 | 560 | 660 | 370 |
| One parent | 210 | 380 | 440 | 230 |
| One person | 1,160 | 2,440 | 3,200 | 2,040 |
| Other | 320 | 570 | 660 | 340 |
| *Total* | *3,080* | *6,220* | *7,770* | *4,690* |
| **Inner East** | | | | |
| Couples only | 3,320 | 3,640 | 3,770 | 450 |
| Couples with children | 1,880 | 1,920 | 1,870 | -10 |
| One parent | 1,540 | 1,560 | 1,570 | 30 |
| One person | 4,900 | 5,490 | 5,990 | 1,090 |
| Other | 1,000 | 960 | 930 | -70 |
| *Total* | *12,640* | *13,570* | *14,130* | *1,490* |
| **Inner West** | | | | |
| Couples only | 2,480 | 2,740 | 2,910 | 430 |
| Couples with children | 1,700 | 1,750 | 1,760 | 60 |
| One parent | 810 | 820 | 840 | 30 |
| One person | 2,470 | 2,790 | 3,120 | 650 |
| Other | 630 | 610 | 610 | -20 |
| *Total* | *8,090* | *8,710* | *9,240* | *1,150* |
| **Southeast** | | | | |
| Couples only | 3,810 | 4,110 | 4,240 | 430 |
| Couples with children | 3,330 | 3,370 | 3,270 | -60 |
| One parent | 2,370 | 2,360 | 2,350 | -20 |
| One person | 4,370 | 4,840 | 5,250 | 880 |
| Other | 800 | 760 | 730 | -70 |
| *Total* | *14,680* | *15,440* | *15,840* | *1,160* |
| **Southwest** | | | | |
| Couples only | 10,000 | 11,910 | 13,210 | 3,210 |
| Couples with children | 8,790 | 9,790 | 10,240 | 1,450 |
| One parent | 3,800 | 4,160 | 4,460 | 660 |
| One person | 7,820 | 9,530 | 11,130 | 3,310 |
| Other | 2,180 | 2,270 | 2,360 | 180 |
| *Total* | *32,590* | *37,660* | *41,400* | *8,810* |
| **Northeast** | | | | |
| Couples only | 8,920 | 10,030 | 10,850 | 1,930 |
| Couples with children | 8,350 | 8,770 | 8,950 | 600 |
| One parent | 4,320 | 4,470 | 4,690 | 370 |
| One person | 7,280 | 8,380 | 9,560 | 2,280 |
| Other | 1,560 | 1,540 | 1,570 | 10 |
| *Total* | *30,430* | *33,190* | *35,620* | *5,190* |
| **Northwest** | | | | |
| Couples only | 10,480 | 11,760 | 12,730 | 2,250 |
| Couples with children | 9,680 | 10,170 | 10,370 | 690 |
| One parent | 3,730 | 3,840 | 4,030 | 300 |
| One person | 7,740 | 8,910 | 10,140 | 2,400 |
| Other | 1,750 | 1,730 | 1,750 | 0 |
| *Total* | *33,380* | *36,410* | *39,020* | *5,640* |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

### Dwelling Typologies

The method of projection assumes household propensity for different dwelling typologies by household characteristics remain similar between 2018 and 2038. Dwelling typology has the following categories: standalone dwelling with two bedrooms or less; standalone dwelling with three bedrooms or more; multi-unit dwelling with two bedrooms or less, multi-unit dwelling with three bedrooms or more. Figure 4.1 summarises projected growth in demand by dwelling typology and tenure up to 2038. Table 4.7 and Table 4.8 detail those projections.

**Figure 4.1: Projected Typology Pattern Urban Christchurch by Tenure 2038**




Source: Modelled based on data from Statistics New Zealand

**Table 4.7: Numbers of Households in Urban Christchurch by Dwelling Typology and Tenure 2018-2038**

| | Owner occupiers | | | | Renters | | | |
|---|---|---|---|---|---|---|---|---|
| | Standalone | | Multi-unit | | Standalone | | Multi-unit | |
| | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm |
| **2018** | 13,530 | 78,430 | 8,970 | 4,040 | 13,610 | 29,580 | 16,050 | 3,600 |
| **2023** | 14,420 | 82,190 | 9,550 | 4,210 | 14,990 | 32,140 | 18,110 | 4,410 |
| **2028** | 15,140 | 84,740 | 10,160 | 4,400 | 16,090 | 34,240 | 19,600 | 4,670 |
| **2033** | 15,830 | 86,710 | 10,760 | 4,510 | 17,310 | 36,190 | 21,190 | 4,900 |
| **2038** | 16,510 | 88,480 | 11,340 | 4,600 | 18,360 | 37,670 | 22,480 | 5,090 |
| **2018 to 2038** | 2,980 | 10,050 | 2,370 | 560 | 4,750 | 8,090 | 6,430 | 1,490 |

Source: Modelled based on data from Statistics New Zealand NB: Numbers are rounded to the nearest 10 in the modelling

