RESEARCH REPORT

Housing Demand and Need in Tauranga and Western Bay of Plenty

Prepared for SmartGrowth Bay of Plenty Partnership, Tauranga City Council, Western Bay of Plenty District Council, and Bay Trust

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Authors – Ian Mitchell / Chris Glaudel

Livingston and Associates Ltd / Community Housing Solutions Ltd

ian.mitchell@livingstonassociates.co.nz / projects@communityhousing.org.nz

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1. Executive Summary

In accordance with your instructions, we have prepared our report on the current and future housing demand in Tauranga and Western Bay of Plenty. This report has been prepared for SmartGrowth and partners to assist them to better understand housing trends in the sub-region across a range of characteristics. It is aligned with the reporting timeframes required under the National Policy Statement (NPS) on Urban Development Capacity 2016. In accordance with the requirements of the NPS the demand estimates are presented for the following timeframes short term (0 to 3 years), medium term (4 to 10 years), and long term (11 to 30 years). This report should not be used for any other purpose or by any other party. The assignment's objective is to provide detailed analysis of housing demand by a range of demographic characteristics including:

- Tenure (owner occupiers, private renters and the need for social housing);
- Age of the household reference person; and
- Household composition (household types will include couple only, couples with children, one parent, one person and other).

Key trends

Our analysis indicates housing affordability is an increasing challenge, despite the proactive planning of the SmartGrowth Partnership. Substantial work has been done to coordinate growth patterns and associated infrastructure to ensure an adequate supply of land. Many of the trends identified are larger societal changes in demographics and external economic forces that cannot be controlled at a local level. Among the trends detailed in the report are:

- Homeownership rates have been falling and are projected to drop to 58.1% in the Western Bay of Plenty and 54.6% in Tauranga City by 2047;
- Couple-only renter households will grow the most, increasing 112% by 2047;
- Renter occupied dwellings with people aged 65 years and older are projected to increase by 6,830 (or 222%) in Tauranga and 1,970 occupied dwellings (or 182%) in Western Bay of Plenty;
- Home prices increasing by double the rate of household incomes and rents increasing one percentage point per annum faster than incomes since 1991;
- Renter stress is increasing across the sub-region and impacting households at higher income levels;
- Nearly 90% of renters cannot affordably purchase a home priced at $500,000 and the median home price in March 2017 was $620,000 in Tauranga and $550,000 in Western Bay of Plenty;
- Over 100% projected growth in couple only and one person renter households by 2047; and
- An increase in households aged 65 years and older from 32% in 2017 to 43% in 2047.

Responding to these trends will require continued planning and leadership by the SmartGrowth Partnership and the broader community. A range of potential short, medium and long term responses are offered for consideration to deliver the type, size and price of homes needed to meet current and future households.

Demand by demographic characteristics and tenure

Table 1.1 presents the projected change in the total number of occupied dwellings in Tauranga and Western Bay of Plenty between 2017 and 2047.

Table 1.1: Total number of occupied dwellings in Tauranga and Western Bay of Plenty 2017 to 2047

Year	Tauranga City			Western Bay of Plenty		
	Occ dwellings	Total change	Ann ave chge	Occ dwellings	Total change	Ann ave chge
2017	51,000			21,600		
2020	54,600	3,600	1,200	22,900	1,300	430
2027	63,200	8,600	1,230	25,500	2,600	370
2047	83,100	19,900	1,000	29,800	4,300	220

Source: Modelled based on data from SmartGrowth, NIDEA[1] and Statistics New Zealand

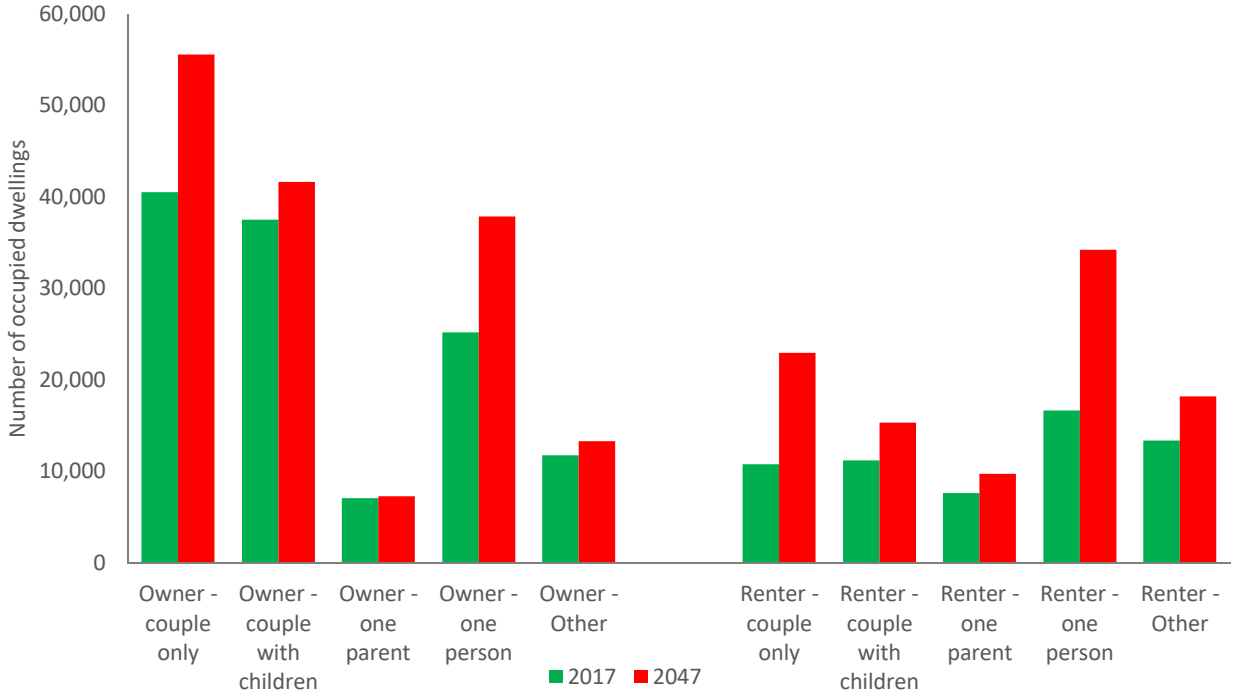
Tauranga and Western Bay of Plenty, like the rest of the country, has experienced a significant fall in the relative level of owner occupation particularly in younger aged cohorts. The tenure trend in cohorts by age and household composition are used as the basis for modelling future tenure projections.[2] Tenure modelling projections indicate that the rate of owner occupation will erode to 58.1 percent in Western Bay of Plenty and 54.6% in Tauranga City by 2047.

[1] National Institute of Demographic and Economic Analysis (NIDEA)

[2] An overview of the tenure modelling methodology is presented in Appendix 2.

Figure 1.1 presents the projected trend in the number of occupied dwellings by household composition and tenure between 2017 and 2047.

Figure 1.1: The number of occupied dwellings by tenure and composition in Tauranga and WBoP



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand

Couple only renter occupied dwellings are projected to experience the strongest proportional growth increasing by 112% between 2017 and 2047 and one person renter occupied dwellings are also projected to grow by 105% over the same time period. Owner occupied dwellings with couple only and one person compositions are also projected to experience strong growth increasing by 37% and 50% respectively between 2017 and 2047.

Table 1.2 presents the trend in the number of occupied dwellings by tenure and the age of the reference person between 2017 and 2047.

Table 1.2: Number of occupied dwellings by tenure and age of the household reference person 2017 to 2047

	Number of occupied dwellings						Annual change in number of occupied dwellings				
	Less than 30 yrs	30 to 39 yrs	40 to 49 yrs	50 to 64 yrs	65 yrs & over	Total	Less than 30 yrs	30 to 39 yrs	40 to 49 yrs	50 to 64 yrs	65 yrs & over
Tauranga											
Owners											
2017	1,290	3,410	5,500	9,740	12,710	32,650					
2020	1,340	3,570	5,340	10,190	14,040	34,470	20	50	-50	150	440
2027	1,390	3,980	5,100	10,310	17,370	38,150	10	60	-30	20	480
2047	1,660	4,520	6,290	10,020	23,030	45,520	10	30	60	-10	280
Renters											
2017	4,410	4,020	3,430	3,420	3,080	18,370					
2020	4,730	4,460	3,590	3,880	3,590	20,240	110	150	50	150	170
2027	5,370	5,500	4,170	4,850	5,020	24,910	90	150	80	140	200
2047	6,270	7,260	6,510	7,630	9,910	37,570	50	90	120	140	240
WBOP											
Owners											
2017	410	1,130	2,370	5,270	5,700	14,880					
2020	420	1,150	2,140	5,250	6,430	15,380	0	10	-80	-10	240
2027	420	1,310	1,840	4,680	8,240	16,480	0	20	-40	-80	260
2047	450	1,340	2,220	3,560	9,730	17,300	0	0	20	-60	70
Renters											
2017	1,620	1,430	1,260	1,450	1,080	6,840					
2020	1,660	1,680	1,300	1,610	1,250	7,500	10	80	10	50	60
2027	1,570	2,310	1,580	1,870	1,740	9,050	-10	90	40	40	70
2047	1,550	2,310	2,670	2,830	3,050	12,420	0	0	50	50	70

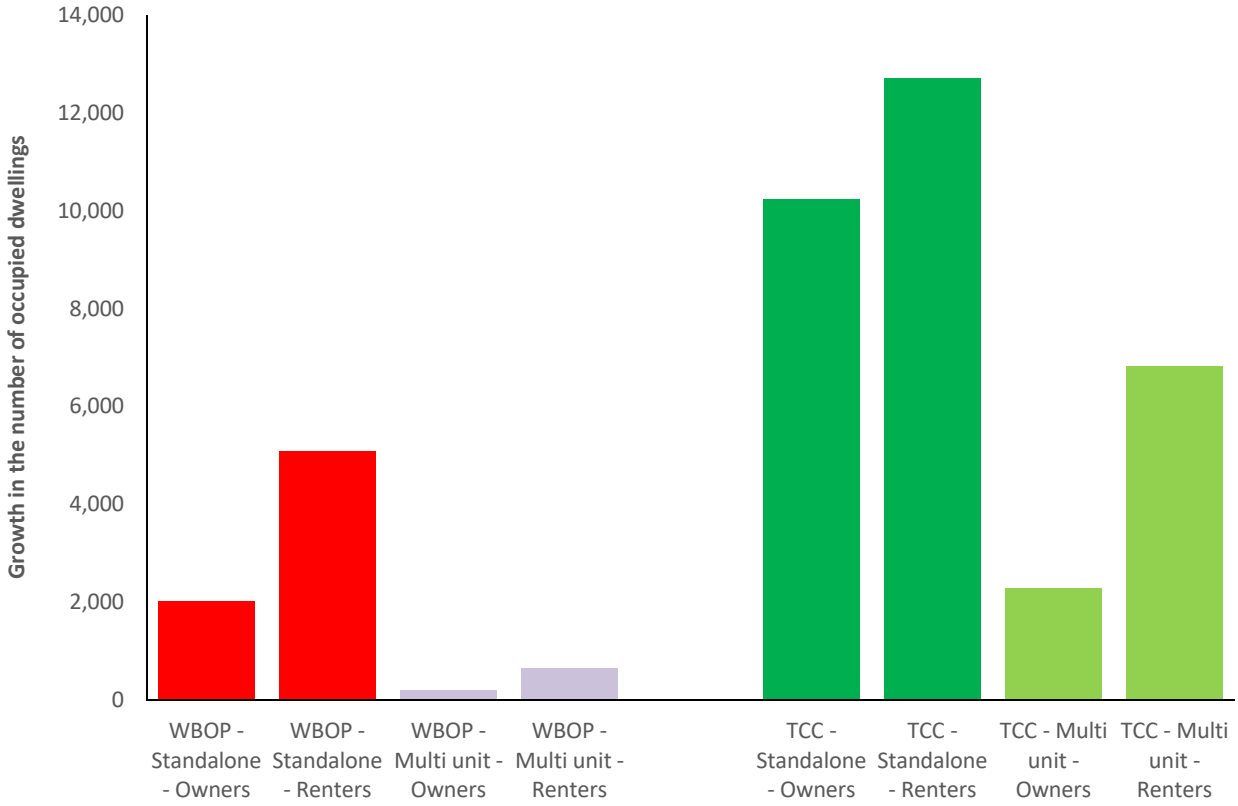
Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

Both renter and owner-occupied dwellings are projected to experience strong growth. Renter occupied dwellings with people aged 65 years and older are projected to increase by 6,830 (or 222%) in Tauranga and 1,970 occupied dwellings (or 182%) in Western Bay of Plenty. Owner occupiers aged 65 years and over are also expected to experience strong growth.

Demand by dwelling typology

The implications of the demographic and tenure trends on the demand for dwellings by typology[3] is presented in Figure 1.2. Dwelling typology is divided into 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; and multi-unit dwelling with three bedrooms or more.

Figure 1.2: Projected demand by dwelling typology and tenure 2017 to 2047



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Demand for standalone dwellings is predominately for units with three or more bedrooms whilst multi-unit demand is typically for units with fewer bedrooms. The analysis implies renters in Tauranga and Western Bay of Plenty have a higher propensity to rent multi-unit dwellings relative to standalone dwellings when compared to owner occupiers.

[3] An overview of the methodology used is presented in Appendix 2 and assumes the propensity for households with different characteristics (age, household composition and tenure) for different dwelling typologies remains the same between 2017 and 2047.

Housing affordability

Housing affordability comes under pressure when housing costs increase at a faster rate than household incomes. Variations in interest rates can mask the underlying trends in first home buyer affordability in the short to medium term.

Table 1.3 presents the trend in median house sale prices, rents and household incomes between 1991 and 2017.

Table 1.3: Median house prices, median rents and median gross household incomes – 1991 to 2017

	Median sale price, rents and household income						% change 1991 to 2017	
	Mar-91	Mar-96	Mar-01	Mar-06	Mar-13	Mar-17	Total %	Annual Ave
House prices								
Tauranga City	$110,000	$165,000	$197,000	$366,000	$381,000	$620,000	464%	6.9%
Western BOP	$110,000	$135,000	$184,000	$350,000	$349,000	$550,000	400%	6.4%
House rents								
Tauranga City	$140	$195	$200	$280	$340	$420	200%	4.3%
Western BOP	$120	$160	$175	$230	$280	$371	209%	4.4%
Household incomes								
Tauranga City	$28,600	$29,900	$33,300	$45,500	$55,800	$65,300	128%	3.2%
Western BOP	$27,000	$30,400	$35,500	$46,800	$55,600	$65,000	141%	3.4%

Source: MBIE & Statistics New Zealand

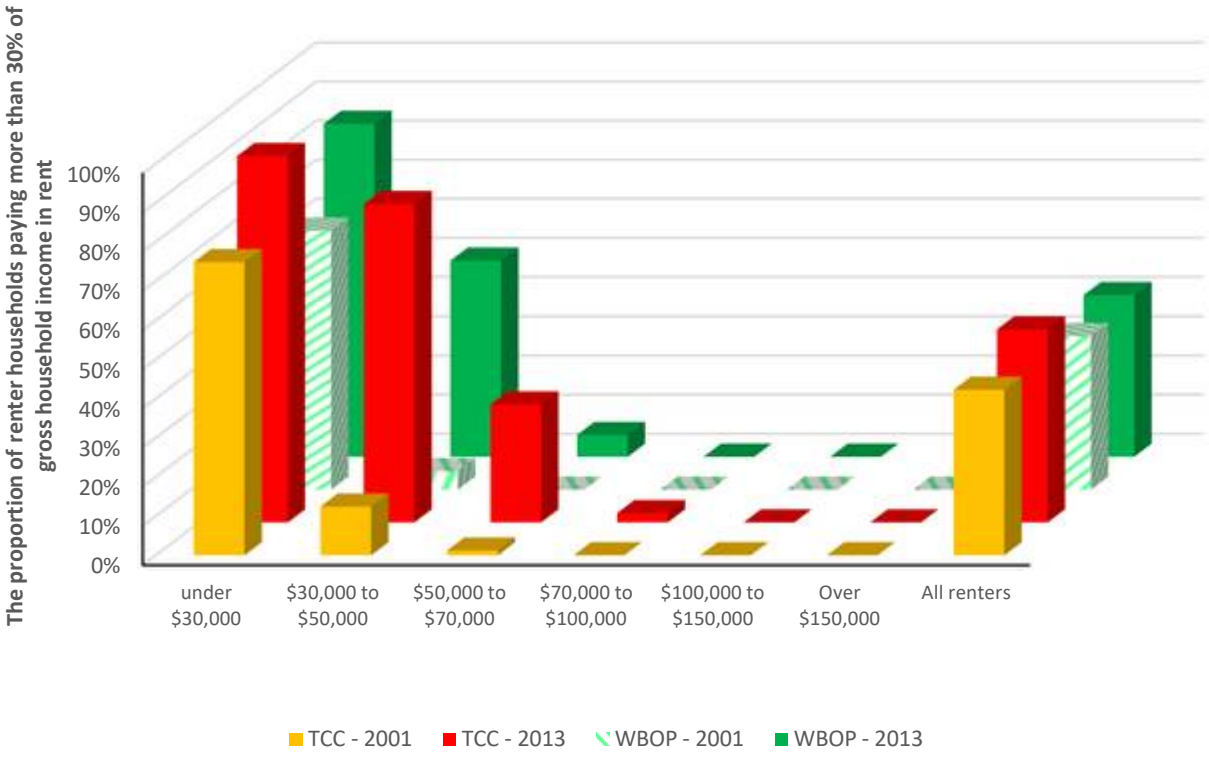
The deterioration in housing affordability is a result of housing costs increasing at a faster rate than household incomes. House prices have increased around double the annual average compounded rate of growth as household incomes whereas rents have increased at between 1.1 and 1.0 percentage points per annum faster than household incomes. These trends have had an impact on key affordability measures over time.

Renter occupied dwellings are considered to experience housing stress when they pay more than 30% of their gross household income in rent. The deterioration in housing affordability has increased the number of private renter occupied dwellings experiencing housing stress[4].

[4] Renter stress is significantly lower in social housing as current income related rent policy limits the cost to 25% of income in eligible households. These households typically have needs beyond affordability although it is also important to note that if they rented their accommodation in the private market they would very likely to be stressed.

Figure 1.3 presents the trend relating to the level of housing stress between 2001 and 2013 by gross household income in Tauranga and Western Bay of Plenty.

Figure 1.3: Housing stress by gross household income 2001 and 2013 in Tauranga and Western Bay of Plenty



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand

The proportion of occupied dwellings experiencing housing stress increased for renters earning $30,000 to $50,000 (from 12% to 81% in Tauranga and 5% to 50% in Western Bay of Plenty) between 2001 and 2013. Over the same time period the proportion of occupied dwellings earning between $50,000 and $70,000 experiencing housing stress also increased (from 1% to 30% in Tauranga City and 0% to 6% in Western Bay of Plenty). Typically, private renter housing stress is higher for low income occupied dwellings.