**Table 4.8: Numbers of Households in Urban Christchurch Sub-areas by Dwelling Typology 2018-2038**

| Urban Christchurch Sub-areas | Standalone | | Multi-unit | | Standalone | | Multi-unit | |
|---|---|---|---|---|---|---|---|---|
| | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm | 2- bdrm | 3+ bdrm |
| **Central** | | | | | | | | |
| **2018** | 100 | 210 | 300 | 90 | 610 | 170 | 1,390 | 200 |
| **2028** | 200 | 420 | 680 | 230 | 1,250 | 480 | 2,610 | 380 |
| **2038** | 260 | 480 | 880 | 290 | 1,580 | 640 | 3,250 | 420 |
| **2018 to 2038** | 160 | 270 | 580 | 200 | 970 | 470 | 1,860 | 220 |
| **Inner East** | | | | | | | | |
| **2018** | 940 | 2,010 | 1,300 | 430 | 2,070 | 1,600 | 3,750 | 530 |
| **2028** | 1,010 | 2,030 | 1,320 | 460 | 2,280 | 1,815 | 4,085 | 580 |
| **2038** | 1,030 | 1,920 | 1,340 | 450 | 2,490 | 1,895 | 4,405 | 590 |
| **2018 to 38** | 90 | -90 | 40 | 20 | 420 | 295 | 655 | 60 |
| **Inner West** | | | | | | | | |
| **2018** | 430 | 2,000 | 740 | 460 | 1,220 | 1,010 | 1,750 | 450 |
| **2028** | 460 | 2,075 | 790 | 490 | 1,390 | 1,175 | 1,775 | 600 |
| **2038** | 470 | 2,065 | 820 | 490 | 1,570 | 1,245 | 1,955 | 610 |
| **2018 to 2038** | 40 | 65 | 80 | 30 | 350 | 235 | 205 | 160 |
| **Northwest** | | | | | | | | |
| **2018** | 2,120 | 18,220 | 1,620 | 950 | 1,820 | 6,210 | 1,930 | 560 |
| **2028** | 2,310 | 19,350 | 1,700 | 960 | 1,980 | 7,010 | 2,300 | 810 |
| **2038** | 2,530 | 20,220 | 1,880 | 1,020 | 2,250 | 7,650 | 2,650 | 900 |
| **2018 to 2038** | 410 | 2,000 | 260 | 70 | 430 | 1,440 | 720 | 340 |
| **Northeast** | | | | | | | | |
| **2018** | 2,610 | 16,240 | 1,170 | 590 | 2,060 | 5,800 | 1,550 | 440 |
| **2028** | 2,950 | 17,280 | 1,320 | 620 | 2,230 | 6,480 | 1,800 | 560 |
| **2038** | 3,240 | 17,820 | 1,520 | 670 | 2,540 | 7,150 | 2,110 | 630 |
| **2018 to 2038** | 630 | 1,580 | 350 | 80 | 480 | 1,350 | 560 | 190 |
| **Southeast** | | | | | | | | |
| **2018** | 1,750 | 6,270 | 860 | 300 | 1,310 | 2,550 | 1,400 | 280 |
| **2028** | 1,830 | 6,420 | 890 | 300 | 1,460 | 2,700 | 1,450 | 380 |
| **2038** | 1,880 | 6,310 | 940 | 300 | 1,570 | 2,790 | 1,590 | 420 |
| **2018 to 2038** | 130 | 40 | 80 | 0 | 260 | 240 | 190 | 140 |
| **Southwest** | | | | | | | | |
| **2018** | 2,790 | 16,740 | 1,490 | 610 | 2,260 | 6,120 | 2,140 | 570 |
| **2028** | 3,190 | 18,580 | 1,730 | 670 | 2,750 | 7,290 | 2,790 | 680 |
| **2038** | 3,550 | 19,830 | 1,980 | 690 | 3,180 | 8,150 | 3,260 | 760 |
| **2018 to 2038** | 760 | 3,090 | 490 | 80 | 920 | 2,030 | 1,120 | 190 |

Source: Modelled based on data from Statistics New Zealand NB: Numbers are rounded to the nearest 10 in the modelling

## 5. HOUSING NEED AND UNMET NEED

This section focuses on the renter households within Urban Christchurch that need some assistance to meet their housing requirements beyond any Accommodation Supplement they may access. The discussion provides an analysis of housing need among renters ('renter housing need') and identifies the prevalence of renters whose needs are not only unmet by current market settings but who are also unable to access housing by providers who provide affordable housing ('unmet renter need').

Total ***'renter housing need'*** is constituted by the following sets of households: Financially stressed private renter households; Those households whose housing requirements are met by public housing, community housing providers, and council tenants. These are referred to as social housing tenants for the purpose of this analysis; and People who are homeless or living in crowded dwellings which includes emergency housing.

Total **'unmet renter housing need'** consists of those renting households unable to affordably meet their housing needs without assistance excluding those whose housing need is met by the provision of housing by a public, council or community provider.

**Table 5.1: Comparison with Renter Housing Need with Other Councils**

| Comparative Councils | Renter Housing Need % of All Renting Households | Renter Housing Need % of All Households |
|---|---|---|
| Selwyn District | 39% | 7% |
| Waimakariri District | 53% | 11% |
| Waipa District | 42% | 12% |
| Waikato District | 49% | 14% |
| Napier City | 47% | 16% |
| Western Bay of Plenty | 51% | 16% |
| Kapiti Coast | 61% | 16% |
| Hastings | 56% | 19% |
| Horowhenua | 63% | 19% |
| Tauranga | 58% | 21% |
| ***Christchurch City Council*** | ***63%*** | ***23%*** |
| Porirua City | 69% | 25% |
| Hamilton City | 55% | 26% |
| Lower Hutt | 79% | 28% |

These statistics are sourced from similar studies undertaken in the last two years

The number of households in 'renter housing need' increased between 2018 and 2020 by 1,250 households or 4%. Table 5.2 shows that 'renter housing need' in Urban Christchurch is particularly prevalent in the Northeast, Northwest, Southeast and Southwest sub-areas which had the highest proportions of all renters in need. However, renter housing need as a percentage of all households was highest in Central and Inner East sub-areas.

**Table 5.2: Renter Housing Need in Urban Christchurch by Sub-area 2018-2020**

| Urban Christchurch and Sub-areas | Housing Affordability Stress (A) | Kainga Ora Renters (B) | Other [3] (C) | Total Renter Housing Need Households | Total Renter Housing Need % Renting Households | Total Renter Housing Need % All Households |
|---|---|---|---|---|---|---|
| **Central** | | | | | | |
| 2018 | 690 | 170 | 60 | 920 | 39% | 30% |
| 2020 | 1,010 | 170 | 60 | 1,240 | 41% | 31% |
| **Inner East** | | | | | | |
| 2018 | 2,980 | 980 | 340 | 4,300 | 53% | 34% |
| 2020 | 3,100 | 980 | 340 | 4,420 | 53% | 34% |
| **Inner West** | | | | | | |
| 2018 | 1,520 | 480 | 240 | 2,240 | 49% | 28% |
| 2020 | 1,570 | 480 | 240 | 2,290 | 49% | 28% |
| **Northeast** | | | | | | |
| 2018 | 3,720 | 1,990 | 480 | 6,190 | 63% | 20% |
| 2020 | 3,870 | 1,990 | 480 | 6,340 | 63% | 20% |
| **Northwest** | | | | | | |
| 2018 | 4,340 | 1,500 | 550 | 6,390 | 61% | 19% |
| 2020 | 4,560 | 1,500 | 550 | 6,610 | 61% | 19% |
| **Southeast** | | | | | | |
| 2018 | 2,220 | 1,030 | 270 | 3,520 | 63% | 24% |
| 2020 | 2,270 | 1,030 | 270 | 3,570 | 63% | 24% |
| **Southwest** | | | | | | |
| 2018 | 4,050 | 1,920 | 640 | 6,610 | 60% | 20% |
| 2020 | 4,390 | 1,920 | 640 | 6,950 | 60% | 21% |
| **Total** | | | | | | |
| 2018 | 19,520 | 8,070 | 2,580 | 30,170 | 58% | 22% |
| 2020 | 20,770 | 8,070 | 2,580 | 31,420 | 58% | 23% |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

Table 5.3 sets out the number of households who both:

- need additional support to be housed in the market; and
- have that need unmet.

We refer to those renting households as households with 'unmet renter housing need'.

The number of households in Urban Christchurch in unmet renter housing need is estimated to be 22,100 households in 2018. The number of households in Urban Christchurch in unmet renter need increased to 23,490 households by 2020. Both the number of these households and the prevalence within sub-areas varies.

[3] Other need includes Christchurch City Council's housing stock plus other CHIPS housing stock although with emergency and transitional housing, homeless households and an adjusted for crowded households.

Central, Inner East and Inner West have a high prevalence of unmet need among renters compared to the number of households in the sub-area. By comparison, Northeast, Northwest, Southeast and Southwest have higher numbers of renter households in unmet need, but lower prevalence within the sub-area.

**Table 5.3: Unmet Renter Housing Need in Urban Christchurch by Sub-area 2018-2020**

| Urban Christchurch and Sub-areas | Households with Unmet Renter Housing Need | Unmet Renter Housing Need As % All Households |
|---|---|---|
| **Central** | | |
| 2018 | 750 | 24% |
| 2020 | 1,090 | 27% |
| **Inner East** | | |
| 2018 | 3,320 | 26% |
| 2020 | 3,460 | 27% |
| **Inner West** | | |
| 2018 | 1,760 | 22% |
| 2020 | 1,830 | 22% |
| **Northeast** | | |
| 2018 | 4,200 | 14% |
| 2020 | 4,370 | 14% |
| **Northwest** | | |
| 2018 | 4,890 | 15% |
| 2020 | 5,130 | 15% |
| **Southeast** | | |
| 2018 | 2,490 | 17% |
| 2020 | 2,560 | 17% |
| **Southwest** | | |
| 2018 | 4,690 | 14% |
| 2020 | 5,050 | 15% |
| **Total** | | |
| 2018 | 22,100 | 16% |
| 2020 | 23,490 | 17% |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

Only a quarter of the estimated number of renter households in Urban Christchurch experiencing housing need have their needs addressed through non-market housing provision. Around 75% of renter households in housing need have their needs unmet and consequently are exposed to housing affordability stress and other stresses such as crowding. Their housing is precarious.

## 6. PATHWAYS TO MEETING UNMET NEED

This discussion considers pathways to relieve unmet housing need and to future-proof Urban Christchurch in the context of projected changes in housing demand. It responds to key findings in the analyses presented in previous sections.

What the data show is that enormous pressure has built up for households in the private rental market despite the expansion of the stock owned by property investors. It imperative, then, that:

- The supply of affordable rental housing is increased; and
- Pressure is taken off the rental market by providing low- and modest- income households tenure choices including owner occupation as well as intermediary tenures.

This is not simply a matter of redistributing the current stock or increasing household incomes. Nor, as New Zealand's own experience along with international research has shown, is it effective to build new housing without concern for affordable price points either with regard to rents or the price of ownership (see Mulheirn, 2019 for a review of the international evidence). The production of affordable, low-cost housing is critical. Moreover, as the changing composition of households and age of householders shows, the dwellings that are built need to be able to cater for people of all ages and stages.

The discussion focuses on:

- What the research evidence suggests about the relationship between affordability and home for many of the populations that are vulnerable to unmet need.
- The quantum of supply needed in the affordable rental housing stock for low- and modest- income households.
- Opportunities to de-pressure the rental market through intermediary tenures and owner occupation.
- Issues of dwelling typology and density.

**Affordability and Home for Populations Vulnerable to Unmet Need**

There are diverse housing aspirations and preferences both within and between sub-populations vulnerable to unmet need in New Zealand (Cram, 2016; James & Saville-Smith, 2018; Joynt *et al*., 2016; Yeoman & Akehurst, 2015). Nevertheless, research both here and overseas (e.g., Abramsson & Andersson 2016; Gregory et al. 2020; Opit et al., 2020; Wright et al. 2014) indicates that what people want in their housing are:

- Tenure security
- Comfort and warmth
- Safety in the home, including a basic level of accessibility
- Safety in the neighbourhood

- A location that enables access to services and amenities
- Sense of control over their living environment
- Housing affordability, for both owner-occupiers and tenants
- An appropriately sized dwelling to accommodate the household's needs and activities
- Homeownership remains a strong aspiration across age groups, life stages and ethnicities.

The research also shows that often the housing features that people prefer and need cannot be obtained on the market due to both their ability to pay and the types of housing available. As a consequence, housing choices are limited and needs are often not met.