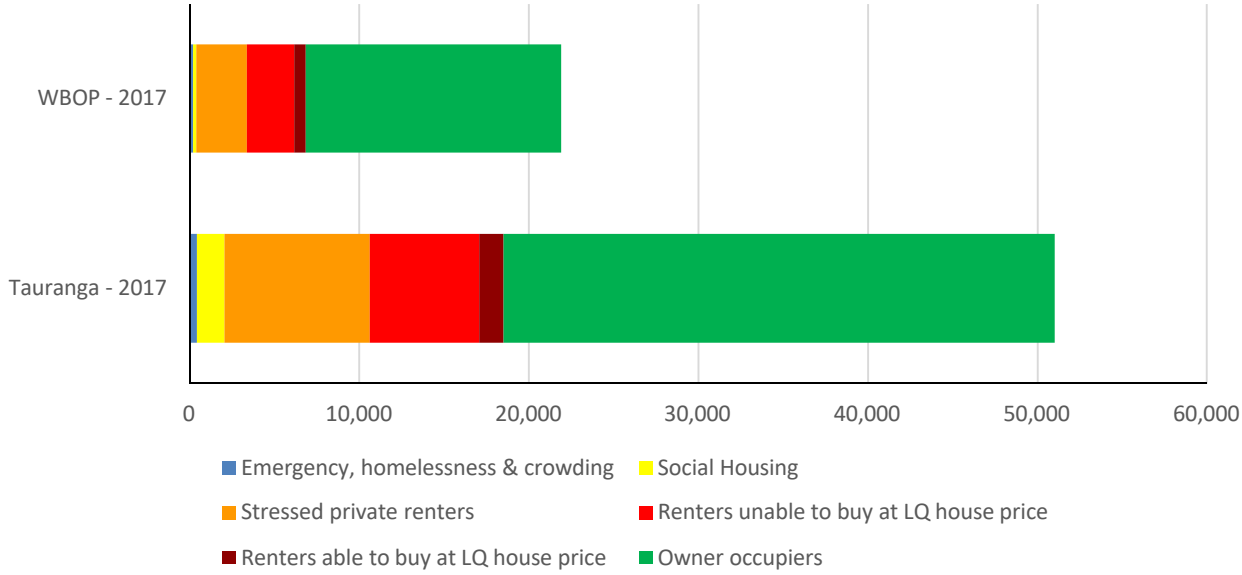
The housing continuum

The Housing Continuum provides insight into the relative sizes of the different housing sub-groups along a continuum which stretches from emergency and homeless households to owner occupation. This progression can be summarised as:

- Emergency, homelessness and crowding;
- Social renters with housing needs in addition to financial affordability;
- 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.

Changes in the relative size of these groups reflect the pressures within the continuum over time. Figure 1.4 presents the modelled housing continuum as at 2017.

Figure 1.4: Housing Continuum 2017



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

The largest group of renter households are categorised as stressed (paying more than 30% of their household income in housing costs). There is also a relatively large group of renters who are earning sufficient income to pay the median rent however earn insufficient income to affordably purchase a dwelling at the lower quartile house sale price.

Housing need

Housing need is a measure of the total number of renter occupied dwellings within a community which require some assistance to meet their housing requirements. Total ***'renter housing need'*** encapsulates a number of different groups of households and includes the following groups:

- Financially stressed private renter households;
- Those households whose housing requirements are met by social, third sector and emergency housing; and
- People who are homeless or living in crowded dwellings.

Total renter housing need = stressed private renter households + social housing tenants + other need

'Other need' encapsulates those households who because of their circumstances have housing needs in addition to affordability. Social renters are defined as the number of households, who because of their circumstances are in Housing New Zealand Corporation (HNZC), local authority, and third sector. Other need includes those households in emergency housing, crowded households, or are homeless. Table 1.4 presents the analysis of total housing need as at 2017.

Table 1.4: Total housing need as at 2017

	Financial Housing Stress (A)	Other Need			Total Housing Need (A + D)	% of All Renters	% of All Households
		Social Renters (B)	Other (C)	Total Other Need (B + C =D)			
Tauranga City	8,460	1,610	580	2,190	10,650	58%	21%
Western BOP	2,980	200	280	480	3,460	51%	16%
Combined	11,440	1,810	860	2,670	14,110	56%	19%

NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.
NB: The analysis is based on data from NIDEA, census, population projections (TCC, WBOP, & Statistics New Zealand), MBIE, and HNZC.

The overall level of housing need is greater in Tauranga City than in Western Bay of Plenty. This is a reflection of the higher number of low income renters and social renters living in the city. Tauranga City's relative level of housing stress is slightly higher than Greater Wellington (54% of all renters) and lower than areas such as Porirua (68% of all renters) and Masterton (67% of all renters). Western Bay of Plenty has lower levels of housing need which is a reflection of the relative income distribution of the renter households living in their submarkets

The relative level of housing need is expected to increase across Tauranga and Western Bay of Plenty. Between 2017 and 2047 total need is projected to increase by 16,000 households (or 113%). A total of 80% of the projected increase in total need is expected to occur in Tauranga City.

This is primarily a reflection of the projected increase in the number of older one person and couple only renter households aged 65 years and older. As these relatively fixed low-income households increase as a proportion of all renter households the level of housing need increases.

In summary, as shown in Table 1.1, the number of occupied dwellings in Tauranga and Western Bay of Plenty are projected to experience a 63% and 38% increase respectively over the next 30 years. However, the nature of the demand is likely to change reflecting the variation in the metropolitan area's households by tenure, age of the household reference person and household composition. These changes will result in:

- Owner occupiers are projected to be responsible for increased demand for 12,280 standalone dwellings (or 26% of the total demand) and 2,490 multi-unit dwellings units (or 3% of total demand); and
- Renter households are projected to be responsible for increased demand for 17,800 standalone dwellings (or 64% of the total demand) and 7,490 multi-unit dwellings units (or 7% of total demand).

Policies and Strategies

The final section of the report presents a range of actions the SmartGrowth Partnership could consider with the objective of improving housing outcomes particularly for those on lower incomes. The policies and strategies offered for consideration in the final section of the report are responses to the documented trends in housing supply, household demographics, and housing affordability. It is noted that the SmartGrowth Partnership is proactive in planning for growth. Substantial work has been done to coordinate growth patterns and associated infrastructure to ensure an adequate supply of land. Many of the trends identified are larger societal changes in demographics and external economic forces that cannot be controlled at a local level. The significant increase in home prices and rents from around 2014 appears to have been fuelled by strong inward migration along with high investor activity from outside the local market area. Capital flows much faster than housing production. This external shock could not have been planned for and building capacity was stretched to the limit to deliver increased supply. The results document a challenging current and future environment for many residents:

- Homeownership rates have been falling and are projected to drop to 58.1% in the Western Bay of Plenty and 54.6% in Tauranga City by 2047;
- Couple-only renter households will grow the most, increasing 112% by 2047;
- Renter occupied dwellings with people aged 65 years and older are projected to increase by 6,830 (or 222%) in Tauranga and 1,970 occupied dwellings (or 182%) in Western Bay of Plenty;
- Home prices increasing by double the rate of household incomes and rents increasing one percentage point per annum faster than incomes since 1991;
- Renter stress is increasing across the sub-region and impacting households at higher income levels;
- Nearly 90% of renters cannot affordably purchase a home priced at $500,000 and the median home price in March 2017 was $620,000 in Tauranga and $550,000 in Western Bay of Plenty;
- Over 100% projected growth in couple only and one person renter households by 2047; and
- An increase in households aged 65 years and older from 32% in 2017 to 43% in 2047.

There is no single action which can address all the trends. A suite of tools will be required to make improvements. These need to be implemented with the understanding that the current situation reflects over a decade of declines in affordability and changing demographics. The impacts from adopted policies and actions will likewise take time to reverse these trends. The recommendations are presented to the SmartGrowth Partnership to consider, with the objective of improving housing outcomes particularly for those on lower incomes.

The report provides a number of strategies which could be adopted to encourage homes better matched to household sizes and incomes and these include:

- Land development leadership;
- Land planning leadership;
- Inclusionary zoning;
- Value uplift/ betterment levies/ targeted rates;
- Scale up community housing trusts;
- Support Iwi housing initiatives;
- Support shared ownership proposals;
- Coordinated advocacy;
- Monitor short term rentals (e.g. Airbnb) and their impact on the long-term rental market;
- Student housing initiatives; and
- Seasonal worker housing initiatives.

The land development and land planning leadership ideas will require active involvement by the Councils, deploying their assets and skills to lead change. Recommendations include direct development on Council land and also mechanisms to reduce risks faced by developers and builders to encourage adoption of new typologies.

Both Inclusionary zoning and value uplift are tools which can provide additional resources to deliver affordable homes, encourage new typologies and support enhanced amenities. To maintain the value provided by these tools, it is recommended to scale up local community housing trusts. These trusts and Iwi providers can deliver a range of homes meeting needs which the private market doesn't cater to. One of these needs is a shared ownership programme which will expand the opportunity for homeownership to households currently unable to afford full market prices.

A range of advocacy opportunities are also identified. Many of the challenges facing the sub-region are concerns for many other communities. Many of the responses will require support from central government. Topics for coordinated advocacy include infrastructure funding, Urban Development Authorities, and expanded access to the Income Related Rent subsidy for the lowest income households. Additional topics considered are the increasing use of short term rental internet sites such as AirBnB, the demand for student housing with the opening of the Waikato University campus in Tauranga, and seasonal worker housing demand increasing with projected expansion in the horticultural industry.

Figure 1.5 presents a summary of the potential strategies and policies discussed in Section 5 of the report mapped to the Housing Continuum.

Figure 1.5: Potential Strategies and Policies mapped to the Housing Continuum

Theme	Potential Strategies and Policies mapped to the Housing Continuum	Timing
Land Development Leadership	Urban Development Authorities	Short-Medium
	Direct Developments	Short-Medium
	Promote Delivery Models	Short-Medium
Land Planning Leadership	Integrate Strategy and Processes	Short-Medium
	Develop Design Guidelines	Short-Medium
	Inclusionary Zoning	Medium-Long
	Value Uplift	Medium-Long
Capacity Building	Scale up Community Housing Trusts	Short-Medium
	Support Iwi Initiatives	Short-Medium
	Support Shared Ownership	Short
Coordinated Advocacy	Infrastructure Funding	Short
	Income Related Rent Policy	Short
	Understanding Household Assets, Aspirations and Needs	Medium
Sector Specific Housing	Monitor Rentals	Ongoing
	Student Housing	Short-Medium
	Seasonal Worker Housing	Ongoing

2. Introduction

In accordance with your instructions we have prepared our report on the current and future housing demand in Tauranga and Western Bay of Plenty. This report has been prepared for SmartGrowth and partners to assist them to better understand housing trends in the sub-region across a range of characteristics. It is aligned with the reporting timeframes required under the National Policy Statement (NPS) on Urban Development Capacity 2016. In accordance with the requirements of the NPS the demand estimates are presented for the following timeframes short term (0 to 3 years), medium term (4 to 10 years), and long term (11 to 30 years). This report should not be used for any other purpose or by any other party

The assignment's objective is to provide detailed analysis of housing demand by a range of demographic characteristics including:

- Tenure (owner occupiers, private renters and the need for social housing);
- Age of the household reference person; and
- Household composition (household types will include couple only, couples with children, one parent, one person and other).

In addition, a review of the current housing stock typology is included along with the implications of these demographic trends in terms of the type and size of dwelling typology required for future growth. The range of dwelling typologies included in the analysis are standalone housing, multi-unit dwellings and apartments. In addition to the overall demand estimates, housing affordability trends for both owner occupier and renter occupied dwellings are presented.

Potential policy responses to help address the documented demand are presented. The responses need to be considered in relation to current and future demand and growth patterns. In addition, any actions taken should be aligned across the councils. The adoption of incentives or restriction in one, but not the other, may result in unintended changes in supply responses which undermine the desired outcomes.

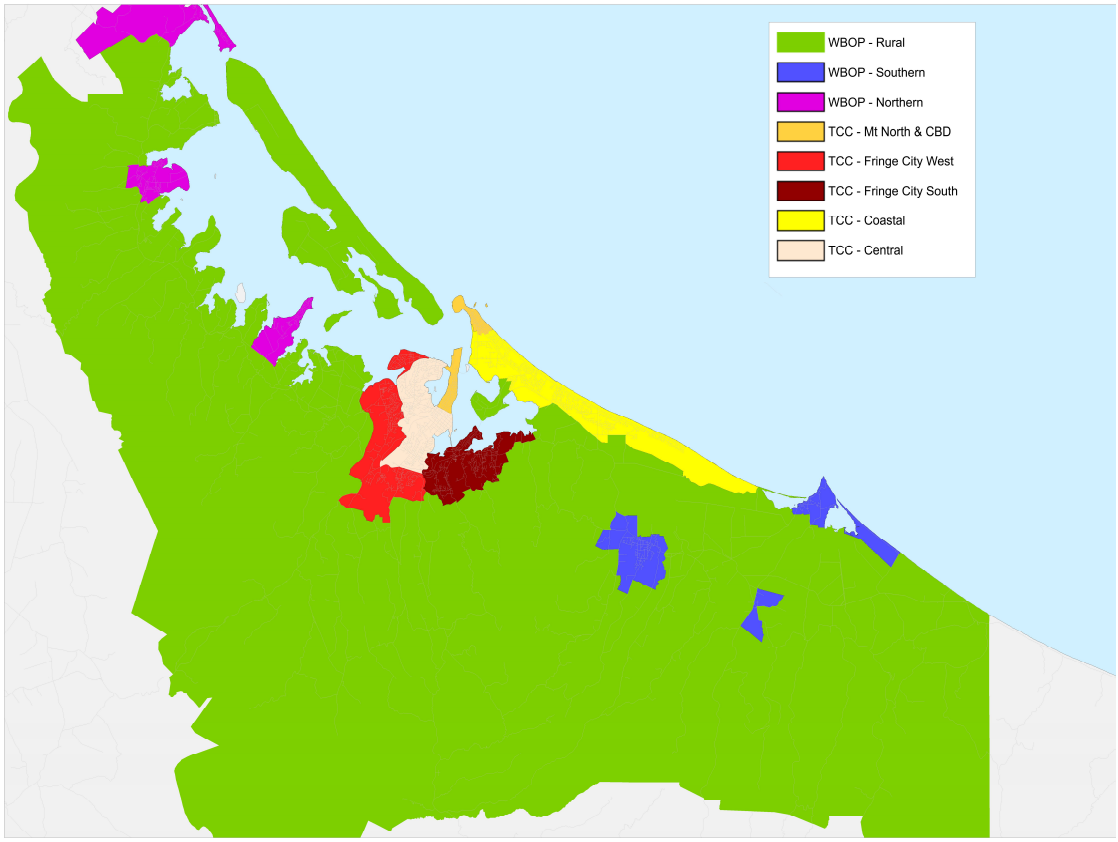
The results of the analysis are summarised for the Tauranga (TCC) and Western Bay of Plenty (WBOP) housing market with additional analysis provided for the following sub-markets[5]. The submarkets include:

- WBOP – Northern;
- WBOP - Southern;
- WBOP - Rural;
- TCC –Mount North & CBD;
- TCC –Fringe City West;
- TCC –Fringe City South;
- TCC –Central; and
- TCC –Coastal.

[5] Definition of the sub area boundaries is included in Appendix 1.

Figure 2.1 presents the submarket boundaries used in this report.

Figure 2.1: Submarket boundaries



NB: A more detailed Tauranga City map is included in Appendix 1

3. Housing demand by location and demographic characteristic

3.1 Introduction

The objective of this section of the report is to present the results of the housing demand analysis between 2017 and 2047 by demographic characteristic and tenure for Tauranga and Western Bay of Plenty and by sub-market. Demographic characteristics included in the analysis are age of the household reference person and household composition. The implications of these trends on demand by dwelling typology are also presented. An overview of the modelling methodology is presented in Appendix 2. Appendix 3 presents the demand projections in more detail.

As agreed, the demand projections presented in this report assume Tauranga City's and Western Bay of Plenty's population increases in line with the projections provided by SmartGrowth.

3.2 Tauranga City and Western Bay of Plenty's housing demand

Table 3.1 presents the projected change in the total number of occupied dwellings in Tauranga and Western Bay of Plenty between 2017 and 2047.

Table 3.1: Total number of occupied dwellings in Tauranga City and Western Bay of Plenty 2017 to 2047

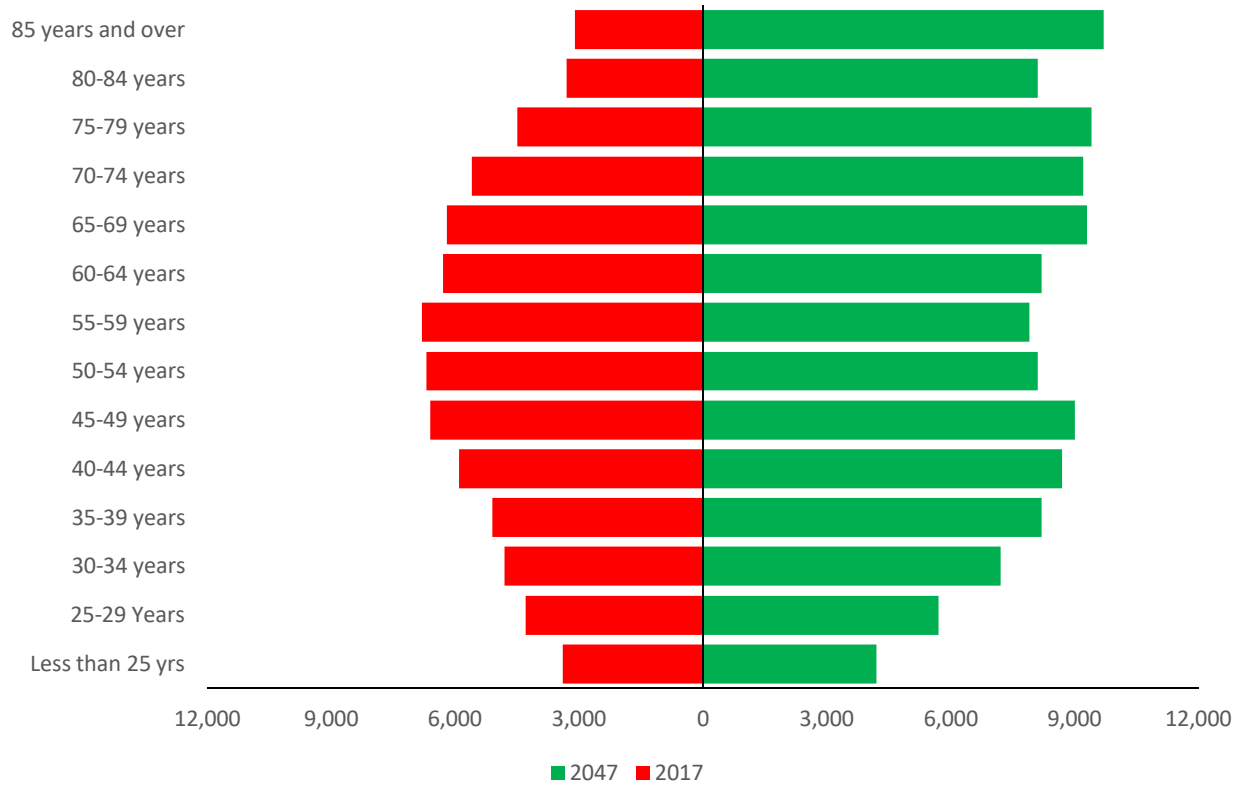
Year	Tauranga City			Western Bay of Plenty		
	Occ dwellings	Total change	Ann ave chge	Occ dwellings	Total change	Ann ave chge
2017	51,000			21,600		
2020	54,600	3,600	1,200	22,900	1,300	430
2027	63,200	8,600	1,230	25,500	2,600	370
2047	83,100	19,900	1,000	29,800	4,300	220

Source: Modelled based on data from SmartGrowth, NIDEA, & Statistics New Zealand

The number of occupied dwellings in Tauranga City is expected to increase by 32,100, or 63%, between 2017 and 2047. Over the same time period the number of occupied dwellings in Western Bay of Plenty is expected to increase by 8,200 or 38%. At the same time the characteristics of the population are expected to change. Like the rest of New Zealand, the projections demonstrate an aging of the population.

Figure 3.1 presents the change in the number of occupied dwellings by the age of the household reference person between 2017 and 2047.

Figure 3.1: Combined Tauranga and WBOP occupied dwellings by age of the reference person – 2017 and 2047



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Table 3.2 presents the projected trend in the number of occupied dwellings in Tauranga City and Western Bay of Plenty by the age of the household reference person.

Table 3.2: Number of occupied dwellings by age of the household reference person – 2017 to 2047

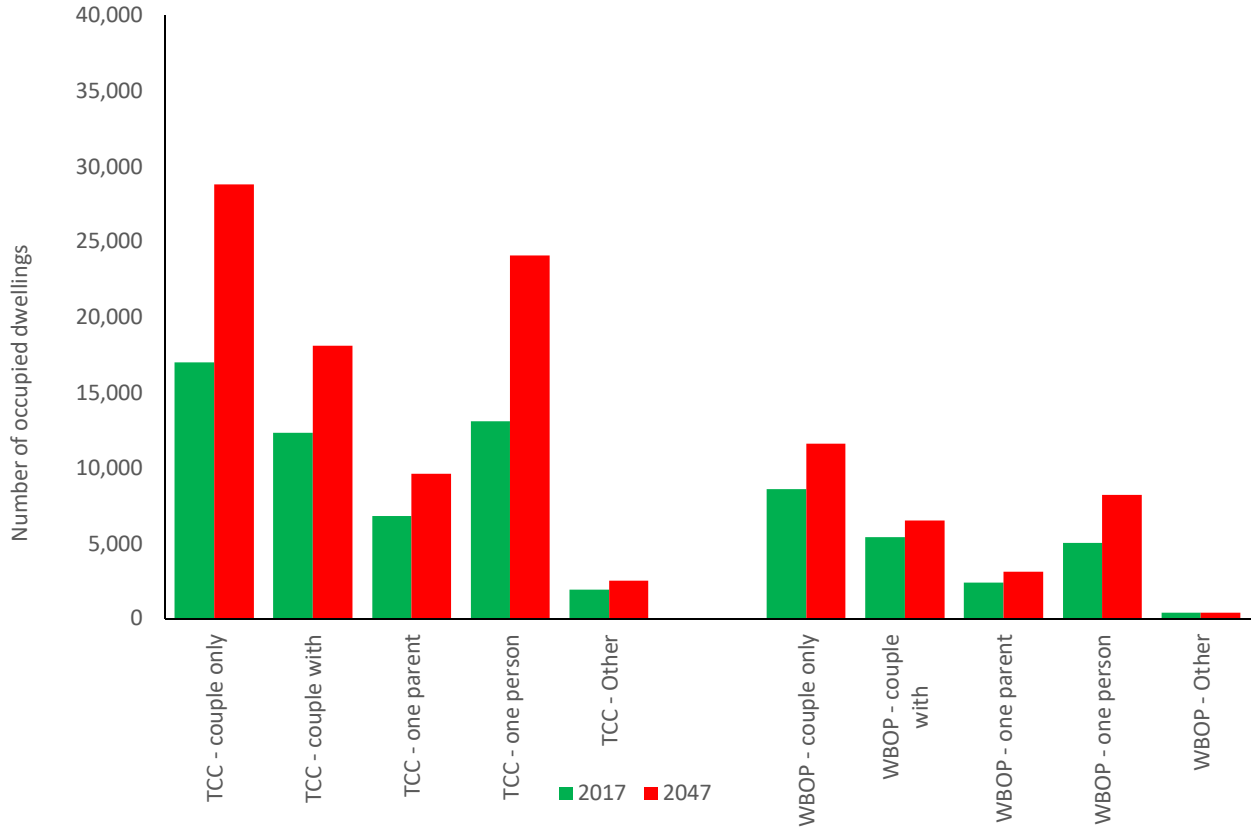
	Less than 30 yrs	30 to 39 yrs	40 to 49 yrs	50 to 64 yrs	65 yrs and over	Total
Tauranga City						
2017	5,700	7,400	8,900	13,100	15,900	51,000
2020	6,100	8,000	8,900	14,100	17,500	54,600
2027	6,700	9,500	9,300	15,200	22,500	63,200
2047	7,900	11,700	12,800	17,700	33,000	83,100
Annual change						
2017 to 2020	130	200	0	330	530	1,200
2020 to 2027	90	210	60	160	710	1,230
2027 to 2047	60	110	180	130	530	1,000
Western BOP						
2017	2,000	2,500	3,600	6,700	6,800	21,600
2020	2,100	2,800	3,500	6,800	7,700	22,900
2027	2,000	3,600	3,400	6,500	10,000	25,500
2047	2,000	3,700	4,900	6,500	12,700	29,800
Annual change						
2017 to 2020	30	100	-30	30	300	430
2020 to 2027	-10	110	-10	-40	330	370
2027 to 2047	0	10	80	0	140	220

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The proportion of occupied dwellings in Tauranga City with reference people aged 65 years and older is projected to increase from 31% in 2017 to 40% by 2047. These trends reflect the region's aging population. The majority of the growth is in households living in dwellings with reference people aged 65 years and over. Over the study period the number of occupied dwellings with people aged in the younger cohorts may decline. Over the same time period the proportion of Western Bay of Plenty occupied dwellings with reference persons aged 65 years and older is projected to increase from 32% in 2017 to 43% in 2047.

Figure 3.2 presents the projected change in the number of occupied dwellings living in Tauranga and Western Bay of Plenty by family composition between 2017 and 2047.

Figure 3.2: Tauranga and Western Bay of Plenty occupied dwellings by family composition – 2017 and 2047



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Table 3.3 presents the projected trend in the number of occupied dwellings in Tauranga and Western Bay of Plenty by family composition.

Table 3.3: Number of occupied dwellings by family composition – 2017 to 2047

Household Composition	Number of occupied dwellings				Annual change in no. of occupied dwellings		
	2017	2020	2027	2047	17 to 20	20 to 27	27 to 47
Tauranga City							
couple only	17,000	18,500	21,900	28,800	500	490	350
couple with	12,300	12,800	14,200	18,100	170	200	200
one parent	6,800	7,100	7,800	9,600	100	100	90
one person	13,100	14,300	17,000	24,100	400	390	360
Other	1,900	2,000	2,200	2,500	30	30	20
Total	51,000	54,700	63,100	83,100	1,230	1,200	1,000
Western BOP							
couple only	8,600	9,200	10,200	11,600	200	140	70
couple with	5,400	5,500	5,800	6,500	30	40	40
one parent	2,400	2,400	2,600	3,100	0	30	30
one person	5,000	5,400	6,400	8,200	130	140	90
Other	400	400	500	400	0	10	-10
Total	21,700	22,900	25,500	29,700	400	370	210

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

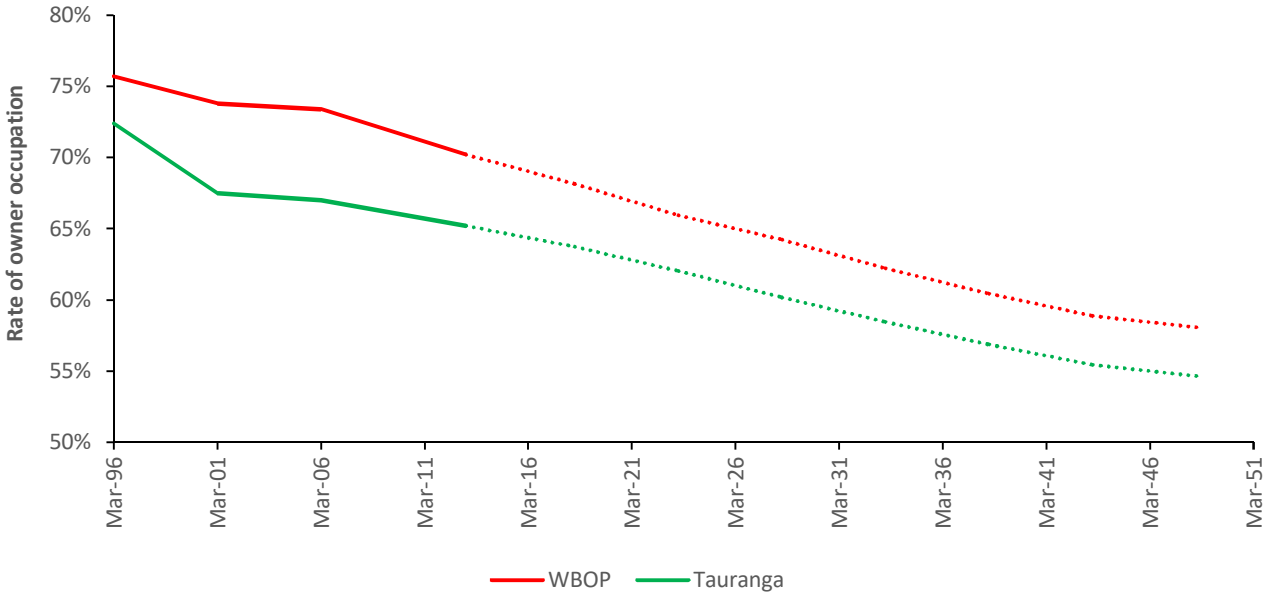
The change in the age profile of Tauranga's and Western Bay of Plenty's population also has implications for the proportion of the types of households living in the area. As the population ages the proportion of couples without children and one-person occupied dwellings increases. In Tauranga City, couples without children are projected to increase by 11,800 or 70% and one-person occupied dwellings by 11,000 or 83% between 2017 and 2047. These household groups are projected to account for 71% of the total growth between 2017 and 2047. Western Bay of Plenty is expected to experience similar trends with couples without children occupied dwellings increasing by 3,000 (or 35%) and one person occupied dwellings by 3,200 (or 64%) between 2017 and 2047.

These changes signal a challenge to the historic typology of predominately three bedroom homes on large sections. While there will continue to be strong demand for that typology, there is an increasing need to provide smaller homes which can most efficiently be delivered on smaller sections or as multi-unit buildings.

In addition to these demographic changes, poor housing affordability is projected to result in the ongoing erosion of the rates of owner occupation in Tauranga City and Western Bay of Plenty.

Figure 3.3 presents the projected change in the rate of owner occupation between 2017 and 2047.

Figure 3.3: Projected rate of owner occupation

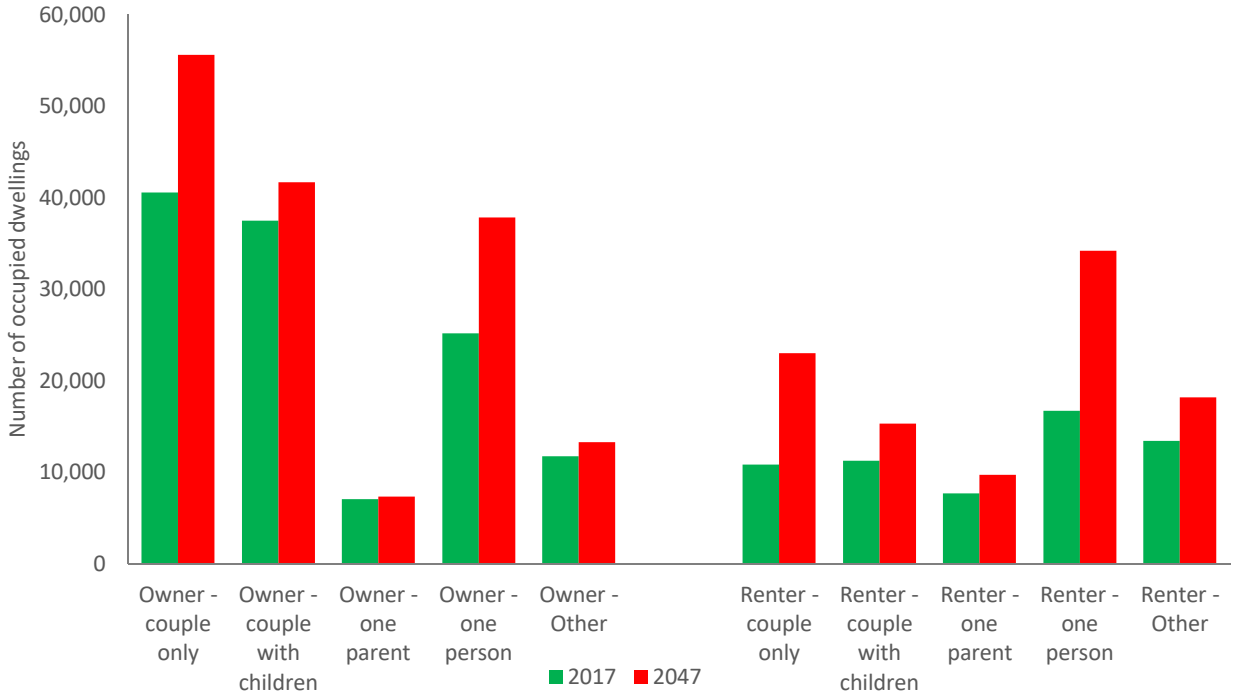


Source: Modelled based on data from Statistics New Zealand

Rates of owner occupation fell by 5.5 percentage points in Western Bay of Plenty between 1996 and 2013. Tauranga's rate of owner occupation fell by 7.2 percentage points over the same time period. Tenure modelling projections indicate that the rate of owner occupation will erode to 58.1 percent in Western Bay of Plenty and 54.6% in Tauranga City by 2047.

Figure 3.4 presents the projected trend in the number of occupied dwellings by household composition and tenure between 2017 and 2047.

Figure 3.4: The number of occupied dwellings by tenure and composition



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Table 3.4 presents the projected trend in the number of occupied dwellings by tenure and household composition between 2017 and 2047.

Table 3.4: The number of occupied dwellings by tenure and household composition between 2017 and 2047

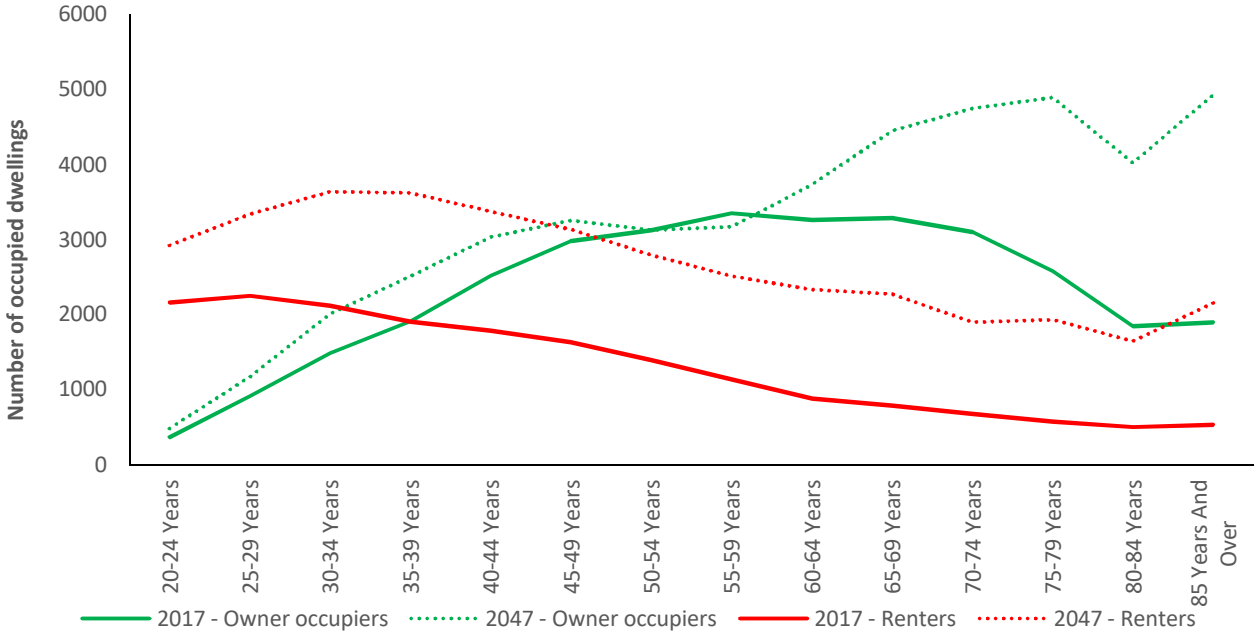
	Number of occupied dwellings				Annual change in no. of occupied dwellings		
	2017	2020	2027	2047	17 to 20	20 to 27	27 to 47
Tauranga							
Owners							
couple only	13,140	14,140	16,240	19,320	330	300	150
couple with	8,190	8,360	8,640	9,840	60	40	60
one parent	2,380	2,380	2,360	2,650	0	0	10
one person	8,100	8,710	9,990	12,620	200	180	130
Other	840	870	930	1,090	10	10	10
Total	32,650	34,470	38,150	45,520	610	530	370
Renters							
couple only	3,880	4,390	5,650	9,430	170	180	190
couple with	4,080	4,480	5,580	8,270	130	160	130
one parent	4,370	4,690	5,420	6,940	110	100	80
one person	5,010	5,580	7,030	11,500	190	210	220
Other	1,040	1,110	1,230	1,430	20	20	10
Total	18,370	20,250	24,910	37,570	630	670	630
Western BOP							
Owners							
couple only	6,960	7,370	8,050	8,080	140	100	0
couple with	3,720	3,600	3,450	3,400	-40	-20	0
one parent	980	970	970	1,180	0	0	10
one person	3,000	3,210	3,740	4,440	70	80	40
Other	220	220	260	200	0	10	0
Total	14,880	15,380	16,480	17,300	170	160	40
Renters							
couple only	1,580	1,780	2,170	3,500	70	60	70
couple with	1,670	1,880	2,380	3,080	70	70	40
one parent	1,390	1,440	1,600	1,880	20	20	10
one person	1,990	2,190	2,680	3,760	70	70	50
Other	210	210	220	200	0	0	0
Total	6,840	7,500	9,050	12,420	220	220	170

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

In both Tauranga and Western Bay of Plenty, the strongest growth is projected to occur in renter occupied dwellings particularly those couple only, couples with children and one person configurations. Owner occupiers are also expected to experience strong growth in couple only and one person occupied dwellings.

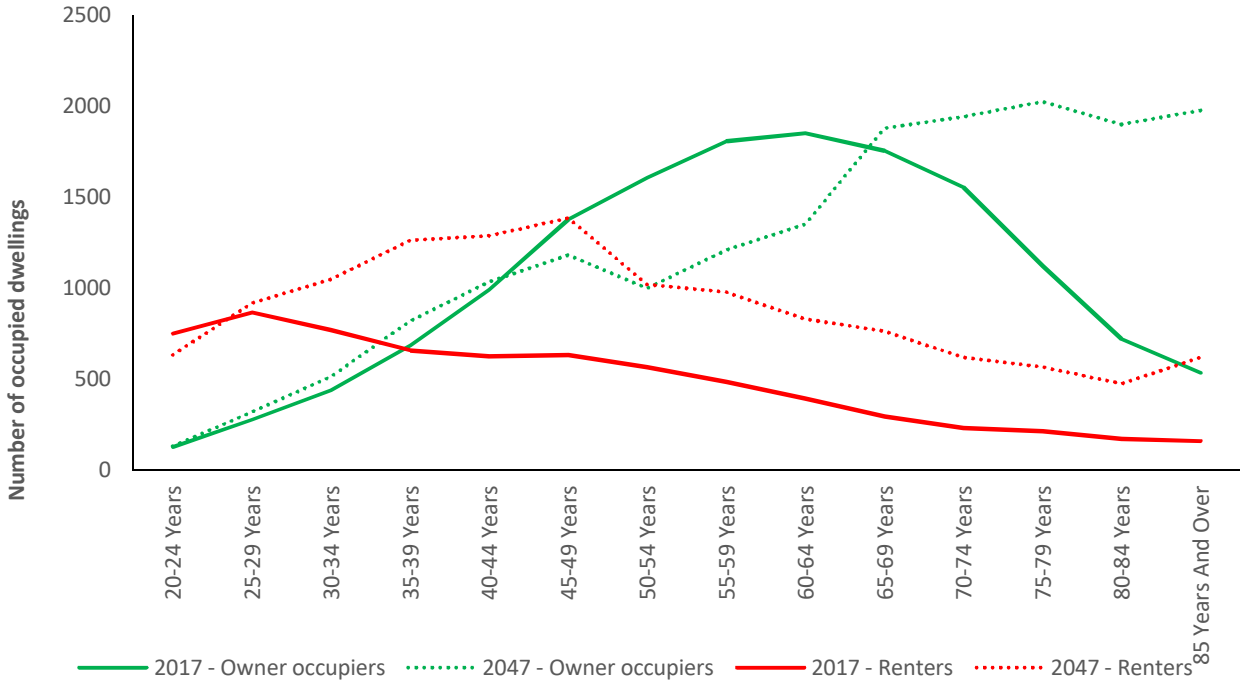
Figures 3.5 and 3.6 presents the projected trend in the number of occupied dwellings by tenure and age of the reference person between 2017 and 2047 in Tauranga City and Western Bay of Plenty respectively.