The following provides insights into the commonalities and diversity in housing needs and preferences of different sub-populations. All of those sub-populations are part of Urban Christchurch's future and many experience unmet housing need right now. Those group are: seniors, young people and young families, Māori, Pacific and disabled people.

**Seniors -** Across several NZ studies, seniors have expressed housing preferences for a home that:

- Helps them to maintain independence as they grow older and become frail.
- Is warm and comfortable.
- Is easy to maintain and repair.
- Is easy to move around in and keeps then safe from home-based injuries. The home is the most common location in which older people are injured, e.g., through trips and falls.
- Is affordable to buy or rent.
- Has cheap on-going running costs in relation to energy use.
- Is compact but has sufficient space for home-based activities and visitors.
- Is close to amenities and services.
- Has an outlook. This can be as simple as a view of the street, or a garden area. The social and psychological benefits of an outlook are that it enables seniors to maintain a connection with others and with their environment.

A very strong theme in the literature is that seniors want a home in which they can stay as they age. There is also a very marked preference to age in the same community (Saville-Smith & James, 2016; James & Saville-Smith, 2018; James, 2020). Having a 'right-sized' home is a prevalent theme in the research, yet seniors constantly struggle to find appropriately sized homes and sections that they can manage in later life, due to a lack of smaller-sized properties and rapidly rising house prices (Saville-Smith, 2019). Even mortgage-free owner-occupiers often struggle to realise sufficient equity on the sale of their property to afford a smaller property in the same area (Saville-Smith *et al*., 2016).

Senior's experiences of housing and home during the Covid-19 pandemic reveal important dwelling design features that reinforce findings from earlier studies (James, 2021). Those features are:

- Having sufficient space in the dwelling for different household members to carry on different activities.
- Dwelling layout where spaces can be flexibility used to enhance privacy and allow for different activities.
- The ability to grow and store food.
- Access to private outdoor space attached to the dwelling.
- Having an outlook or view from inside the home, which helped the senior to feel connected to others.
- Housing amenities that provide comfort, including functioning appliances and adequate heating.
- Digital technology embedded as part of the dwelling's amenities.
- A dwelling located for easy access to green spaces, support services and community infrastructure.
- The critical importance of tenure security. Tenants reported more anxieties about their housing circumstances and dwelling condition than older owner-occupiers and those in other tenures.

There is some evidence of age-related differences in housing preferences from an Auckland study (Yeoman & Akehurst, 2015). Older people are more likely than younger adults aged 18 to 34 years to rate a physically attractive neighbourhood as being very important. Relatively higher proportions of older people, compared to younger people, rate the following features as being very important – freehold title, no stairs, north-facing, an easily-maintained section, easy access to shops and public transport, and age-friendly design.

**Young people and young families -** Households in the active years of family formation have a range of housing needs and preferences, depending on their incomes, household size and cultural preferences. Younger people face considerable barriers to achieving the housing they need and want. Since the early 2000s younger households have faced severe affordability constraints, to the extent that chances of achieving homeownership have been declining and is practically impossible after age 40 (Morrison, 2008). The numbers of those under 40 in the intermediate housing market has grown significantly since 2001 (Mitchell, 2015).

Research on tenure and location choices of 20–40-year-old households in the Auckland region found that the need to live in a location that enabled connection to social networks, employment, study and services was a major driver of housing demand. The most common reasons for moving were a desire to: increase dwelling size; improve house condition and

amenity; enter homeownership; and to leave multi-unit dwellings and acquire a detached dwelling. Reducing housing costs was the main driver of housing demand among a smaller proportion of households in the Auckland study (Beacon Pathway Ltd, 2010; James, 2020).

**Māori Households -** In general, Māori households report pervasive experiences of unaffordable housing, declining homeownership, crowding and a lack of suitable housing in good condition (Statistics NZ, 2016a). Furthermore, Māori experiences of racism in the rental market have been well documented for many decades (Cram, 2020).

One study with 27 Māori key informants found significant features of what makes a house a home for whānau Māori and how housing supports Whānau Ora (Māori collective wellbeing). For Māori, the ontological security[4] of 'home' extends beyond the four walls of a dwelling and into the whenua (land), in acknowledgement of the importance of place for a sense of belonging. Likewise, the social environment extends to encompass whānau who do not live in the same dwelling, as well as whakapapa (genealogy) connections with tipuna (ancestors) who have passed and mokopuna (grandchildren) yet to be born. Key informants noted that a critical barrier to creating a home is the health and wellbeing impacts of poor-quality housing, insecure tenure and unaffordable rental accommodation. The importance of neighbourhoods in shaping housing preferences was also noted. Neighbourhood characteristics can either support or inhibit access to services, community resources and mutual support networks (Cram, 2020).

A study of older Māori renters found that they express a particular appreciation of location (e.g., living close to amenities), having enough space in their home, warmth, quietness and privacy (Cram & Munro, 2020). Those preferences are similar to preferences expressed by older non-Māori.

Significant housing challenges such as living in crowded and sub-standard housing are experienced by young māmā (young Māori mothers), a group disproportionately affected by severe housing deprivation, and a group least likely to be able to afford housing. Research by Adcock *et al.,* (2021) found that social supports and relationships were especially important for helping young māmā to access services and resources. However, their lack of secure and affordable housing results in both material and social exclusion. Crucial for young māmā is the ability to find their own space to parent, which gives them a sense of autonomy, and an ability to create their own home.

Comprehensive design guidelines for Māori housing have been produced, based on Māori cultural needs and preferences, by Hoskins *et al*., (2002). This guide covers urban, suburban and rural housing including stand-alone housing, papakāinga, master planning and re-

[4] Ontological security in relation to housing refers to how people can feel confident, safe and express their own identity in their social and material environment.

developing housing stock to suit changing whānau needs. It includes design considerations for different age groups.