Figure 3.5: Tauranga City – No. of occupied dwellings by tenure & age of the reference person 2017 to 2047.



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Figure 3.6: Western BOP – No. of occupied dwellings by tenure & age of the reference person 2017 to 2047.



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Renter occupied dwellings are expected to increase across most age groups whilst the growth in owner occupied dwellings is concentrated in those with reference people aged 65 years and older.

Table 3.5 presents the trend in the number of occupied dwellings by tenure and the age of the reference person between 2017 and 2047.

Table 3.5: Number of occupied dwellings by tenure and age of the household reference person 2017 to 2047

	Number of occupied dwellings						Annual change in the number of occupied dwellings				
	Less than 30 yrs	30 to 39 yrs	40 to 49 yrs	50 to 64 yrs	65 yrs & over	Total	Less than 30 yrs	30 to 39 yrs	40 to 49 yrs	50 to 64 yrs	65 yrs & over
Tauranga											
Owners											
2017	1,290	3,410	5,500	9,740	12,710	32,650					
2020	1,340	3,570	5,340	10,190	14,040	34,470	20	50	-50	150	440
2027	1,390	3,980	5,100	10,310	17,370	38,150	10	60	-30	20	480
2047	1,660	4,520	6,290	10,020	23,030	45,520	10	30	60	-10	280
Renters											
2017	4,410	4,020	3,430	3,420	3,080	18,370					
2020	4,730	4,460	3,590	3,880	3,590	20,240	110	150	50	150	170
2027	5,370	5,500	4,170	4,850	5,020	24,910	90	150	80	140	200
2047	6,270	7,260	6,510	7,630	9,910	37,570	50	90	120	140	240
WBOP											
Owners											
2017	410	1,130	2,370	5,270	5,700	14,880					
2020	420	1,150	2,140	5,250	6,430	15,380	0	10	-80	-10	240
2027	420	1,310	1,840	4,680	8,240	16,480	0	20	-40	-80	260
2047	450	1,340	2,220	3,560	9,730	17,300	0	0	20	-60	70
Renters											
2017	1,620	1,430	1,260	1,450	1,080	6,840					
2020	1,660	1,680	1,300	1,610	1,250	7,500	10	80	10	50	60
2027	1,570	2,310	1,580	1,870	1,740	9,050	-10	90	40	40	70
2047	1,550	2,310	2,670	2,830	3,050	12,420	0	0	50	50	70

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Both renter and owner-occupied occupied dwellings are projected to experience strong growth. Renter occupied dwellings with people aged 65 years and older are projected to increase by 6,830 (or 222%) in Tauranga and 1970 occupied dwellings (or 182%) in Western Bay of Plenty. Owner occupiers aged 65 years and over are also expected to experience strong growth.

3.3 Housing demand by submarket

The objective of this subsection of the report is to present the trends in the growth in the number of occupied dwellings by submarket, tenure, age of the household reference person and household composition. Appendix 1 presents the agreed submarket boundaries used in this report. The statistical area units and mesh blocks included in each submarket area are also presented in Appendix 1.

Table 3.6 presents the projected growth distributed across the submarkets within Western Bay of Plenty and Tauranga City.

Table 3.6: Projected growth in occupied dwellings by submarket

	Western Bay of Plenty			Tauranga City				
	Northern	Southern	Rural	Mt North & CBDs	Fringe City West	Fringe City South	Central	Coastal
2017	6,670	5,490	9,860	3,440	8,820	7,260	14,920	16,370
2020	7,300	5,640	10,240	3,630	10,050	7,650	15,200	18,030
2027	8,880	5,960	11,020	4,020	12,840	8,550	15,870	21,860
2047	12,370	6,180	11,510	5,330	22,740	8,940	17,130	28,300
Ann Chge								
17 to 20	210	50	130	60	410	130	90	550
20 to 27	230	50	110	60	400	130	100	550
27 to 37	170	10	20	70	500	20	60	320

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The submarkets with the highest levels of projected growth between 2017 and 2047 are WBOP – northern (up 5,700 occupied dwellings or 85%) TCC fringe city west (up 13,920 occupied dwellings or 158%) TCC – coastal (up 11,930 occupied dwellings or 73%).

Table 3.7 presents the projected change in the number of occupied dwellings by tenure and submarket between 2017 and 2047.

Table 3.7: The projected change in the number of occupied dwellings by tenure and submarket

	Owner Occupiers					Renters				
	2017	**2020**	**2027**	**2047**	**17 to 47**	**2017**	**2020**	**2027**	**2047**	**17 to 47**
Western BOP										
Northern	4,600	4,950	5,820	7,500	2,900	2,060	2,340	3,040	4,920	2,860
Southern	3,290	3,330	3,350	3,060	-230	2,170	2,270	2,610	3,130	960
Rural	7,170	7,270	7,490	6,980	-190	2,750	2,980	3,500	4,530	1,780
Tauranga City										
Mt North & CBD	1,630	1,690	1,840	2,200	570	1,810	1,940	2,200	3,130	1,320
Fringe City West	6,920	7,750	9,500	14,990	8,070	1,920	2,290	3,300	7,720	5,800
Fringe City South	5,050	5,220	5,380	5,240	190	2,230	2,470	2,950	4,160	1,930
Central	8,690	8,660	8,540	7,920	-770	6,270	6,580	7,340	9,180	2,910
Coastal	10,240	11,090	12,820	15,060	4,820	6,120	6,960	9,040	13,290	7,170

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Between 2017 and 2047 the strongest growth in the number of owner occupied dwellings is projected to occur in TCC – fringe city west (up 117%). Very strong growth is expected in renter occupied dwellings in TCC fringe city west (up 302%) and coastal (up 117%) and WBOP northern submarket (up 139%).

Table 3.8 presents the projected growth in the number of occupied dwellings by household composition and submarket between 2017 and 2047.

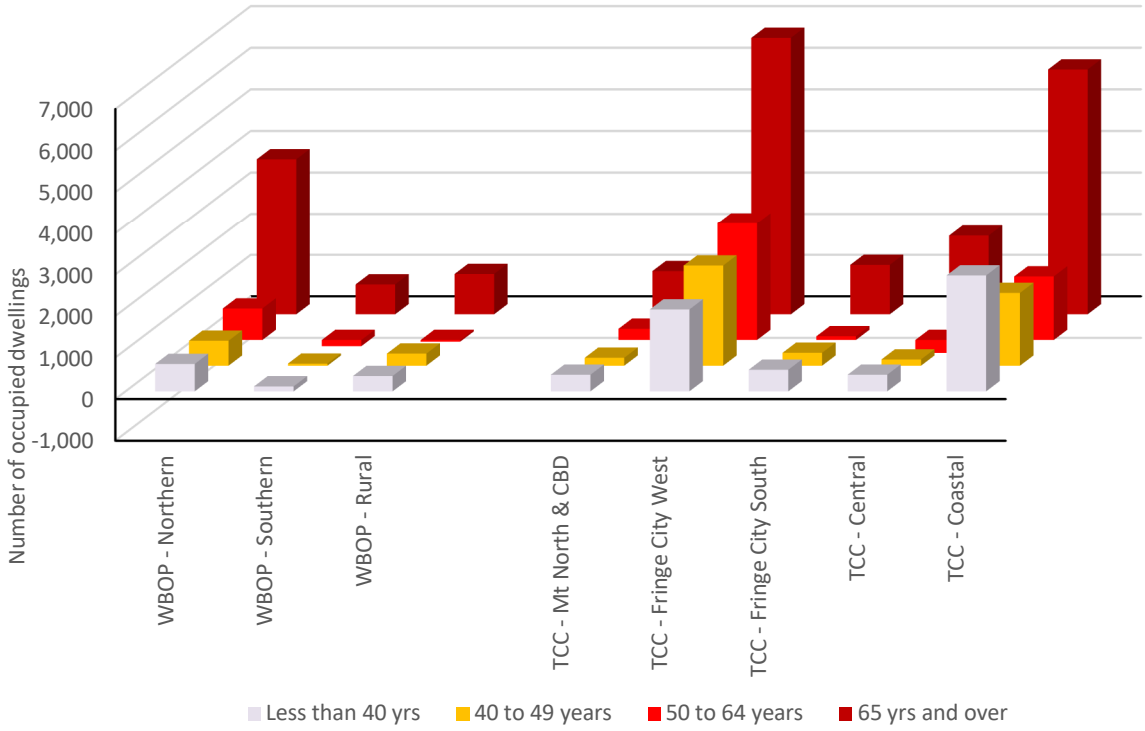
Table 3.8: Projected occupied dwellings by household composition and submarket

	Couple only				Couples with children				One parent				One person				Other			
	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047
Western BOP																				
Northern	3,010	3,330	4,060	5,580	1,270	1,320	1,490	1,970	350	350	380	560	2,000	2,230	2,810	4,230	130	140	180	210
Southern	1,720	1,790	1,910	1,970	1,260	1,250	1,280	1,270	550	550	560	600	1,860	1,950	2,140	2,430	110	110	110	110
Rural	3,930	4,140	4,520	4,500	3,210	3,230	3,330	3,410	530	540	570	630	2,040	2,140	2,380	2,580	230	230	220	200
Tauranga City																				
Mt North & CBD	1,280	1,360	1,540	1,990	430	440	460	600	160	160	160	220	1,480	1,580	1,820	2,620	130	130	140	160
Fringe City West	3,490	4,050	5,250	9,060	2,620	2,860	3,420	5,760	500	540	640	1,170	1,990	2,320	3,100	5,940	310	360	420	670
Fringe City South	2,530	2,710	2,970	3,260	2,220	2,270	2,360	2,560	620	640	660	750	1,710	1,830	2,060	2,530	260	270	290	270
Central	3,940	3,980	4,090	4,140	2,300	2,300	2,360	2,400	5,030	5,200	5,660	6,450	2,520	2,580	2,750	2,960	550	550	520	510
Coastal	5,650	6,330	7,760	9,840	4,340	4,640	5,340	6,600	1,370	1,480	1,740	2,260	4,510	5,060	6,390	9,030	590	630	730	860

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Growth in the number of occupied dwellings is concentrated in couple only and one-person occupied dwellings in most submarkets. Figure 3.7 presents the projected growth in the number of occupied dwellings by age of the reference person and submarket between 2017 and 2047.

Figure 3.7: Projected occupied dwelling growth by age and submarket



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The strongest growth is projected to occur in occupied dwellings with reference people aged 65 years and over between 2017 and 2047.

Table 3.9 presents the projected growth in the number of occupied dwellings by age of the reference person and submarket between 2017 and 2047.

Table 3.9: The projected growth in the number of occupied dwellings by age of the reference person and submarket between 2017 and 2047.

	Less than 40 years				40 to 49 years				50 to 64 years				65 yrs and over			
	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047
Western BOP																
Northern	810	870	1,040	1,370	930	950	1,020	1,460	1,770	1,890	2,090	2,520	3,250	3,660	4,770	7,200
Southern	1,140	1,170	1,240	1,250	910	880	860	940	1,610	1,630	1,590	1,500	1,840	1,980	2,310	2,700
Rural	1,710	1,790	1,980	2,020	2,250	2,220	2,240	2,470	3,690	3,790	3,870	3,610	2,270	2,480	2,940	3,220
Tauranga City																
Mt North & CBD	800	840	950	1,210	480	480	490	680	1,010	1,040	1,080	1,280	1,200	1,320	1,620	2,420
Fringe City West	1,260	1,430	1,820	3,060	1,780	1,900	2,200	3,970	2,610	2,910	3,430	5,210	3,260	3,890	5,380	10,360
Fringe City South	1,690	1,790	1,950	2,080	1,450	1,450	1,430	1,660	2,030	2,110	2,130	2,100	2,160	2,380	2,830	3,520
Central	4,270	4,400	4,750	4,870	3,130	3,050	3,010	3,260	3,500	3,540	3,500	3,370	3,440	3,620	4,110	4,960
Coastal	3,900	4,270	5,150	6,370	2,970	3,080	3,440	4,560	3,990	4,320	4,840	5,490	5,600	6,460	8,530	12,180

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand

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

Table 3.10 presents the percentage change in the number of occupied dwellings by age of the reference person and submarket between 2017 and 2047.

Table 3.10: Percentage change in the number of occupied dwellings between 2017 and 2047 by age and submarket

	Less than 40 yrs	40 to 49 years	50 to 64 years	65 yrs and over
Western BOP				
Northern	69%	57%	42%	122%
Southern	10%	3%	-7%	47%
Rural	18%	10%	-2%	42%
Tauranga City				
Mt North & CBD	51%	42%	27%	102%
Fringe City West	143%	123%	100%	218%
Fringe City South	23%	14%	3%	63%
Central	14%	4%	-4%	44%
Coastal	63%	54%	38%	118%

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The strongest growth is projected to occur in occupied dwellings with reference people aged 65 years and over in all submarkets. Western Bay of Plenty – Northern, Tauranga City - Fringe City West and Coastal submarkets are expected to experience stronger growth across all age groups.

3.4 Housing outcomes by ethnicity

The objective of this sub-section of the report is to provide an overview of key statistics relevant to housing outcomes by ethnicity. Analysis of trends by ethnicity is problematic due in part to the way in which Statistics New Zealand surveys respondents' ethnicity. In the census respondents are asked to identify which ethnicities they identify with and can respond to multiple ethnic groupings. Hence there are more responses by ethnicity than people living in an area. In addition, the household reference persons ethnicity may or may not reflect the ethnicity of the rest of the people living in the dwelling.

Previous research[6] into trends in the rate of owner occupation show that the majority of the statistically significant variation in home ownership rates can be explained by age of the key householders, household composition, household income and a locational variable. The research suggests that once these variables are included in the analysis ethnicity is not a statistically significant variable. Personal and household incomes have a significant impact on housing outcomes. Lower income households typically have much higher levels of housing stress and are also more likely to rent rather than own the dwelling they live in. Table 3.11 presents the level of personal income by ethnicity of people living in Western Bay of Plenty and Tauranga City in 2013.

Table 3.11: Personal income by ethnicity in 2013

	European / NZer		Maori		Pacific person		Other		Total	
	People	% of Total	People	% of Total	People	% of Total	People	% of Total	People	% of Total
WBOP										
Less than $30,000	14,805	54%	3,021	65%	363	69%	1,116	69%	19,305	56%
$30,000 to $50,000	5,997	22%	951	20%	105	20%	408	25%	7,461	22%
$50,000 to $70,000	3,372	12%	420	9%	33	6%	63	4%	3,888	11%
$70,000 to $100,000	1,893	7%	174	4%	12	2%	12	1%	2,091	6%
$100,000 to $150,000	867	3%	54	1%	6	1%	12	1%	939	3%
Over $150,000	582	2%	36	1%	6	1%	15	1%	639	2%
Total	27,516	100%	4,656	100%	525	100%	1,626	100%	34,323	100%
Tauranga										
Less than $30,000	38,106	53%	6,843	62%	825	64%	3,072	65%	48,846	55%
$30,000 to $50,000	16,038	22%	2,313	21%	246	19%	1,059	23%	19,656	22%
$50,000 to $70,000	9,447	13%	1,161	10%	126	10%	336	7%	11,070	12%
$70,000 to $100,000	5,283	7%	552	5%	54	4%	153	3%	6,042	7%
$100,000 to $150,000	2,262	3%	156	1%	27	2%	60	1%	2,505	3%
Over $150,000	1,245	2%	63	1%	6	0%	21	0%	1,335	1%
Total	72,381	100%	11,088	100%	1,284	100%	4,701	100%	89,454	100%

Source: Statistics New Zealand

[6] See Morrison P. (2005) *"The changing patterns of home ownership in New Zealand".* A report for the Centre for Housing Research Aotearoa New Zealand.

Table 3.12 presents the number of people aged 15 years and over by ethnicity and tenure.

Table 3.12: Number of people aged 15 years and over by ethnicity and tenure

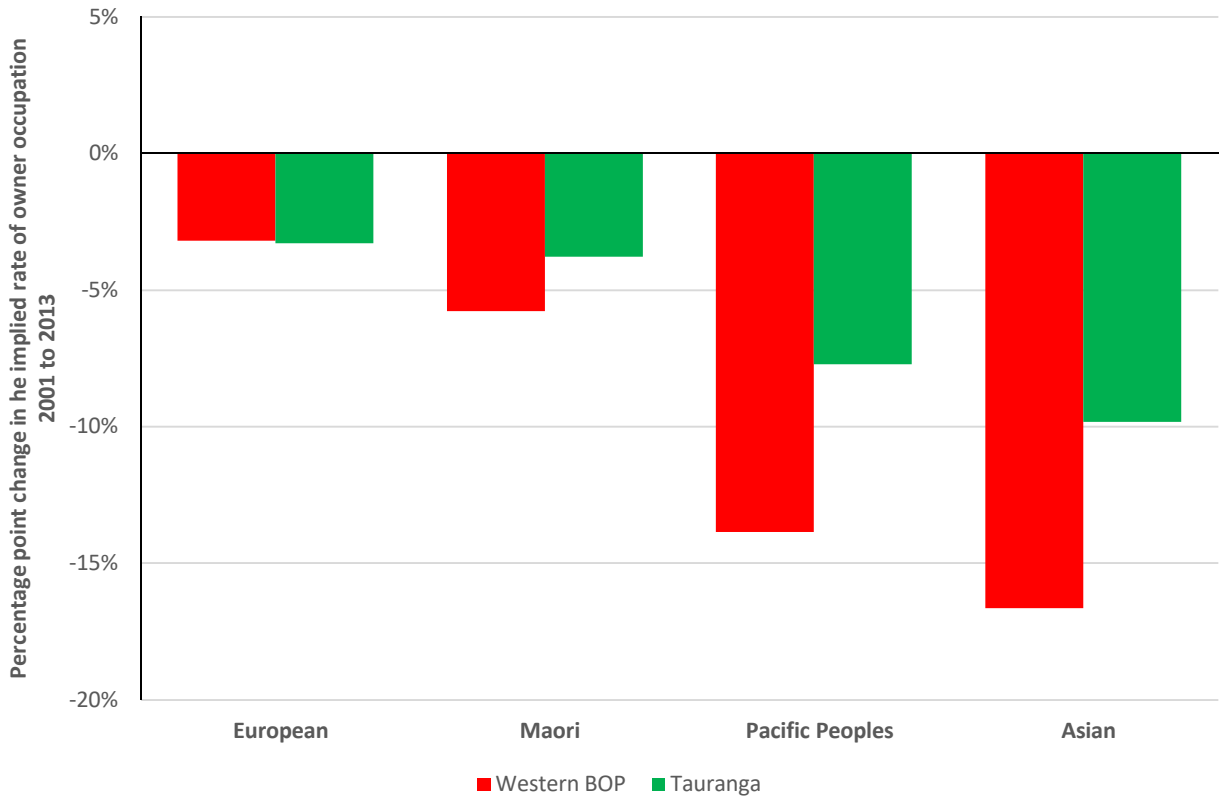
Stated Ethnicity	Western BOP			Tauranga		
	2001	2006	2013	2001	2006	2013
Living in owner occupied dwelling						
European	15,837	14,463	17,385	36,771	34,974	42,531
Maori	1,482	1,641	1,647	2,649	2,895	3,324
Pacific Peoples	84	81	105	195	237	270
Asian	126	195	390	504	753	1,257
Middle Eastern/Latin American/African	18	21	24	45	57	114
Total people	17,547	16,401	19,551	40,164	38,916	47,496
Living in a rented dwelling						
European	7,833	7,755	9,909	22,914	23,940	30,414
Maori	2,307	2,715	3,294	5,679	7,221	8,541
Pacific Peoples	183	309	492	525	738	1,125
Asian	180	435	1,200	786	1,524	3,042
Middle Eastern/Latin American/African	12	24	57	75	198	450
Total people	10,515	11,238	14,952	29,979	33,621	43,572
Implied rate of owner occupation						
European	67%	65%	64%	62%	59%	58%
Maori	39%	38%	33%	32%	29%	28%
Pacific Peoples	31%	21%	18%	27%	24%	19%
Asian	41%	31%	25%	39%	33%	29%
Middle Eastern/Latin American/African	60%	47%	30%	38%	22%	20%
Total	63%	59%	57%	57%	54%	52%

Source: Statistics New Zealand

The number people aged 15 years and over living in owner occupied dwellings increased by 11% in Western BOP and 18% in Tauranga City between 2001 and 2013. Over the same time period the number of people aged 15 years and over living in rented dwellings increased by 42% in Western BOP and 45% in Tauranga City. The number of people aged 15 years and over increased faster in renter occupied dwellings across all ethnicity groups than in owner occupied dwellings. This has had a negative impact on the level of owner occupation. People identifying as European are almost twice as likely to live in an owner-occupied dwelling as Maori and three times more likely than Pacific people.

Figure 3.8 presents the percentage point change in the implied level of owner occupation between 2001 and 2013 in Western Bay of Plenty and Tauranga by ethnicity.

Figure 3.8: The percentage point change in the implied rate of owner occupation by ethnicity 2001 and 2013



Source: Statistics New Zealand

Pacific people and people of Asian descent recorded the largest percentage point falls in the relative level of owner occupation in both Western Bay of Plenty and Tauranga. People aged over 15 years and identifying with Maori ethnicity fell slightly more than those identifying as European.

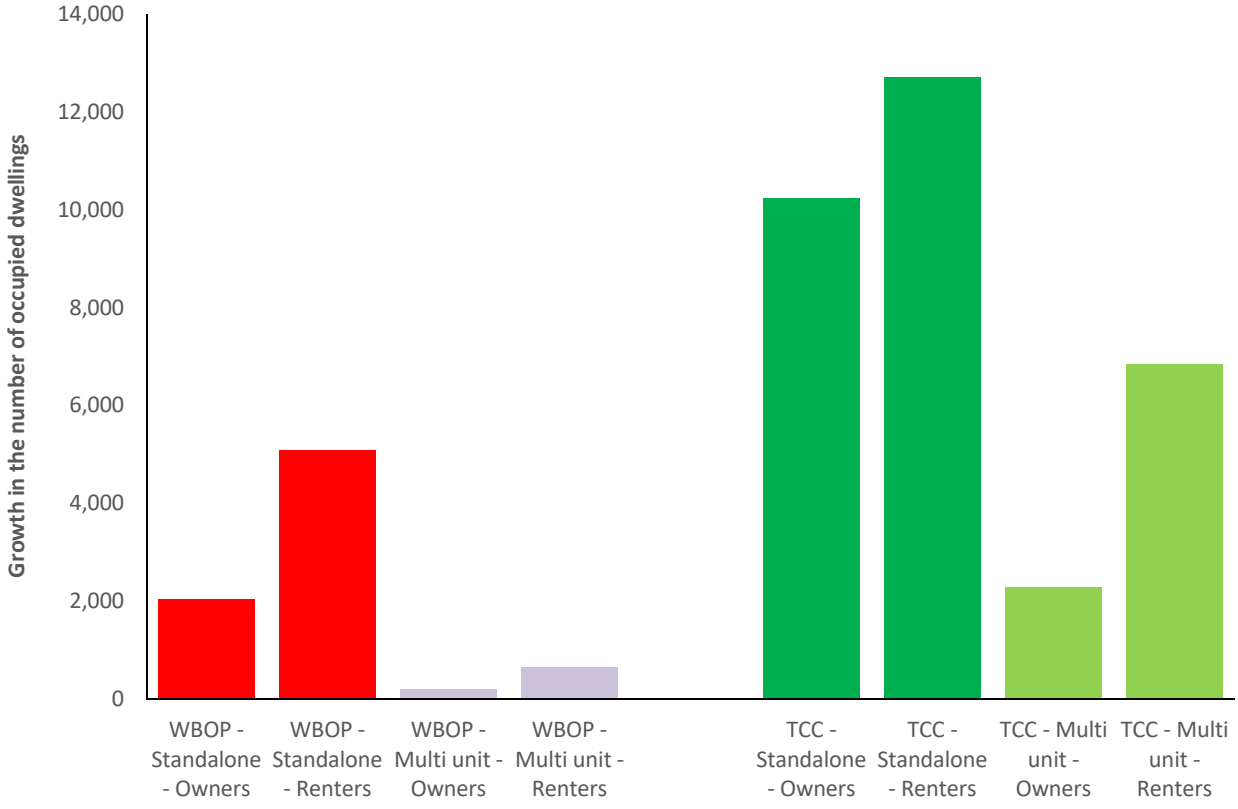
3.5 Tauranga City and Western Bay of Plenty housing demand by dwelling typology

The objective of this section of the report is to present the results of the modelling of the implications of the demographic and tenure trends on the demand for dwellings by typology. An overview of the methodology used is presented in Appendix 2 and assumes the propensity for households with different characteristics (age, household composition and tenure) for different dwelling typologies[7] remains the same between 2017 and 2047. Dwelling typology is divided into 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; and
- Multi-unit dwelling with three bedrooms or more.

Figure 3.9 presents a summary of the projected growth in demand by dwelling typology and tenure in Tauranga and Western Bay of Plenty between 2017 and 2047. Note more detail is provided in the following table.

Figure 3.9: Projected demand by dwelling typology and tenure



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

[7] Standalone dwellings are defined as single unit dwellings not attached to any other buildings. Multi unit dwellings includes a wide range of dwelling typologies where two or more dwellings are physically attached to each other. Multi-units include duplexes, terraced houses and apartments.

Demand for standalone dwellings is predominately for units with three or more bedrooms whilst multi-unit demand is typically for units with fewer bedrooms. The analysis implies renters in Tauranga and Western Bay of Plenty have a higher propensity to rent multi-unit dwellings relative to standalone dwellings when compared to owner occupiers.

Table 3.13 presents the trend in dwelling demand in Tauranga and Western BOP by tenure and dwelling typology between 2017 and 2047.

Table 3.13: Tauranga City and Western BOP dwelling demand by typology and tenure

	Owner occupiers						Renters					
	Standalone dwellings			Multi-unit dwellings			Standalone dwellings			Multi-unit dwellings		
	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total
Tauranga												
2017	1,970	26,740	28,710	2,560	1,390	3,950	2,350	10,310	12,660	4,470	1,240	5,710
2020	2,110	28,100	30,220	2,770	1,490	4,260	2,590	11,310	13,910	4,980	1,360	6,340
2027	2,420	30,750	33,160	3,280	1,700	4,990	3,190	13,810	17,010	6,250	1,660	7,900
2047	2,960	35,990	38,950	4,180	2,050	6,240	4,850	20,520	25,370	10,070	2,470	12,540
Annual Change												
17 to 20	50	450	500	70	30	100	80	330	420	170	40	210
20 to 27	40	380	420	70	30	100	90	360	440	180	40	220
27 to 47	30	260	290	50	20	60	80	340	420	190	40	230
Western BOP												
2017	1,410	13,100	14,510	240	160	390	1,970	4,240	6,210	540	90	630
2020	1,480	13,490	14,970	250	160	410	2,150	4,640	6,800	600	100	700
2027	1,650	14,330	15,980	320	190	510	2,560	5,620	8,180	730	140	880
2047	1,780	14,770	16,550	380	210	590	3,480	7,820	11,300	1,100	190	1,290
Annual Change												
17 to 20	20	130	150	0	0	10	60	130	200	20	0	20
20 to 27	20	120	140	10	0	10	60	140	200	20	10	30
27 to 47	10	20	30	0	0	0	50	110	160	20	0	20

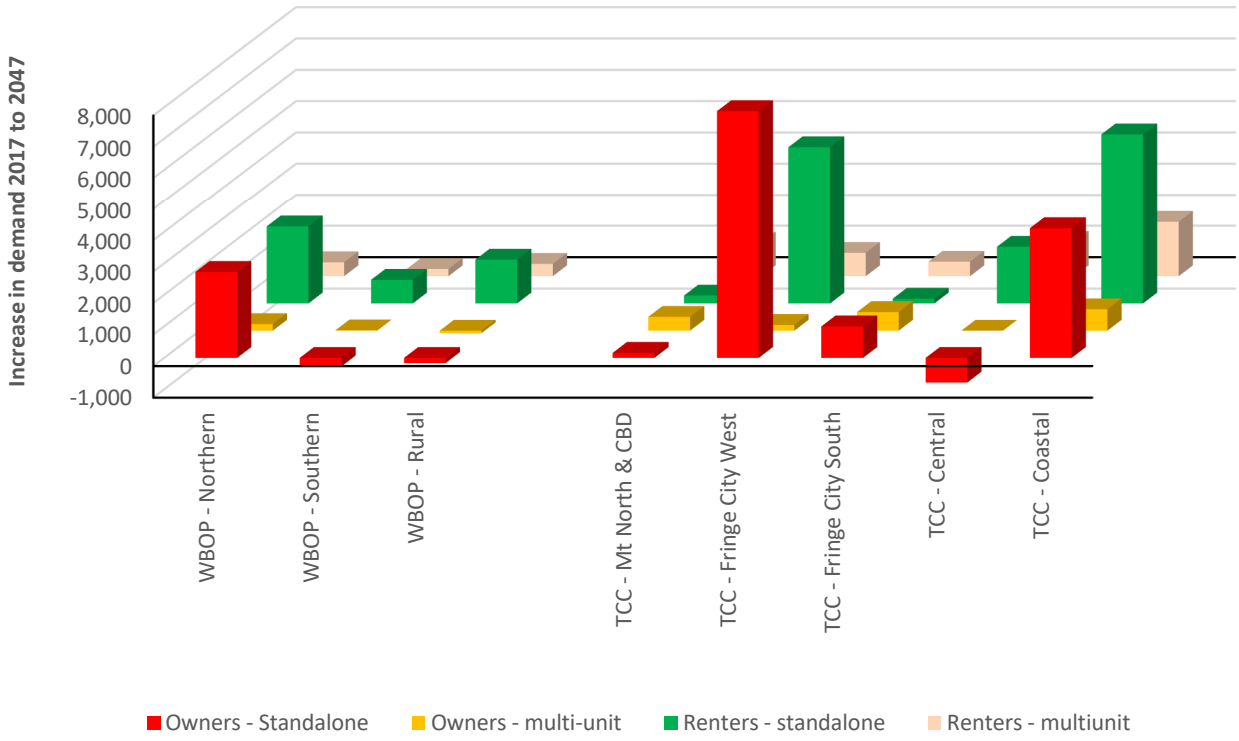
Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Between 2017 and 2047 standalone dwellings account for 83% of the projected growth from owner occupiers and 70% of the renter household growth.

3.6 Submarket housing demand by dwelling typology

Figure 3.10 presents the projected growth in the number of occupied dwellings by submarket, tenure and dwelling typology between 2017 and 2047.

Figure 3.10: The projected growth in the number of occupied dwellings by submarket, tenure and dwelling typology



Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Table 3.14 presents the projected growth in the number of occupied dwellings by submarket, tenure and dwelling typology between 2017 and 2047.

Table 3.14: The projected growth in the number of occupied dwellings by submarket, tenure and dwelling typology between 2017 and 2047

	Owner occupiers								Renters							
	Standalone dwelling				Multi-unit dwelling				Standalone dwelling				Multi-unit dwelling			
	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047	2017	2020	2027	2047
Western BOP																
Northern	4,600	4,930	5,730	7,200	140	160	200	400	1,740	1,970	2,560	4,280	270	310	420	670
Southern	3,280	3,320	3,330	3,070	150	160	190	120	1,830	1,930	2,170	2,600	240	270	320	390
Rural	6,860	6,950	7,090	6,450	450	480	550	320	1,980	2,170	2,620	3,560	620	680	800	950
Tauranga City																
Mt North & CBD	840	880	920	910	980	1,020	1,100	1,260	320	340	370	580	1,370	1,490	1,770	2,550
Fringe City West	6,480	7,240	8,740	14,260	520	600	800	550	1,600	1,910	2,710	6,730	320	400	620	980
Fringe City South	2,530	2,710	2,970	3,260	2,220	2,270	2,360	2,560	620	640	660	750	1,710	1,830	2,060	2,530
Central	7,320	7,140	6,820	5,820	410	410	400	280	4,380	4,730	5,540	7,580	1,840	1,960	2,240	2,340
Coastal	9,650	10,370	11,800	13,860	990	1,120	1,390	1,450	4,380	5,020	6,540	10,450	1,420	1,640	2,220	2,760

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand

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

Table 3.15 presents the change in the number of occupied dwellings between 2017 and 2047 by tenure and dwelling typology.

Table 3.15: Change in the number of occupied dwellings by tenure typology and submarket 2017 - 2047.

	Owner Occupied				Renters			
	Standalone		Multi-unit		Standalone		Multiunit	
	Number	% inc	Number	% inc	Number	% inc	Number	% inc
Western BOP								
Northern	2,600	57%	260	186%	2,540	146%	400	148%
Southern	-210	-6%	-30	-20%	770	42%	150	63%
Rural	-410	-6%	-130	-29%	1,580	80%	330	53%
Tauranga City								
Mt North & CBD	70	8%	280	29%	260	81%	1,180	86%
Fringe City West	7,780	120%	30	6%	5,130	321%	660	206%
Fringe City South	730	29%	340	15%	130	21%	820	48%
Central	-1,500	-20%	-130	-32%	3,200	73%	500	27%
Coastal	4,210	44%	460	46%	6,070	139%	1,340	94%

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The strongest projected growth for multi-unit dwellings is from renter occupied dwellings in Tauranga. Demand is expected to continue to be dominated for standalone dwellings particularly in the submarkets located near the urban fringe.

3.7 Current dwelling stock

Tauranga City had 45,366 occupied dwellings and Western Bay of Plenty had a further 16,938 occupied dwellings as at the 2013 census. Table 3.16 presents a summary of the number of occupied and unoccupied dwellings.

Table 3.16: Housing stock in 2013

Local Authority	Occupied Dwellings			Unoccupied dwellings			%
	Private[8]	Non-private[9]	Total	Residents away	Empty dwelling[10]	Total	Vacant
Western BOP	16,887	51	16,938	615	2,532	3,147	16%
Tauranga City	45,183	183	45,366	1,314	3,159	4,473	9%

Source: Statistics New Zealand

Tauranga City accounted for 73% of the occupied dwellings in 2013. Table 3.17 presents the trend in the number of occupied dwellings between 2001 and 2013 for Tauranga City and Western Bay of Plenty.

Table 3.17: Number of occupied dwellings 2001 to 2013

Area	Number of occupied dwellings			Change		Change 2001 to 2013	
	2001	2006	2013	01 to 06	06 to 13	Number	% change
Western BOP	14,007	15,657	16,938	1,650	1,281	2,931	21%
Tauranga City	35,565	40,719	45,366	5,154	4,647	9,801	28%

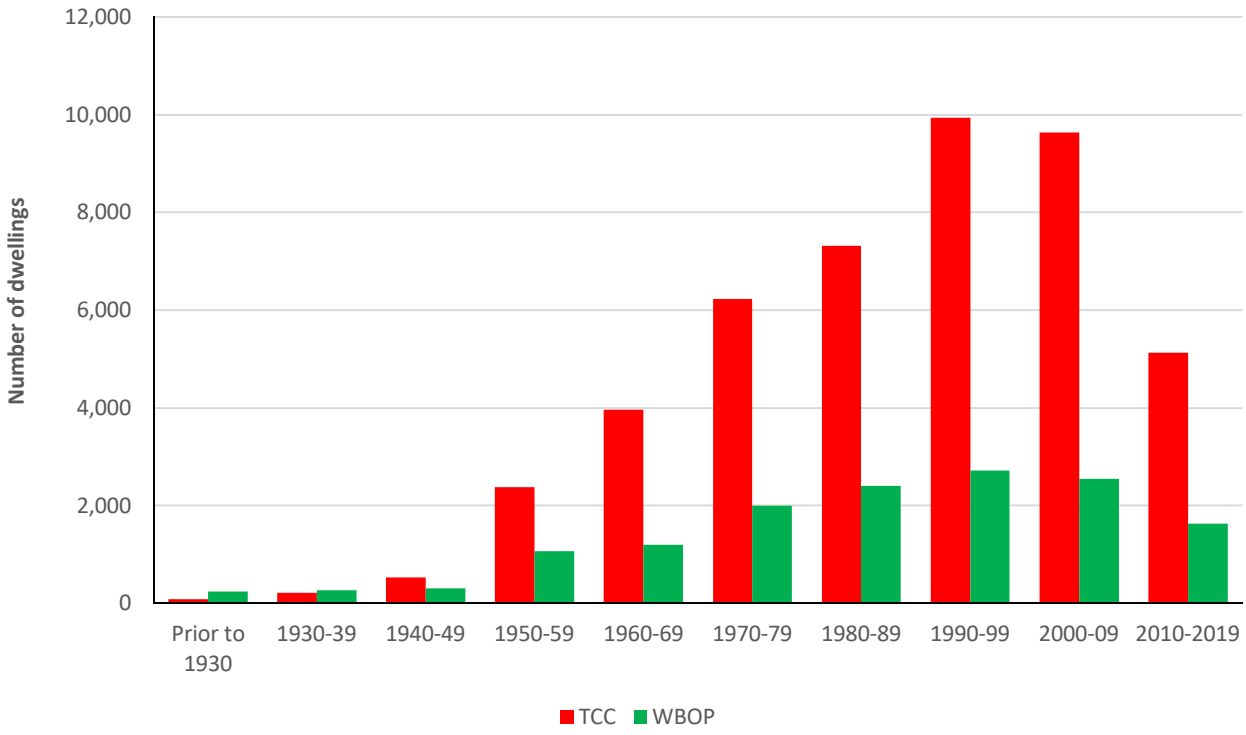
Source: Statistics New Zealand

The number of occupied dwellings has increased slightly slower in Western Bay of Plenty when compared to Tauranga City. Consequently, Western Bay of Plenty's share of the number of occupied dwellings has fallen from 28% in 2001 to 27% in 2013.