**Pacific households -** Pacific peoples have the worst housing outcomes in New Zealand. They are over-represented in crowded households, have had the most significant decline in homeownership rates and are particularly affected by homelessness (Statistics NZ, 2016a). Despite those challenges, studies also show that Pacific families have a desire for homeownership (Koloto & Associates 2007; Tanielu, 2019).

Pacific peoples find it challenging to access they housing they want and need. They struggle to find housing that is affordable, especially larger homes to accommodate multi-generational families (Joynt et al., 2016). Their aspirations clearly reflect their cultural values rather than simply a need for a spacious home. Koloto & Associates (2007) describe aspirations for a home that allows Pacific families to maintain their collective identity as an extended family, continue the practices that support that identity and provide extended family members with the level of mutual support that is typical and expected. Homes are expected to provide accommodation for extended family as well as guests and have enough surrounding land to grow food. Location is also critical, for enabling families to live close to other families from the same Island group and to be near to church, schools and work.

A study that included building and evaluating a demonstration house for a Tokelauan family in Wellington showed some key housing features important to Pacific families (Gray & McIntosh, 2011):

- A design allowing the family to flexibly use spaces to suit changes in household composition and activities.
- Inclusion of a space for temporary habitation, e.g., for visitors.
- Separate areas for activities for residents of different ages, e.g., spaces to play for younger children and homework spaces for older children.
- Separation of public and private spaces to protect privacy.

**Disabled people -** Statistics NZ research shows that disabled people are more likely than non-disabled people to live in rental accommodation. They are also more likely to live alone or in a couple-only household, reflecting the older average age of disabled people. Disabled children are more likely than non-disabled children to live in a home that is too small for their needs. Moreover, disabled people are more likely to report difficulty keeping their home warm, or that they live in damp housing, compared with non-disabled people (Statistics NZ 2016b).

Unmet housing needs and preferences are apparent. In one survey of disabled people, almost one-quarter reported they had little or no control over where or how they live, and about one-fifth were unhappy with their housing, reporting that it was uncomfortable and

did not meeting their wellbeing needs. Survey respondents identified basic needs for their housing, including closeness to public transport, a warm and dry home, an accessible home, and security. An overriding theme was the need for disabled people to have more agency and choice in their housing (Brown *et al*., 2021).

**Community housing tenants -** Post-occupancy evaluations of new builds undertaken by two community housing providers included a mix of tenants and those in assisted homeownership programmes. The ages of adult residents interviewed were primarily in the 30s-50s age groups. They were interviewed in detail about their home, its design and functionality. Key findings were:

- Residents considered location to be the most critically important feature of their home.
- Affordable housing costs rated highly in residents' satisfaction about their housing.
- There is a need for good quality, durable materials, fixtures and fittings. This reduces the need for repairs and maintenance, increases comfort and safety for residents and reduces on-going dwelling running costs.

### Supply of Affordable Rental Housing

The number of dwellings in the rental sector has increased in Urban Christchurch since 1986 as they have in New Zealand as a whole. The proportion of the housing stock in the rental sector has also increased considerably. That increase is largely in the private rental sector. Council housing, community housing provider and state housing has declined proportionately and, in some cases, numerically. In addition, in the context of community housing providers, a number of affordable housing dwellings have been removed from open access and tied to the IRRS system of public housing and allocations from the public housing register.

Table 6.1 sets out the number of renting households who would have affordable rent at specific price points by sub-areas.

**Table 6.1: Number of Households able to Affordably Rent by Rental Range ($ Per Week) by Sub-area**

| Urban Christchurch Sub-area | Less than $300 | $300 & less than $325 | $325 & less than $350 | $350 & less than $375 | $375 & less than $400 | $400 less than $425 | $425 or more |
|---|---|---|---|---|---|---|---|
| **Central** | 8,00 | 80 | 90 | 90 | 80 | 70 | 1120 |
| **Inner East** | 3,940 | 290 | 300 | 290 | 290 | 210 | 2780 |
| **Inner West** | 1,800 | 150 | 160 | 150 | 160 | 120 | 2060 |
| **Northeast** | 4,840 | 330 | 330 | 330 | 320 | 240 | 3470 |
| **Northwest** | 4,580 | 370 | 370 | 370 | 370 | 260 | 4190 |
| **Southeast** | 2,890 | 210 | 210 | 200 | 210 | 140 | 1700 |
| **Southwest** | 4,860 | 340 | 350 | 340 | 350 | 280 | 4480 |

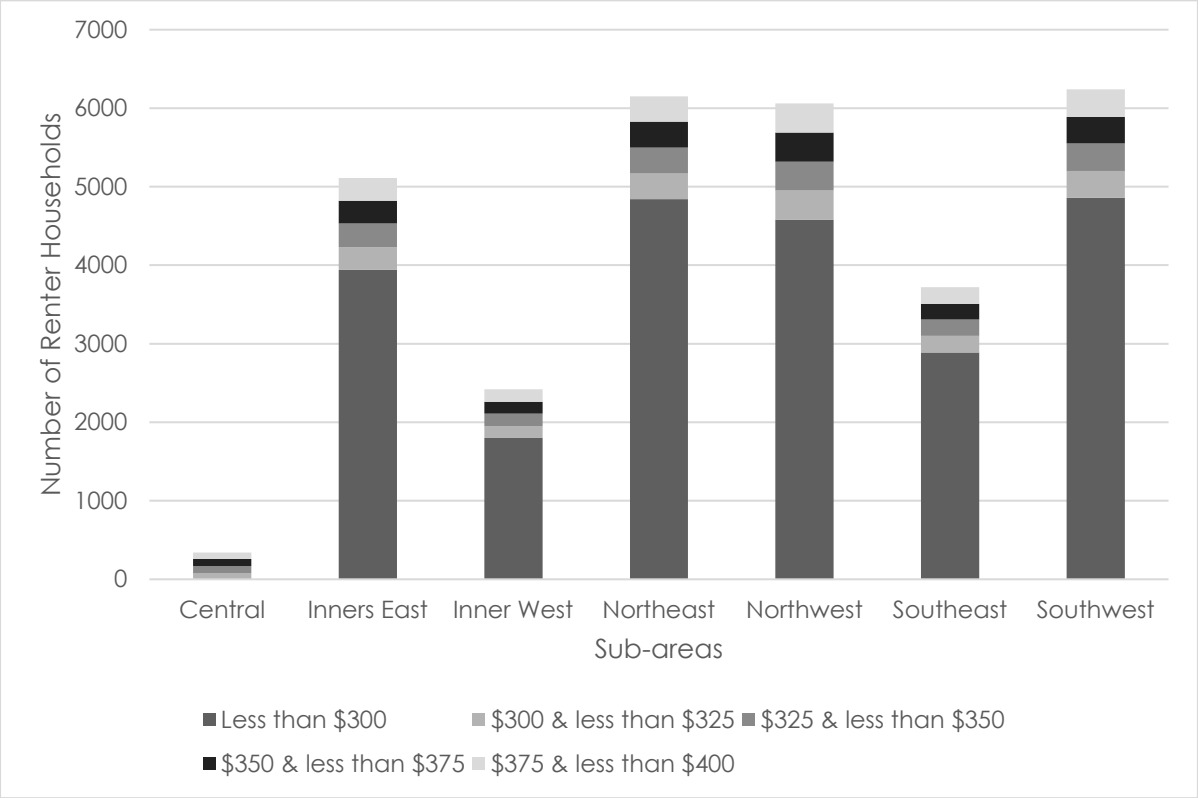
Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