[8] A private dwelling accommodates a person or a group of people. It is not generally available for public use. The main purpose of a private dwelling is as a place of habitation, and it is usually built (or converted) to function as a self-contained housing unit.
[9] A non-private dwelling provides short or long-term communal or transitory type accommodation. Non-private dwellings are generally available to the public for reasons of employment, study, special need, legal requirement or recreation.
[10] An existing dwelling that is being altered, repaired, or extended and is unoccupied is coded as an 'empty dwelling'.

Figure 3.11 presents the age profile of Tauranga's and Western Bay of Plenty's housing stock by the decade in which the dwellings were constructed.

Figure 3.11: Housing stock's age profile



Source: TCC and WBOP

Median age of dwellings in Tauranga City falls in between 1990 and 1999 whereas Western Bay of Plenty's housing stock is slightly older with a median age between 1980 and 1989.

Table 3.18 presents the proportion of dwellings by decade of construction and typology.

Table 3.18: Age of the dwelling stock

	Tauranga City				Western Bay of Plenty		
	Apartments	Stand alone	Multi- unit	Total	Multi- unit	Stand alone	Total
pre 1950	-	7%	3%	7%	1%	6%	6%
1950 to 1959	-	6%	2%	5%	2%	8%	7%
1960 to 1969	-	8%	9%	8%	6%	8%	8%
1970 to 1979	-	10%	46%	13%	59%	13%	14%
1980 to 1989	4%	15%	20%	15%	30%	16%	17%
1990 to 1999	22%	22%	10%	21%	3%	19%	19%
2000 to 2009	67%	20%	8%	20%	-	18%	18%
Post 2010	7%	12%	1%	11%	-	12%	11%
Total	100%	100%	100%	100%	100%	100%	100%

Source: TCC and WBOP

Over half of Tauranga City's housing stock has been built since 1990. The majority of multi-unit dwellings were constructed in the 1970s and 1980s. The age of Western Bay of Plenty's housing stock followed a similar pattern. Overall the area's housing stock is relatively younger compared to other provincial locations reflecting the rapid population growth since 1990.

Table 3.19 presents the proportion of dwellings with different numbers of bedrooms in 2001 and 2013.

Table 3.19: Dwelling stock by number of bedrooms

	Western Bay of Plenty				Tauranga City			
	2001	2013	01 to 13	% of total growth	2001	2013	01 to 13	% of total growth
One bedroom	795	1,032	237	9%	1,431	1,764	333	4%
Two bedrooms	2,067	2,220	153	6%	6,888	7,800	912	10%
Three bedrooms	6,279	7,113	834	31%	18,027	21,531	3,504	37%
Four bedrooms	3,195	4,296	1,101	40%	6,087	9,975	3,888	41%
Five or more	1,008	1,407	399	15%	1,491	2,280	789	8%
Total Stated	13,344	16,068	2,724	100%	33,921	43,350	9,429	100%
Not stated	621	819	198		1,473	1,833	360	
Total dwellings	13,965	16,887	2,922		35,394	45,183	9,789	

Source: Statistics New Zealand

Three and four bedroom dwellings account for 71% of the growth in Western Bay of Plenty and 78% in Tauranga City. Smaller units (two bedrooms or less) account for 15% of the total growth between 2011 and 2013 in Western Bay of Plenty and 14% in Tauranga City.

The suitability of the stock relative to the population is difficult to measure. However, the level of crowding and underutilisation of the housing stock does provide a gauge of the "fit" of the dwelling stock relative to the housing market's population. Care needs to be taken as the unaffordability of housing costs can drive crowding. Table 3.20 presents the relative level of crowding and underutilisation of the housing stock as at 2013.

Table 3.20: The relative level of crowding and underutilisation of the housing stock in 2013

	Western Bay of Plenty		Tauranga City	
	Dwellings	**% of total**	**Dwellings**	**% of total**
Owner Occupiers				
1 bedroom needed (crowded)	171	1.5%	306	1.1%
2 or more bedrooms needed (severely crowded)	72	0.6%	69	0.3%
Total crowded	***243***	***2.2%***	***372***	***1.4%***
No extra bedrooms required	1,167	10.4%	2,535	9.3%
1 bedroom spare	2,694	24.1%	8,259	30.2%
2 or more bedrooms spare	7,077	63.3%	16,167	59.2%
Total not crowded	***10,935***	***97.8%***	***26,958***	***98.6%***
Total stated	11,181	100.0%	27,330	100.0%
Renters				
1 bedroom needed (crowded)	306	6.4%	732	5.0%
2 or more bedrooms needed (severely crowded)	108	2.3%	231	1.6%
Total crowded	***414***	***8.7%***	***963***	***6.6%***
No extra bedrooms required	1,476	31.0%	4,512	31.0%
1 bedroom spare	1,563	32.8%	5,730	39.3%
2 or more bedrooms spare	1,305	27.4%	3,360	23.1%
Total not crowded	***4,347***	***91.2%***	***13,602***	***93.4%***
Total dwellings with bedrooms stated	4,764	100.0%	14,568	100.0%

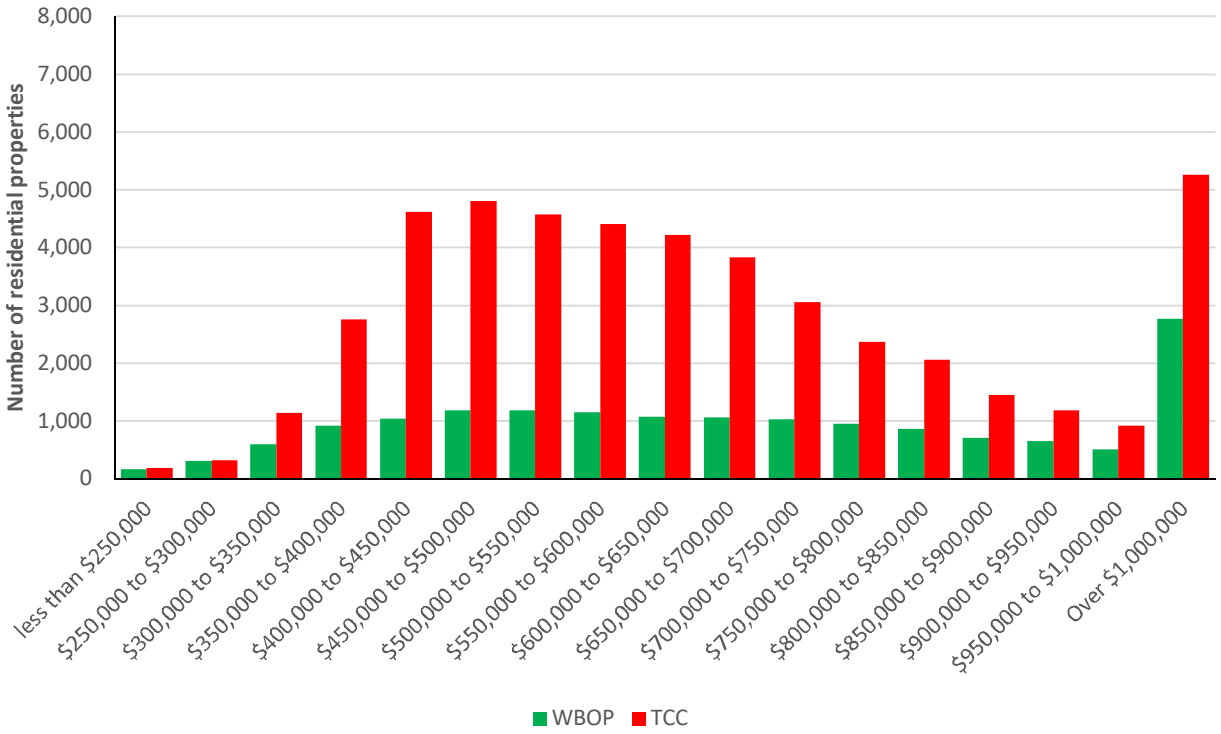
Source: Statistics New Zealand

Western Bay of Plenty and Tauranga City have moderate levels of crowding in renter occupied dwellings. The Underutilisation of dwellings[11] is also higher in owner occupied dwellings (87% in WBOP and 89% in TCC) than in renter occupied dwellings (58% in WBOP and 61% in TCC).

[11] Under-utilisation refers to dwellings with one or more spare bedrooms

Figure 3.12 presents the distribution of property values in Tauranga City and Western Bay of plenty. These values are based on the capital values using rating valuations adjusted for the movement in market values post roll date.[12]

Figure 3.12: Residential dwelling value distribution as at June 2017



Source: Modelled from data provided by TCC and WBOP

Table 3.21 presents the lower quartile, median and upper quartile dwelling values for the adjusted dwelling capital values.

Table 3.21: Adjusted dwelling capital values as at June 2017

Adjusted dwelling values	Tauranga City	Western Bay of Plenty
Lower quartile value	$480,000	$450,000
Median value	$612,000	$611,000
Upper quartile value	$779,000	$810,000

Source: Modelled from data provided by TCC and WBOP

Western Bay of Plenty has a proportionally wider distribution of values when compared to Tauranga City with both locations having been similarly adjusted for dwelling capital values.

[12] Values were increased by 39% in Tauranga City and 9.8% on Western Bay of Plenty. These adjustments were calculated using QV's residential price index.

3.8 High growth scenario

As agreed a high growth scenario was also modelled. The high growth scenario is based on growth statistics sourced from SmartGrowth and based on estimates associated with NIDEA's population growth assuming the 75th percentile level of growth[13]. Table 3.22 presents the high growth scenario for Tauranga and Western Bay of Plenty.

Table 3.22: Projected occupied dwelling growth in Tauranga City and Western Bay of Plenty – base and high growth scenario

Year	Base case scenario			High growth scenario		
	Occupied dwellings	Change		Occupied dwellings	Change	
		Total change	Ann ave chge		Total change	Ann ave chge
Tauranga City						
2017	51,000			51,000		
2020	54,600	3,600	1,200	55,200	4,200	1,400
2027	63,200	8,600	1,230	66,000	10,800	1,540
2047	83,100	19,900	1,000	92,400	26,400	1,320
Western BOP						
2017	21,600			21,600		
2020	22,900	1,300	430	23,000	1,400	470
2027	25,500	2,600	370	26,000	3,000	430
2047	29,800	4,300	220	31,700	5,700	290

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

In Tauranga City, the high growth scenario increases the growth in the number of occupied dwellings by 9,300 over the next 30 years (or 310 per annum) and in Western Bay of Plenty adds a further 1,900 occupied dwellings (or 60 per annum).

The projections provided by NIDEA do not provide a breakdown by area unit. Consequently, to estimate high scenario growth by submarket the increased growth at the territorial authority has been used to factor up the submarket growth rates to provide estimates of the number of occupied dwellings.

[13] These projections are detailed in the following reports. https://www.smartgrowthbop.org.nz/media/1398/f-2014bopreviewappendicesfinal20may.pdf and http://econtent.tauranga.govt.nz/data/documents/reports/population/tauranga_city_population_household_review.pdf

Table 3.23 presents the implications of the high growth scenario on the projected growth in occupied dwellings by submarket.

Table 3.23: Projected growth in occupied dwellings by submarket – base and high growth scenario

	Western Bay of Plenty			Tauranga City				
	Northern	Southern	Rural	Mt North & CBDs	Fringe City West	Fringe City South	Central	Coastal
Base								
2017	6,670	5,490	9,860	3,440	8,820	7,260	14,920	16,370
2020	7,300	5,640	10,240	3,630	10,050	7,650	15,200	18,030
2027	8,880	5,960	11,020	4,020	12,840	8,550	15,870	21,860
2047	12,370	6,180	11,510	5,330	22,740	8,940	17,130	28,300
Ann Chge								
17 to 20	210	50	130	60	410	130	90	550
20 to 27	230	50	110	60	400	130	100	550
27 to 47	170	10	20	70	500	20	60	320
High Growth								
2017	6,670	5,490	9,860	3,440	8,820	7,260	14,920	16,370
2020	7,330	5,660	10,280	3,660	10,130	7,710	15,200	18,170
2027	9,050	6,070	11,220	4,200	13,440	8,700	15,870	22,890
2047	13,210	6,600	12,300	5,930	25,300	10,470	17,130	31,490
Ann Chge								
17 to 20	220	20	380	70	440	150	90	600
20 to 27	250	60	130	80	470	140	100	670
27 to 47	210	30	50	90	590	90	60	430

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The high growth scenario also has an impact on the total number of standalone and multi-unit dwellings required over the next 30 years. Table 3.24 presents the implications of the high growth scenario on the growth in demand by tenure, dwelling typology and size.

Table 3.24: Demand by dwelling typology, size and tenure – high growth scenario

	Owner occupiers						Renters					
	Standalone dwellings			Multi-unit dwellings			Standalone dwellings			Multi-unit dwellings		
	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total	2 Bdrm-	3 Bdrm+	Total
Tauranga City												
2017	1,970	26,740	28,710	2,560	1,390	3,950	2,350	10,310	12,660	4,460	1,240	5,710
2020	2,130	28,320	30,450	2,790	1,500	4,290	2,610	11,400	14,010	5,020	1,370	6,390
2027	2,520	32,160	34,680	3,430	1,780	5,210	3,340	14,460	17,810	6,550	1,730	8,280
2047	3,320	40,200	43,520	4,670	2,290	6,960	5,370	22,740	28,110	11,160	2,740	13,910
Annual Change												
17 to 20	50	530	580	80	40	110	90	360	450	190	40	230
20 to 27	60	550	600	90	40	130	100	440	540	220	50	270
27 to 47	40	400	440	60	30	90	100	410	520	230	50	280
Western BOP												
2017	1,410	13,100	14,510	240	160	390	1,970	4,240	6,210	540	90	630
2020	1,450	13,530	14,980	280	190	480	2,150	4,650	6,800	620	120	730
2027	1,620	14,500	16,110	390	260	650	2,580	5,720	8,290	790	180	970
2047	1,750	15,790	17,540	600	420	1,020	3,560	8,140	11,700	1,310	340	1,650
Annual Change												
17 to 20	20	150	170	10	10	20	60	140	200	20	10	30
20 to 27	20	140	160	20	10	20	60	150	210	20	10	30
27 to 47	10	60	70	10	10	20	50	120	170	30	10	30

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

Table 3.25 compares the typology projections under the base case and high growth scenarios.

Figure 3.25: Comparison of the base case and high growth scenarios by dwelling typologies

	Base Case				High Growth			
	Owner occupiers		Renters		Owner Occupiers		Renters	
	Standalone	Multi-Unit	Standalone	Multi-Unit	Standalone	Multi-Unit	Standalone	Multi-Unit
Tauranga								
2017	28,710	3,950	12,660	5,710	28,710	3,950	12,660	5,710
2047	38,950	6,240	25,370	12,540	43,520	6,960	28,110	13,910
Change	10,240	2,290	12,710	6,830	14,810	3,010	15,450	8,200
WBOP								
2017	14,510	390	6,210	630	14,510	390	6,210	630
2047	16,550	590	11,300	1,290	17,540	1,020	11,700	1,650
Change	2,040	200	5,090	660	3,030	630	5,490	1,020

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total occupied dwellings may vary between tables.

The high growth scenario increases demand across all dwelling typologies. The higher level of growth may test the development capacity within the wider housing market to accommodate the additional dwellings and could potentially impact on the mix of typologies and result in a shift towards more intensive living.

3.9 Implications of increased propensity for more intensive living scenario

The objective of this section of the report is to demonstrate the results of a trend to more intensive living (multi-unit dwellings) on the propensity of households to choose different housing typologies. Under the base case scenario 72% of the demand in Tauranga City is for standalone dwellings (and 28% for multi-unit dwellings) between 2017 and 2047. Comparative statistics in Western Bay of Plenty are 91% of the demand is for standalone dwellings and 9% for multi-unit dwellings. Under the more intensive case scenario 42% of the demand in Tauranga City is for standalone dwellings (and 58% for multi-unit dwellings) between 2017 and 2047. Comparative statistics in Western Bay of Plenty are 85% of the demand is for standalone dwellings and 15% for multi-unit dwellings.

The headline demand statistics for the modelled shift to more intensive living is presented in Table 3.26 using the base case projections in Table 3.1.

Table 3.26: More intensive living scenario using the base case projections

	Tauranga City			Western Bay of Plenty		
	Standalone	**Multi-Unit**	**Total**	**Standalone**	**Multi-Unit**	**Total**
2017	41,370	9,650	51,020	20,720	1,020	21,740
2047	54,740	28,350	83,090	27,380	2,240	29,620
Change 17 to 47	13,370	18,700	32,070	6,660	1,220	7,880
% change 17 to 47	32%	194%	63%	32%	120%	36%

Source: SmartGrowth

These projections were provided by SmartGrowth. To achieve these outcomes the propensity for households to live in multi-unit dwellings must increase. The projections by dwelling typology presented in Section 3.5 assume households' preferences remain constant. The shift towards more intensive living in Section 3.5 is a result of an aging population with more one person and couple only households (older smaller households have a higher propensity for multi-unit dwellings), and falling rates of owner occupation (renters have a higher propensity for multi-unit dwellings than owner occupiers).

To achieve the levels of intensification presented in Table 3.26, in addition to the demographic changes in the area's population, Tauranga City households' propensity to choose multi-unit dwellings over standalone dwellings would need to increase by an average of 6 percentage points (whilst the propensity for standalone dwellings would need to reduce by 6 percentage points) between 2017 and 2047. The range of the change in households' propensity for multi-unit dwellings varied from 0% to 9% depending on tenure, age of the household reference person and household composition. This change has an accumulative impact over the projection period. This would require a moderate change in household behaviour. The modelled trend towards multi-unit living is smaller in Western Bay of Plenty and would only require a 1.2 percentage point change in the propensity of households to live in multi-unit dwellings.

4. Housing affordability and need

4.1 Introduction

The objective of this section of the report is to present the trends in housing affordability in Tauranga City and Western Bay of Plenty and discuss:

- Trends in housing affordability;
- Housing continuum;
- Renter housing stress;
- Location of where low-income renters live within the urban area; and
- Crowding, homelessness; and housing need.

4.2 Trends in housing affordability

Housing affordability varies with the movement in household incomes, interest rates, market rents and house prices. 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 is typically measured as:

- Renter affordability – renters' ability to pay affordably the median market rent; and
- First home buyer affordability - renters' ability to purchase a dwelling at either the lower quartile or median dwelling sale price.

Housing affordability comes under pressure when housing costs increase at a faster rate than household incomes. Variations in interest rates can mask the underlying trends in first home buyer affordability in the short to medium term.

Table 4.1 presents the trend in median house sale prices, rents and household incomes between 1991 and 2017.

Table 4.1: Median house prices, median rents and median gross household incomes – 1991 to 2017

	Median sale price, rents and household income						% change 1991 to 2017	
	Mar-91	Mar-96	Mar-01	Mar-06	Mar-13	Mar-17	Total %	Annual Ave
House prices								
Tauranga City	$110,000	$165,000	$197,000	$366,000	$381,000	$620,000	464%	6.9%
Western BOP	$110,000	$135,000	$184,000	$350,000	$349,000	$550,000	400%	6.4%
House rents								
Tauranga City	$140	$195	$200	$280	$340	$420	200%	4.3%
Western BOP	$120	$160	$175	$230	$280	$371	209%	4.4%
Household incomes								
Tauranga City	$28,600	$29,900	$33,300	$45,500	$55,800	$65,300	128%	3.2%
Western BOP	$27,000	$30,400	$35,500	$46,800	$55,600	$65,000	141%	3.4%

Source: Statistics New Zealand, MBIE and Corelogic

The deterioration in housing affordability is a result of housing costs increasing at a faster rate than household incomes. House prices have increased around double the annual average compounded rate of growth as household incomes whereas rents have increased at between 1.1 and 1.0 percentage points per annum faster than household incomes. These trends have had an impact on key affordability measures over time. Table 4.2 presents the ratio of median house sale price to median household income between 2013 and 2017.