Some 30,040 households require rents that are less than the 2020 median rents indicated by bond data. A little over 7,000 households need rents below median rents but more than the very lowest rent category. This suggests considerable opportunities to provide what is often referred to as rental housing at 'sub-market' rents.

The concept of 'sub-market' rents may be more accurately rendered as 'affordable rentals' in the space between public housing and temporary housing and the unaffordable rental housing supplied by way of the private rental market.

Figure 6.1 shows the distribution of households in rent categories that are affordable to them. Those affordable rents fall between $300 weekly up to $400 weekly which is about the 2020 median rent across Urban Christchurch sub-areas.

**Figure 6.1: Number of Households in Affordable Weekly Rent Categories $300 to 2020 Median Rent**




Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

What this data show is that there are opportunities for housing providers to provide affordable rent to low- and modest- income households in all sub-areas AND across all price points.

That pattern:

- Makes build to rent programmes, if they become established and depending on their settings, a potentially useful vehicle for affordable housing provision along with other policies for accelerating rental housing supply.
- Indicates opportunities for the development of shared rental arrangements. These have been particularly successful for seniors both within and outside Abbeyfield models.
- Suggests that providers seeking to support affordable rental housing do not need to confine themselves to particular sub-areas and can usefully provide a range of rent price points.

**De-Pressuring Rental**

There is a longstanding misconception that support for owner occupation or other intermediate tenures is fundamentally about household aspirations and desire to asset build. This is not the case. Indeed, Germany, which has long epitomised high quality, secure, affordable rental provision, has recently returned to assisting in the provision of owner occupation and intermediate tenures as a way of taking pressure of the rental market. De-pressing rentals involves developing pathways out of rental and into owner occupation or intermediate tenures (including shared ownership, co-operatives, occupation right agreements, secure housing on leased land).

Over 20,000 renter households in Urban Christchurch can afford 2020 median rents and above. Re-directing those households into intermediate tenures or owner occupation provide a way of de-pressuring the rental sector. As Table 6.1 shows, these higher rent affordability households are spread across the Urban Christchurch sub-areas. The following discussion provides an example of the way in which an intermediate tenure approach – in this case shared ownership – can provide viable alternatives for significant numbers of households.

Tables 6.2 and 6.3 estimate the number of renter households able to affordably become owner occupiers. These estimates assume: A mortgage interest rate of 4.5% on a 25 year term; The purchaser has a 10% deposit; and, The purchaser spends no more than 30% of their gross household income servicing their mortgage. In both tables, the equity share percentage assumes the occupier purchases a percentage of the dwelling and an equity investor retains the other remaining percentage.

Table 6.2 presents the total renter household numbers able to affordably buy a dwelling priced at $750,000 with a range of shared equity margins. Table 6.3 presents the number of renter households with incomes of less than $100,000 annually who could affordably buy under similar conditions and price point.

**Table 6.2: Number of Urban Christchurch Renter Households with Ability to Affordably Buy an Equity Share on a Dwelling Priced at $750,000**

| Urban Christchurch Sub-areas | At 100% Equity | At 80% Equity | At 70% Equity | At 60% Equity | At 50% Equity |
|---|---|---|---|---|---|
| **Central** | 280 | 560 | 710 | 890 | 1,100 |
| **Inner East** | 490 | 1,170 | 1,520 | 2,070 | 2,720 |
| **Inner West** | 500 | 1,020 | 1,280 | 1,630 | 2,030 |
| **Northeast** | 640 | 1,520 | 1,960 | 2,620 | 3,400 |
| **Northwest** | 1,050 | 2,040 | 2,540 | 3,270 | 4,110 |
| **Southeast** | 230 | 670 | 890 | 1,240 | 1,670 |
| **Southwest** | 1,010 | 2,100 | 2,650 | 3,460 | 4,390 |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

**Table 6.3: Number of Urban Christchurch Renter Households Earning Less than $100,000 Annually Affordably Able to Buy an Equity Share on a Dwelling Priced at $750,000**

| Urban Christchurch Sub-areas | At 100% Equity | At 80% Equity | At 70% Equity | At 60% Equity | At 50% Equity |
|---|---|---|---|---|---|
| **Central** | 0 | 290 | 440 | 620 | 830 |
| **Inner East** | 0 | 680 | 1,030 | 1,580 | 2,230 |
| **Inner West** | 0 | 510 | 770 | 1,120 | 1,520 |
| **Northeast** | 0 | 880 | 1,320 | 1,980 | 2,760 |
| **Northwest** | 0 | 990 | 1,490 | 2,220 | 3,060 |
| **Southeast** | 0 | 440 | 660 | 1,010 | 1,440 |
| **Southwest** | 0 | 1,090 | 1,640 | 2,450 | 3,380 |

Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

The household numbers in Table 6.2 and Table 6.3 present the size of the potential market for shared equity in Urban Christchurch. Notably among renter households earning less than $100,000 annually, none can purchase at $750,000 outright. Given that median household incomes in Ōtautahi during 2020 were only $83,100, this indicates share equity could be a pathway for households even for households on or above median household incomes.

It needs to be noted that shared ownership will not appeal to all households and any affordable housing provider would need to carefully assess the potential for market penetration and the supports needed by householders to venture into shared ownership arrangements. This is equally the case for the raft of other and different tenure vehicles used overseas and some here in New Zealand. This has been true for occupation right agreements within the retirement village sector. The need for decision-making support and supporting household confidence is also one of the reasons why community housing providers such as Queenstown Lakes Housing Trust, Marlborough Sustainable Housing Trust,

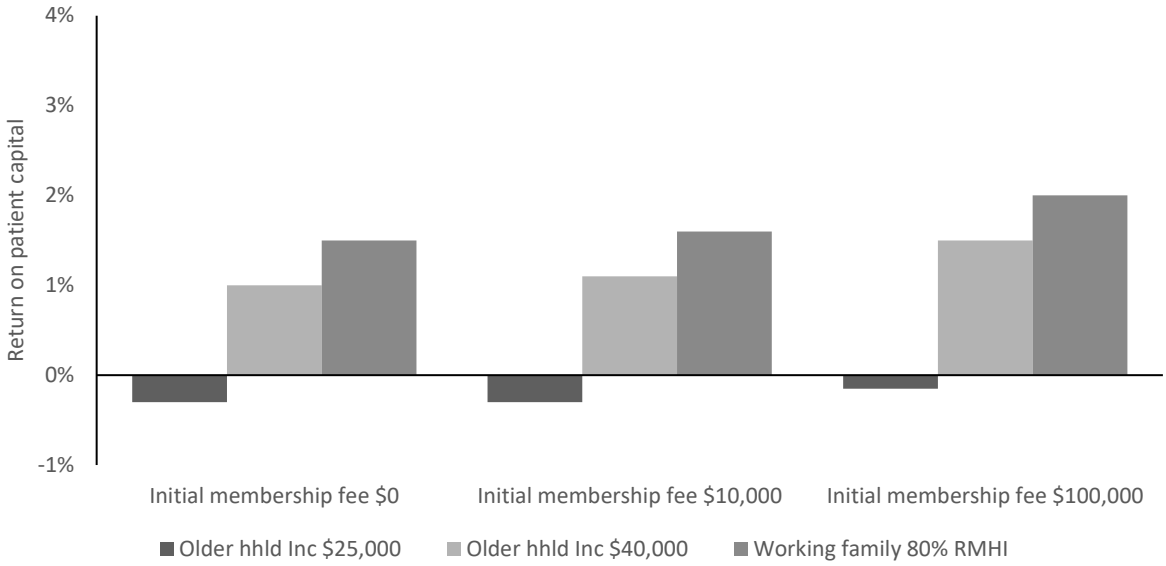
Dwell, the Housing Foundation, Habitat and others as well the Government programme such as progressive home ownership have been prominent among intermediary tenure providers.

In addition to shared ownership, there are rent for own, secure housing in which builds are on land owned by communities and the dwelling is owned by occupants, Abbeyfield arrangements in which shared rental provide enough rental income for senior housing to be built, papakāinga (usually shared ownership, occupation right agreements or rent), unit titles, occupation right agreements, and co-housing. Unit titles, occupation right agreements and co-housing are not currently strongly 'pitched' at affordable housing for low- and modest- income households. Nevertheless, they can all potentially respond to the declining ability of renter households to affordably buy a dwelling as house prices have increased faster than household incomes.

Mitchell (2018) provides an analysis of many intermediary tenure vehicles and their application and potential in New Zealand. There are issues of development finance and borrowing around intermediary tenures in New Zealand because of lack of familiarity with them among the banking sector. Those are exacerbated by the banking sector's desire for simple, formulaic lending vehicles and the risk standards of the Reserve Bank. That resistance can be reduced with alternative funding and investment. Lack of awareness, perceptions of complexity, and lack of familiarity have also inhibited the adoption of vehicles such as co-operative housing in New Zealand, although in Europe, particularly Scandinavia, they have long contributed to the provision of secure, affordable housing.

Because housing co-operatives are so rare in New Zealand, but longstanding elsewhere, Mitchell (2021) has undertaken some additional modelling to explore whether they offer solutions for the crisis in senior's housing. Focusing particularly on the financial sustainability of co-operatives for low- income households typical of retirees. His analysis concludes that returns on patient capital are negative where very low incomes are involved even under a capital contribution. However, with mixed retiree and working households with slightly higher incomes, co-operatives can provide a modest return on capital as well as have a long-term sustainable budget (Figure 6.2).

**Figure 6.2: Co-operative Investment Profile Returns for Mixed Households and Long-term Sustainable Budget with Older Households and Working Families at 80% of Regional Median Household Income (RMHI)**




Source: Modelled based on data from Statistics New Zealand, Headway Systems, MBIE and RBNZ

### Dwelling Typology, Functionality and Density

The building of multi-unit dwellings has frequently been promoted as a way in which dwelling prices may be reduced and made affordable. These arguments have often been predicated on the following assumptions: that multi-unit dwellings generate significant economies of scale in the build process and there are value savings in relation to land prices. In addition, intensification has also been promoted as a way of compacting cities and neighbourhoods to decrease the environmental impacts of built environments. By way of contrast, the building of multi-unit dwellings and intensification has also been criticised for creating neighbourhoods of low liveability, dwellings subject to build problems (particularly leaky homes) and being imposed on low- and modest- income households who have no other housing choices. In addition, multi-unit dwellings, particularly high-rise building typologies, have been criticised as impacting on the amenities of existing neighbours. There is also research suggesting that buildings that require lifts, centralised mechanical ventilation, and sophisticated fire prevention systems are neither as cost-effective in the long-run nor as environmentally sustainable as frequently claimed.