Table 4.2: Median house price to median household income

	2013	2017	Change 01 to 17
Western BOP			
Northern	8.5	11.3	2.8
Southern	6.1	8.6	2.5
Rural	9.2	12.6	3.4
Tauranga City			
Mt North & CBD	6.9	8.3	1.4
Fringe City West	7.2	9.6	2.4
Fringe City South	6.3	7.9	1.6
Central	6.7	8.2	1.4
Coastal	6.9	9.5	2.6

Source: Modelled based on Statistics New Zealand data

The ratio of median house prices to median household incomes have increased in all submarkets between 2013 and 2017. These trends reflect the high growth in house prices relative to incomes. The least affordable location in 2017 is Western Bay of Plenty Rural followed by northern sub markets.

Table 4.3 presents the median market rent as a percentage of the median gross household income between 2001 and 2017.

Table 4.3: Median rent to median household income

	2013	2017	Change 01 to 17
Western BOP			
Northern	30.0%	34.4%	4.4%
Southern	30.5%	30.4%	-0.1%
Rural	26.3%	30.4%	4.1%
Tauranga City			
Mt North & CBD	30.3%	29.8%	-0.5%
Fringe City West	28.6%	31.2%	2.6%
Fringe City South	27.6%	29.4%	1.7%
Central	34.2%	35.2%	1.0%
Coastal	31.4%	35.0%	3.7%

Source: Modelled based on Statistics New Zealand data

Median market rent to median household income ratio increased in all but two submarkets between 2013 and 2017. This reflects the strong growth in rents in some locations relative to household incomes. Table 4.4 presents the proportion of renter households that are unable to affordably[14] pay the median market rent or buy a dwelling at the median market sale price.

Table 4.4: The proportion of renter households unable to affordably rent or buy in 2013 and 2017

	% of renters unable to affordably rent			% of renters unable to affordably purchase		
	2013	2017	Change	2013	2017	Change
Western BOP						
Northern	59%	65%	6%	84%	92%	8%
Southern	62%	62%	0%	74%	88%	14%
Rural	58%	65%	7%	91%	96%	5%
Tauranga City						
Mt North & CBD	50%	50%	0%	70%	80%	10%
Fringe City West	58%	63%	5%	83%	92%	9%
Fringe City South	59%	62%	3%	77%	89%	12%
Central	66%	67%	1%	76%	84%	8%
Coastal	61%	67%	6%	77%	89%	12%

Source: Modelled based on data from SmartGrowth, NIDEA, MBIE, and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

[14] A household can affordably rent or buy a dwelling if it spends no more than 30% of its gross household income on housing costs

The number of renters unable to affordably pay the median market rent increased or stayed the same in all submarkets between 2013 and 2017. In 2017 between 50% and 67% of all renters were unable to affordably rent a dwelling. The proportion of renters unable to affordably purchase a dwelling at the median house price increased by between 5 and 14 percentage points between 2013 and 2017. Between 80% and 96% of all renters were unable to affordably purchase a dwelling at the median house sale price.

Table 4.5 presents the trend in key price points for renter households. These statistics reflect the projected trend in the number renter households that can affordably rent a dwelling at different price points.

Table 4.5: The projected number of renter households by key price points – 2017 to 2047

Affordable rental	Tauranga City				Western Bay of Plenty			
range	2017	2020	2027	2047	2017	2020	2027	2047
$0 to $100	2,200	2,380	2,830	3,870	830	880	1,010	1,250
$100 to $150	2,470	2,620	2,940	3,550	920	1,840	2,080	2,400
$150 to $200	1,710	1,990	2,690	4,980	640	2,570	3,030	4,000
$200 to $250	1,660	1,750	1,930	2,110	620	3,220	3,740	4,700
$250 to $300	1,700	1,850	2,190	3,010	640	3,900	4,520	5,730
$300 to $350	1,540	1,740	2,170	3,020	570	4,550	5,320	6,750
$350 to $400	1,070	1,170	1,460	2,770	410	4,990	5,850	7,680
$400 to $450	1,080	1,160	1,380	1,810	410	5,440	6,360	8,290
$450 to $500	850	990	1,340	1,810	320	5,810	6,850	8,910
$500 to $550	660	720	860	1,760	240	6,070	7,170	9,490
$550 to $600	660	720	860	1,150	250	6,350	7,490	9,880
$600 to $650	670	720	860	1,140	250	6,620	7,800	10,270
$650 to $700	430	580	840	1,140	150	6,830	8,110	10,660
$700 to $750	200	220	380	1,140	70	6,900	8,250	11,040
over $750	1,480	1,670	2,180	4,310	520	600	800	1,440
Total Renters	18,380	20,260	24,910	37,580	6,840	7,500	9,050	12,480

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.
NB: These statistics assume rents and household increase at the same rate between 2017 and 2047.

Tauranga's median market rent is $420 per week. These statistics suggest 70% of renters are unable to pay the median market rent. The median rent is lower in Western Bay of Plenty at $371 per week. This implies 65% of renters are currently unable to affordably pay the market rent.

Table 4.6 presents the number of renters unable to affordably purchase a dwelling by price band between 2017 and 2047.

Table 4.6: Renter households' ability to affordably purchase

	Tauranga City				Western Bay of Plenty			
	2017	**2020**	**2027**	**2047**	**2017**	**2,020**	**2027**	**2047**
less than $250,000	10,380	11,820	15,360	26,620	3,880	4,700	5,530	8,790
$250,000 to $300,000	1,600	1,680	2,040	2,980	610	650	760	1,010
$300,000 to $350,000	1,370	1,560	1,830	2,250	520	640	680	760
$350,000 to $400,000	1,060	1,070	1,260	2,070	400	410	470	700
$400,000 to $450,000	850	970	1,260	780	310	390	470	250
$450,000 to $500,000	850	960	920	690	320	390	340	240
$500,000 to $550,000	600	470	380	700	220	140	140	230
$550,000 to $600,000	250	280	380	600	90	110	140	200
$600,000 to $650,000	260	290	380	150	80	120	140	40
$650,000 to $700,000	250	290	390	110	90	110	130	40
$700,000 to $750,000	260	290	180	110	90	110	70	40
$750,000 to $800,000	230	140	70	110	80	30	20	30
$800,000 to $850,000	40	40	60	120	20	20	20	40
$850,000 to $900,000	40	50	60	110	10	10	30	40
Over $900,000	340	350	360	200	120	130	130	130
Total	18,380	20,260	24,910	37,580	6,840	7,950	9,050	10,170

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.
NB: These statistics assume household incomes increase at 4.0% pa and house prices at 5.0% pa between 2017 and 2047.

Over 80% of renters are unable to affordably purchase a dwelling at $400,000 in both Tauranga and Western Bay of Plenty. This increases to almost 90% of renters at a sale price of $500,000.

Table 4.7 presents the trend in key price points for owner occupied dwellings. These statistics reflect the projected trend in the number of owner occupied households that can affordably purchase a dwelling. These statistics assume owner occupiers have a 40% deposit reflecting equity accumulated in owning their previous dwelling. Note the number of households unable to buy dwellings at low prices includes older retired households which may not have a mortgage along with relatively low household incomes.

Table 4.7: The projected number of owner occupied households that can affordably purchase a dwelling by key price points – 2017 to 2047

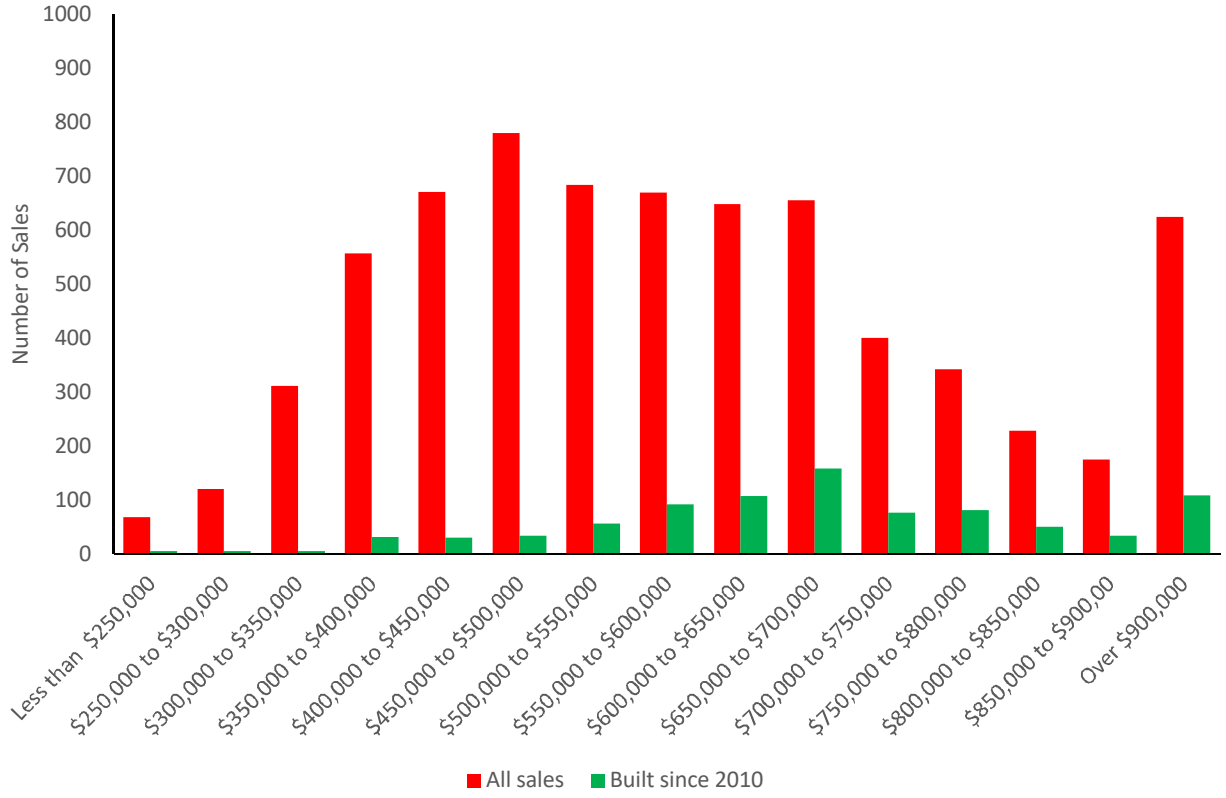
Affordable house price range	Tauranga City				Western Bay of Plenty			
	2017	2020	2027	2047	2017	2020	2027	2047
less than $250,000	7,270	8,220	10,810	20,150	3,210	3,930	4,700	7,240
$250,000 to $300,000	2,180	2,430	3,010	4,480	1,100	1,280	1,500	2,000
$300,000 to $350,000	2,180	2,420	3,010	2,920	1,100	1,290	1,510	1,130
$350,000 to $400,000	2,150	2,200	2,210	2,870	1,080	1,070	1,010	1,080
$400,000 to $450,000	1,570	1,720	2,020	2,360	750	820	890	830
$450,000 to $500,000	1,580	1,710	2,020	2,120	750	830	900	700
$500,000 to $550,000	1,570	1,630	1,600	2,110	760	720	630	700
$550,000 to $600,000	1,320	1,380	1,570	1,930	570	580	600	640
$600,000 to $650,000	1,290	1,380	1,560	1,060	540	580	600	350
$650,000 to $700,000	1,290	1,380	1,570	990	550	570	600	310
$700,000 to $750,000	1,290	1,380	1,080	980	550	580	420	310
$750,000 to $800,000	1,210	960	730	980	510	320	280	320
$800,000 to $850,000	620	660	740	980	270	270	280	310
$850,000 to $900,000	620	660	730	810	260	270	280	260
Over $900,000	6,490	6,340	5,710	3,360	2,880	2,590	2,280	1,130
	32,630	34,470	38,370	48,090	14,880	15,690	16,480	17,300

Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

There is projected to be strong growth in the number of owner occupier households who are unable to affordably buy at dwelling at over $300,000. This reflects the expected strong growth in the number of older owner occupiers on low fixed incomes over the next 30 years. These households are likely to be asset rich (in terms of the equity in their dwellings) but relatively income poor.

Figure 4.1 presents the number of dwellings sold in Tauranga City and Western Bay of Plenty since the beginning of 2016 by price band. In addition, the number of properties sold that have been newly built since 2010 is also included.

Figure 4.1: House sales by price band since the beginning of 2016



Source: Headway Systems

There is a mismatch been the prices being achieved and households' ability to pay. For example, 43% of owner occupiers cannot afford to pay any more than $400,000 whereas 78% of renters are unable to affordably purchase at the same price. Unfortunately, only 15% of dwellings sold for less than $400,000. In addition, 57% of owner occupiers are unable to affordably purchase at $500,000 and 91% of renters are also unable to purchase a dwelling at $500,000. Dwellings selling for between $400,000 and $500,000 accounted for 31% of market activity. Note dwelling values significantly increased during 2016 and consequently these statistics are likely to imply affordability is better than the actual position in mid-2017. Current advertised prices for land and building packages typically range between $500,000 and $700,000 which suggests they are also out of the reach of most renters and a significant proportion of owner occupiers.

4.3 New infill supply - development feasibilities

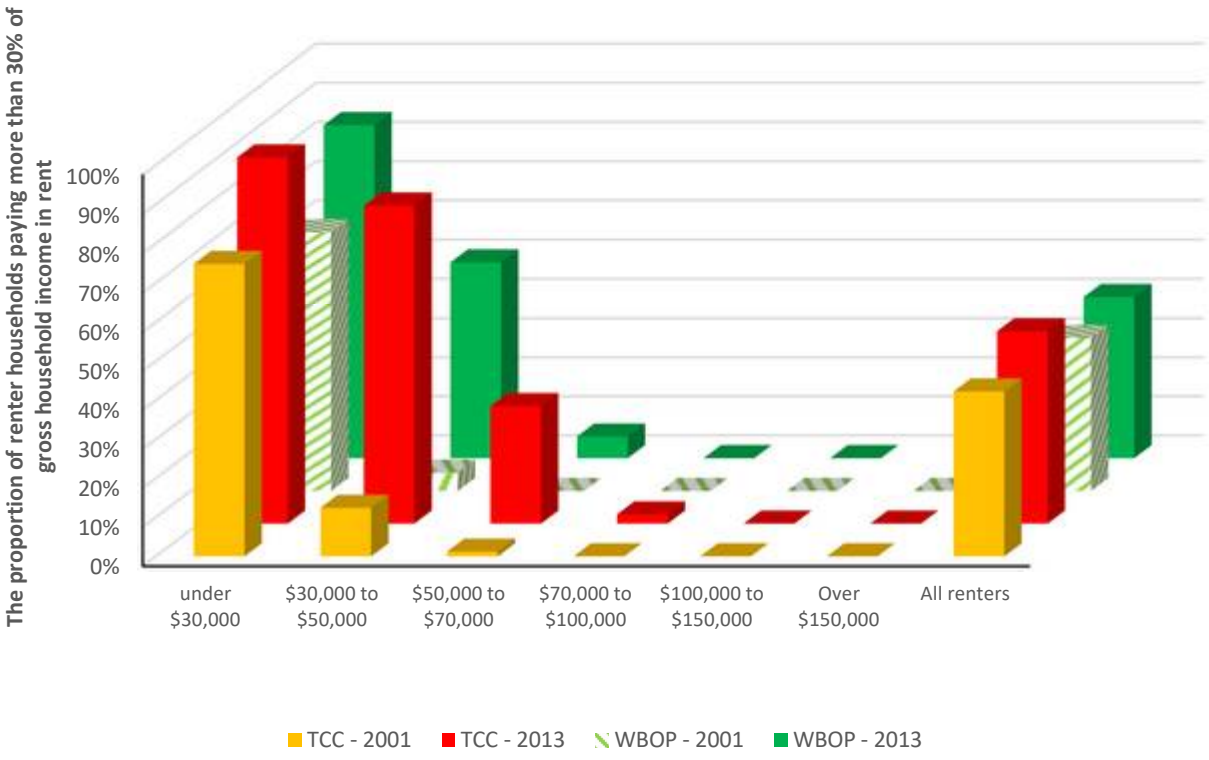
Developers will face a significant challenge to build sufficient supply to meet the projected increase in demand for multi-unit dwellings. Development feasibilities for suburban multi-unit infill often struggle to generate sufficient profits to attract developers into the market. At different stages of the property cycle banks can also become more risk adverse in their lending policies and place strict criteria on developers testing the market with non-typical dwelling configurations. For example, building terraced housing and/or low-rise apartments in a market traditionally dominated by standalone dwellings. Often to make these multi-unit configurations attractive to the market they need to be located close to high value public amenities, employment and entertainment centres, transport corridors, and typically be within high residential value areas.

Anecdotal evidence suggests the feasibility of redeveloping infill sites within the existing urban area will be poor. The cost of buying redevelopment sites with existing improvements is likely to result in low or no developer margin. Dwelling typologies which are most likely to provide the reasonable margins (although potentially currently below accepted level of profit relative to the development risk) are duplex, small lot terraced and low-rise apartment developments. More intensive developments on greenfield sites are more likely to provide acceptable margins due to the lower site costs.

4.4 Trends in housing stress

Private renter housing stress[15] is experienced by households that have insufficient income to affordably pay their housing costs. This can occur because either housing costs are high relative to market norms or incomes in an area are low. Renter housing stress is defined as those households that are paying more than 30% of their gross household income in rent. Severe housing stress is those households paying more than 50% of their gross household income in rent. Figure 4.2 presents the trend on the level of housing stress between 2001 and 2013 by gross household income in Tauranga and Western Bay of Plenty.

Figure 4.2: Housing stress by gross household income 2001 and 2013 in Tauranga and Western Bay of Plenty



Source Statistics New Zealand

The proportion of households experiencing housing stress increased for renters earning $30,000 to $50,000 (from 12% to 81% in Tauranga and 5% to 50% in Western Bay of Plenty) between 2001 and 2013. Over the same time period the proportion of households earning between $50,000 and $70,000 experiencing housing stress also increased (from 1% to 30% in Tauranga City and 0% to 6% in Western Bay of Plenty). Typically, private renter housing stress is higher for low income households. Between 2013 and 2017 rents have increased faster than household incomes and this is likely to have resulted in an increase in the number of stressed renter households.

[15] Renter stress is significantly lower in social housing as current income related rent policy limits the cost to 25% of income in eligible households. These households typically have needs beyond affordability although it is also important to note that if they rented their accommodation in the private market they would very likely be stressed.

Table 4.8 presents the relative levels of renter housing stress by income bands for Tauranga City and Western Bay of Plenty.

Table 4.8: The relative level of renter housing stress in 2013

Gross household income	Stressed (30% or more)		Severely stressed (50% or more)	
	Tauranga City	Western BOP	Tauranga City	Western BOP
Less than $30,000	94%	87%	75%	57%
$30,001 to $50,000	81%	57%	10%	0%
$50,001 to $70,000	30%	16%	0%	0%
$70,001 to $100,000	2%	4%	0%	0%
$100,000 to $150,000	0%	0%	0%	0%
Overs $150,000	0%	0%	0%	0%
Total	49%	45%	21%	18%

Source Statistics New Zealand

The majority of households earning less than $50,000 per annum are likely to be paying more than 30% of their gross household income in rent and a significant proportion of households earning less than $30,000 are also paying more than 50% in rent.

Table 4.9 presents the proportion of renter households experiencing housing stress by submarket between 2001 and 2013.