There is a vast body of research on these issues the detailing of which is beyond the scope of this report. However, a few key points can be made in relation to dwellings for low- and modest- income households:

- Irrespective of typology, the functionality of dwellings is critical if they are to provide households liveable environments across the life course and keep them connected to families and friends. Most existing dwellings and new builds are not suitable for ageing

in place and could not accommodate any occupants or visitors with temporary or on-going mobility or sensory limitations. New Zealand has building legislation which excludes universal design or even accessibility from the requirements for residential building. At the same time, LifeMark is recognised internationally as an outstanding set of standards and accreditation for new builds (James et al., 2018; Saville-Smith and Saville, 2012). The costs of meeting those universal design standards are non-existent or low if incorporated at the design stage. In more complex building typologies, the costs of universal design increase. In multi-floor residential buildings, lifts are necessary for access both for residents and for visitors (James et al., 2018; Saville-Smith and Saville, 2012). It should be noted, however, that multi-level dwellings can be accessible without lifts if a bedroom, bathroom and kitchen are situated on ground level.

- Build costs of multi-unit dwellings can be significant especially where additional 'kit' is required to operate the building. Cost savings can be ephemeral and often reflect increased dwelling density generated by small units and associated land cost reductions per unit. Both excessively small units and lack of outdoor space can:
  - reduce liveability; and
  - generate homogenous residential profiles due to constraints of household size and composition.
- Homogenous stock impacts on the adaptability and long-term viability of neighbourhoods.
- Intensification and its benefits can be achieved through a variety of building typologies and sizes within a neighbourhood or development. Lot sizes often determine density. Where lot sizes are small and part of both master planned developments and infill, significant densities can be achieved (Popal, 2020; Diamond, 1976; Taylor, 2008). This approach is often referred to as 'gentle intensification' or 'middle housing'.

## 7. MAKING A DIFFERENCE

To recap, the key findings in Sections 2-6 are broadly as follows:

- Section 2 shows the increasing misalignment between household incomes, rents and house prices around median household incomes and below.
- Section 3 demonstrates that:
  - Considerable numbers and proportions of households in Urban Christchurch face housing affordability stress.
  - A small but significant proportion of households are burdened by crowding.
  - Around 45% of renting households in Urban Christchurch are in the intermediate housing market.
- Section 4 shows that:
  - Many of the household characteristics associated with housing stress and precarity in Urban Christchurch are likely to increase in the period up to 2038. This includes:
    - Increases in the number and proportion of households dependent on the private rental market.
    - Expanding numbers and proportions of households with low and modest incomes, particularly with limited potential to increase household incomes including:
      - Senior households
      - One parent, one person and couple only households.
    - Increased numbers of senior households.
  - Urban Christchurch will require a very different stock typology as well as more affordable housing for low- and modest- income households into the future.
- Section 5 reveals that some rental households whose affordable and other housing needs are not met by the private sector have found housing support elsewhere. Nevertheless, there remains in excess of 20,000 renter households with unmet housing need in Urban Christchurch.
- Section 6 suggests that:
  - There are a multiplicity of approaches to develop affordable housing by expanding the supply of affordable rents or by relieving pressure on the rental market by diverting households into owner occupation of intermediary tenures.
  - Over 4,000 renter households in Urban Christchurch could be assisted into full owner occupation if dwellings were at the right price point and around 18,000 renters could afford some sort of shared equity product with 50% ownership.
  - There are substantial numbers of renter households with annual incomes less than $100,000 that could enter into some intermediary tenure in right price pointed dwellings.

  - Opportunities to provide affordable housing can be found across all Urban Christchurch sub-areas but in differing numbers.

What does making a difference entail? The data suggests that diversity in relation to tenure, dwelling typology and price points are most likely to embrace the range of households currently exposed to unmet housing need. Unmet need is so great that provision of new builds affordable to low- and modest- income households will not lead to over-supply in the short to medium term. But there are some issues of positioning of, and product, for any organisation wishing to invest in, develop or build in Urban Christchurch.

Any organisation seeking to improve the supply and access to affordable housing needs to do so recognising they will be doing so as part of a wider housing system. That system includes market housing which meets the needs of some but not others. Among the those in housing need there are already providers delivering to about 25% of renter households in unmet need. Questions, nevertheless, arise around how to approach that 75% of renter households in unmet need.

Irrespective of whether investment, development or provision are at the centre of any proposed activity, the following points apply:

- Any activity should be carefully positioned to avoid crowding out other actors and providers. This means ensuring that the focus of activity does not substitute or backfill what others already do or are responsible for.
- It is important to recognise the trickle down of exclusion in the housing system. The decline in access of low- and modest- income households to owner occupation has driven them into the rental market. Despite the enormous growth in rental stock, those who previously relied on rentals find themselves in very precarious housing as others with more resources crowd into the rental stock.
- Housing investment and provision should be seen as long-term and can have multiplier effects including drawing collaborative partners.
- Maintaining affordability in the longer term by either recycling invested capital across multiple households or by retaining the housing stock as affordable is critical.
- Some households have resources that could be utilised to provide for better housing solutions for themselves, but also take pressure off the rental market and relieve temporary housing supply and homelessness. Intermediate tenures provide opportunities to leverage those resources.
- Diversity in stock and diversity in tenures provide choice and adaptability.
- Dwellings need to be:
  - Affordable to operate as well as purchase;
  - Adaptable to changing needs; and
  - Suitable for all ages and stages.

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