Table 4.9: Housing stress by submarket

	2001	2006	2013	Change 01 to 13
Western BOP				
Northern	49%	46%	49%	0%
Southern	46%	45%	49%	3%
Rural	34%	33%	40%	6%
Tauranga City				
Mt North & CBD	34%	35%	41%	7%
Fringe City West	43%	41%	44%	1%
Fringe City South	44%	46%	51%	7%
Central	50%	49%	56%	6%
Coastal	43%	43%	49%	6%

Source Statistics New Zealand

The highest proportion of renters experiencing housing stress live in Tauranga City – Central and Fringe City south submarkets. The greatest increase in the proportion of households experiencing housing stress occurred in Western BOP – Rural, Tauranga City -Mt North and CBD, Fringe City South and Coastal submarkets.

Table 4.10 presents the modelled number of stressed private renter households at 2017.

Table 4.10: Number of stressed private renter households by sub region in 2017

	Modelled number of stressed private renters 2017
Western BOP	
Northern	970
Southern	930
Rural	1,080
Total Western Bay of Plenty	2,980
Tauranga City	
Mt North & CBD	770
Fringe City West	790
Fringe City South	980
Central	3,100
Coastal	2,810
Total Tauranga City	8,460
Combined Tauranga City and Western Bay of Plenty	11,440

Source: Modelled based on data from SmartGrowth, NIDEA, MBIE, and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

The results of the modelling take into account the change in median market rents between 2013 and 2017 and also assumes household incomes continue to increase at the same rate between 2013 and 2017 as they did between 2001 and 2013. These results suggest that 74% of the stressed private sector renters live in Tauranga City.

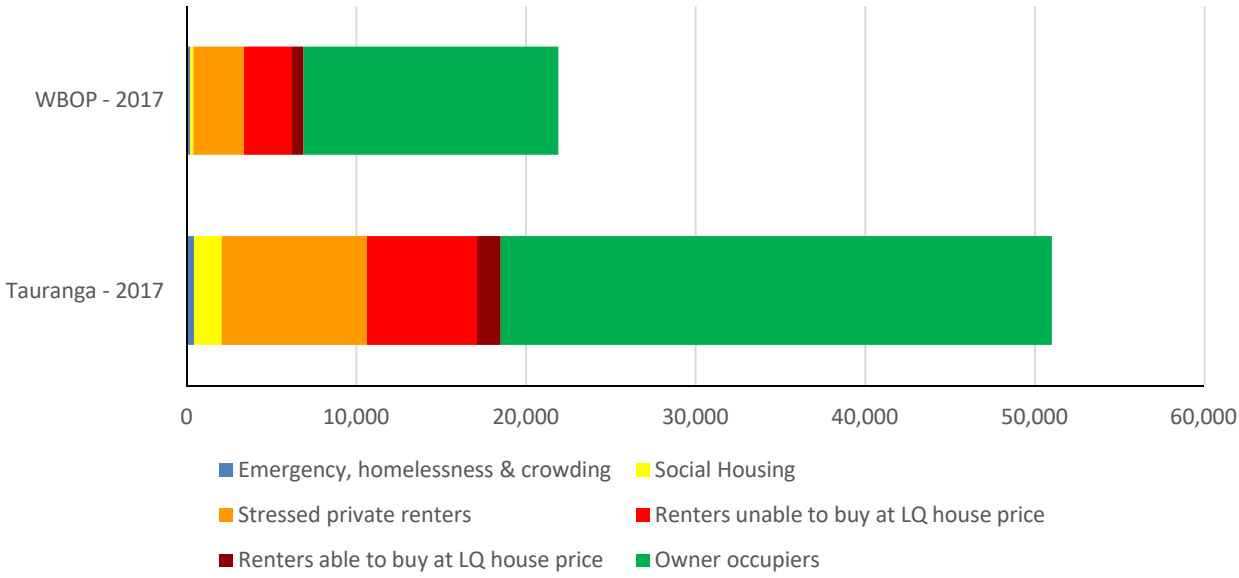
4.5 The housing continuum

The Housing Continuum provides insight into the relative sizes of the different housing sub-groups along a continuum which stretches from emergency and homeless households to owner occupation. This progression can be summarised as:

- Emergency, homelessness and crowding;
- Social renters with housing needs in addition to financial affordability;
- 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.

Changes in the relative size of these groups reflect the pressures within the continuum overtime. Figure 4.3 presents the modelled housing continuum as at 2017.

Figure 4.3: Housing Continuum 2017



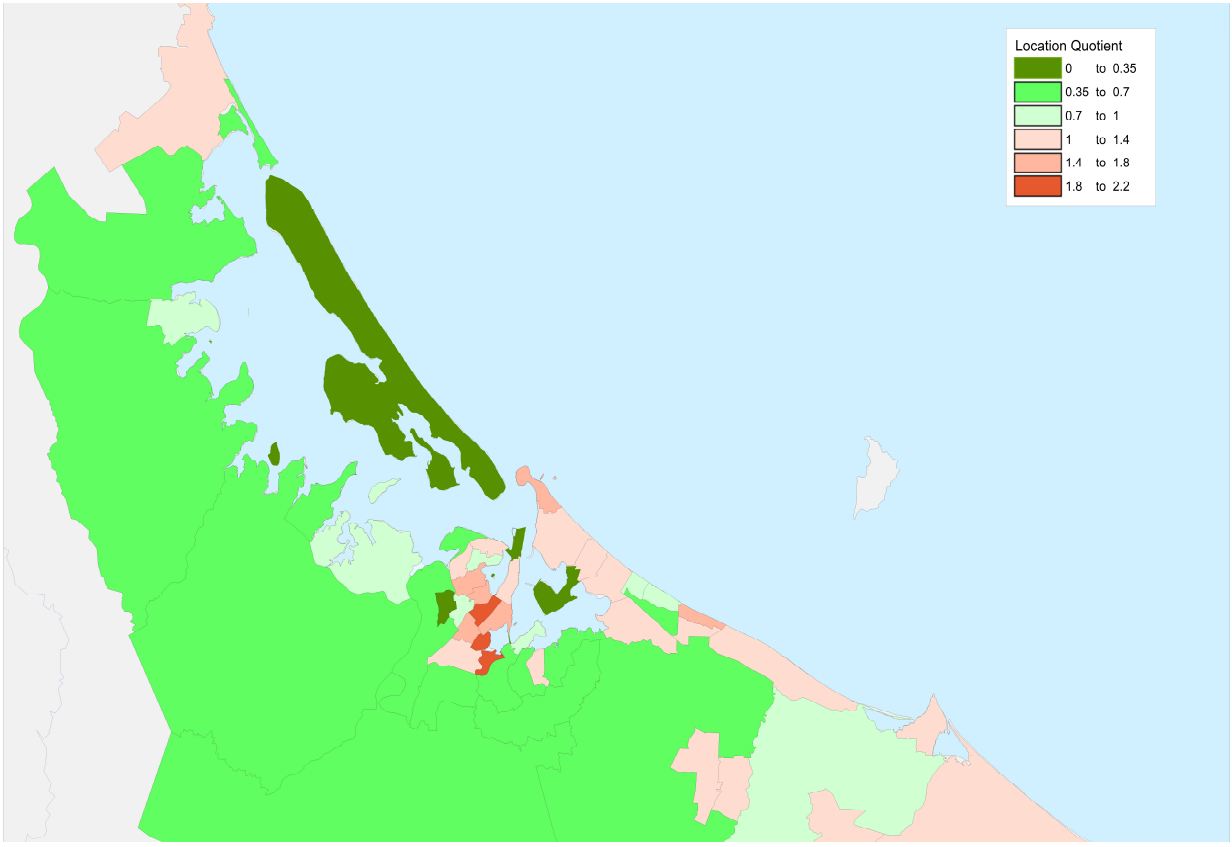
Source: Modelled based on data from SmartGrowth, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

The largest group of renter households are categorised as stressed (paying more than 30% of their household income in housing costs). There is also a relatively large group of renters who are earning sufficient income to pay the median rent however earn insufficient income to affordably purchase a dwelling at the lower quartile house sale price.

4.6 Distribution of low income renter households within Tauranga and Western BOP

Figures 4.4 and 4.5 present the distribution of low income (earning less than $50,000 per annum) renters (both social and private renters combined) across Tauranga and Western Bay of Plenty in 2006 and 2013. Low income renter households are presented using a location quotient. The location quotient is calculated by the ratio of the density of low income renters in the area unit relative to the average across Tauranga and Western Bay of Plenty combined.[16]

Figure 4.4: Low income location quotient 2006

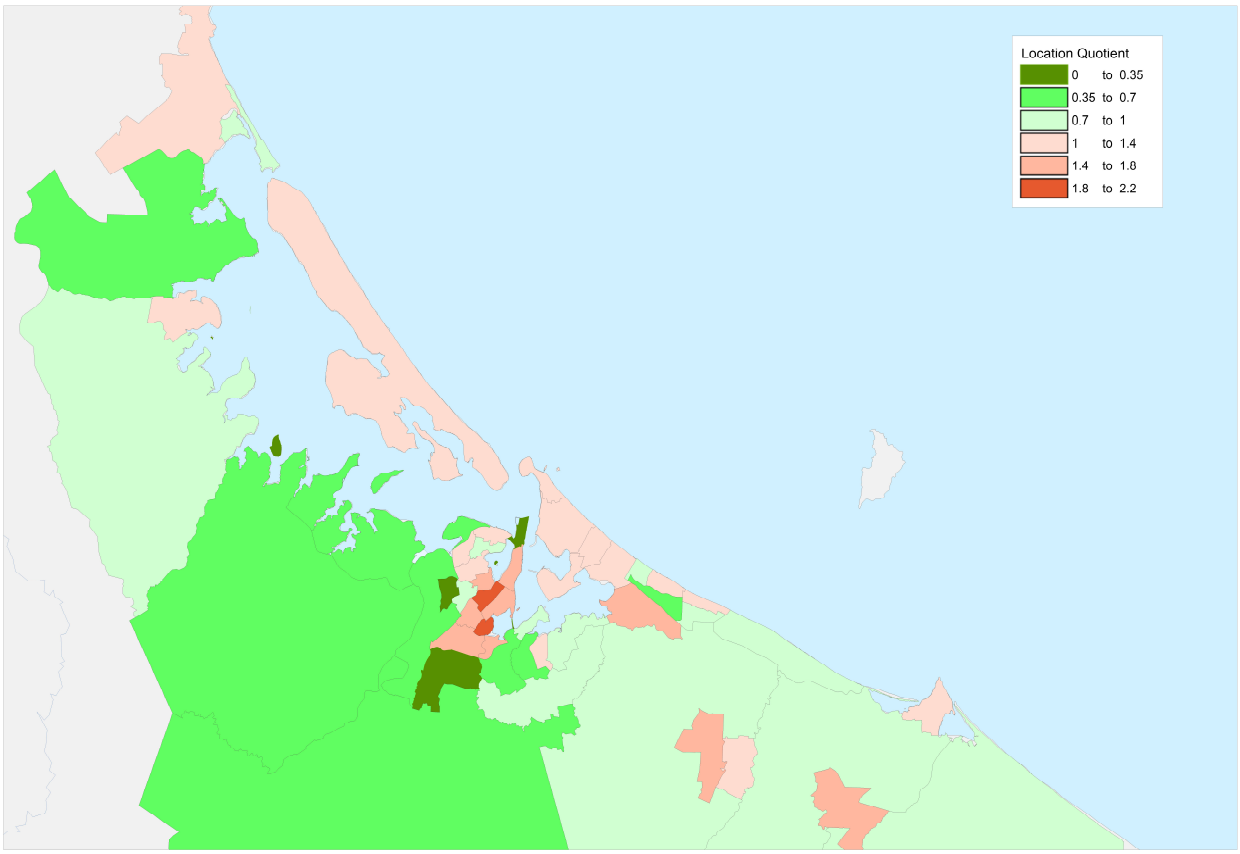


Source: Modelled based on Statistics New Zealand data

NB: The redder the colours the higher the concentration of low income renters

[16] Location quotient = ((the number of low income renters in the area unit/the total number of households in the area unit)/(the number of low income renters in Tauranga & WBOP/the total number of households in Tauranga & WBOP))

Figure 4.5: Low income renter location quotients 2013



Source: Modelled based on Statistics New Zealand data
NB: The redder the colours the higher the concentration of low income renters

These trends reflect the changes that have occurred within the housing market and include variations in rents, the relative level of demand from different types of renters and changes in availability of rental housing stock. In 2006 and 2013 low income renters were largely concentrated in the inner city. However there has also been an increase in concentration of low income renters in the southern part of Western Bay of Plenty.

4.7 Housing need

Housing need is a measure of the total number of renter households within a community which require some assistance to meet their housing requirements. Total ***'renter housing need'*** encapsulates a number of different groups of households and includes the following groups:

- Financially stressed private renter households;
- Those households whose housing requirements are met by social, third sector and emergency housing; and
- People who are homeless or living in crowded dwellings.

Total renter housing need = stressed private renter households + social housing tenants + other need

'Other need' encapsulates those households who because of their circumstances have housing needs in addition to affordability. Social housing is defined as the number of households, who because of their circumstances are in Housing New Zealand Corporation (HNZC), local authority, and third sector housing. Other need is defined as crowded households, or are homeless.

This section of the report presents analysis of:

- Current levels of housing need;
- Current need by household demographic characteristics;
- Projected growth in housing need; and
- Implications of the current and expected trends in housing need.

Estimates of current housing need build on the analysis presented in the previous sections of the report including the number of social tenants, levels of homelessness, and the number of stressed private renter households.

Table 4.11 presents the analysis of total housing need as at 2017.

Table 4.11: Total Housing Need as at 2017

	Financial Housing Stress (A)	Other Need			Total Housing Need (A + D)	% of All Renters	% of All Households
		Social Renters (B)	Other (C)	Total Other Need (B + C =D)			
Tauranga City	8,460	1,610	580	2,190	10,650	58%	21%
Western BOP	2,980	200	280	480	3,460	51%	16%
Combined	11,440	1,810	860	2,670	14,110	56%	19%

NB: Numbers are rounded to the nearest 10.
NB: The analysis is based on data from census, population projections (SmartGrowth, NIDEA, TCC, WBOP & Statistics New Zealand), MBIE, and HNZC.

The overall level of housing need is greater in Tauranga City than in Western Bay of Plenty. This is a reflection of the higher number of low income renters and social renters living in the city. Tauranga City's relative level of housing stress is slightly higher than Greater Wellington (54% of all renters) and lower than areas such as Porirua (68% of all renters) and Masterton (67% of all renters). Western Bay of Plenty has lower levels of housing need which is a reflection of the relative income distribution of the renter households living in their submarkets relative to housing costs.

The objective of this analysis is to attempt to provide an insight into how the requirement for social housing might change over the next 30 years as a result of the likely changes in the 'other need' category, relative to the existing social housing stock if the current relationship between social housing stock and total housing need over the next 30 years is maintained.

Table 4.12 presents analysis of the estimated growth in total housing need by financially stressed renter households and other need over the 2017 to 2047 period. These estimates assume:

- The growth in the level of 'other need' is proportionate to the growth in financially stressed renter households;
- Household incomes and market rents increase at approximately the same rate;
- There are no significant changes to the financial, structural and institutional environment in which the housing market operates over the next 30 years; and
- There are no unexpected corrections in the housing market over the next 30 years.

Table 4.12: Projected housing need – 2017 to 2047

	Tauranga City			Western BOP			Combined		
	Total Need	Need as a % of		Total Need	Need as a % of		Total Need	Need as a % of	
		All renters	All hhlds		All renters	All hhlds		All renters	All hhlds
2017	10,650	58%	21%	3,460	51%	16%	14,110	56%	19%
2020	11,830	58%	22%	3,790	51%	17%	15,620	56%	20%
2027	14,670	59%	23%	4,640	51%	18%	19,310	57%	22%
2047	23,410	61%	28%	6,700	53%	22%	30,110	59%	26%

NB: Numbers are rounded to the nearest 10.
NB: These projections assume rents and household incomes increase at approximately the same rate between 2017 and 2047.
Source: Modelling housing outcomes based on data from census, population projections (Statistics New Zealand), NIDEA, SmartGrowth, MBIE, and HNZC.

The relative level of housing need is expected to increase across Tauranga and Western Bay of Plenty. Between 2017 and 2047 total need is projected to increase by 16,000 households (or 113%). A total of 80% of the projected increase in total need is expected to occur in Tauranga City. This is primarily a reflection of the projected increase in the number of older one person and couple only renter households aged 65 years and older. As these relatively fixed low-income households increase as a proportion of all renter households the level of housing need increases.

4.8 Implications of housing affordability and need trends on the demand for social housing

The objective of this section of the report is to discuss the implications of the current and projected level of housing need on the demand for additional social renter dwellings. Table 4.13 presents the potential increase in demand if the level of social renters relative to the total level of housing need remained constant between 2017 and 2047. This does not imply the current ratio of social renters to total need is appropriate, as this is a policy decision and beyond the scope of this project.

Table 4.13: Projected increase in demand for social housing units in the combined Tauranga and WBOP area

	Tauranga City		Western BOP		Combined	
	Total need	**Social**	**Total need**	**Social**	**Total need**	**Social**
2017	10,650	1,610	3,460	200	14,110	1,810
2020	11,830	1,780	3,790	220	15,620	2,000
2027	14,670	2,210	4,640	270	19,310	2,480
4047	23,410	3,440	6,700	420	30,110	3,860
Change						
17 to 47	12,760	1,830	3,240	220	16,000	2,050

Source: Modelled based on data from SmartGrowth, HNZC, NIDEA and Statistics New Zealand
NB: Numbers are rounded to the nearest 10 in the modelling & consequently total households may vary between tables.

This analysis implies there will be additional demand for 60 to 70 extra social housing dwellings per annum between 2017 and 2047 if the current ratio of social renter dwellings to total housing need is maintained. In addition, the geographical distribution of the additional social dwellings required is also a policy issue. Ideally these would be located in mixed tenure communities close to major employment centres, transport routes and with access to a range of social services.

5. Potential strategies and policies

5.1 Introduction

The objective of this section of the report is to present a range of actions the SmartGrowth Partnership could consider with the objective of improving housing outcomes particularly for those on lower incomes and includes discussion on:

- Policies and actions; and
- Ways to can encourage homes better matched to household sizes and incomes.

The information presented in the previous sections of this report document trends in housing supply, household demographics, and housing affordability. It also projects the potential future status of supply, demographics and affordability based on the trends out to 2047. The results document a challenging current and future environment for many residents:

- Homeownership rates have been falling and are projected to drop to 58.1% in the Western Bay of Plenty and 54.6% in Tauranga City by 2047;
- Home prices increasing by double the rate of household incomes and rents increasing 1% faster than incomes since 1991;
- Renter stress is increasing across the sub-region and impacting households at higher income levels;
- Nearly 90% of renters cannot affordably purchase a home priced at $500,000 and the median home price in March 2017 was $620,000 in Tauranga and $550,000 in Western Bay of Plenty;
- Over 100% projected growth in couple only and one person renter households by 2047; and
- An increase in households aged 65 years and older from 32% in 2017 to 43% in 2047.

5.2 Policies and actions

This report is delivered in an unsettled policy environment with the recent change of Government. The recommendations herein need to be reviewed against future policy announcements and housing programmes. In addition, the housing market itself is well known for cyclical booms and busts. Any actions taken must be regularly reviewed alongside changes in Government policies and the local housing and labour markets. It should be noted that the challenges in the housing market have built over an extended time; responses will necessarily also take time to effect change.

The analysis presented in the previous sections of this report demonstrates a mismatch between the current housing supply and housing need. There is little evidence to indicate a shift in response to the trends of decreasing rates of homeownership and increasing renter housing stress. Nor is the market delivering typologies matched to household sizes, with 3+ bedroom homes around 75% of the existing stock (and continuing to dominate new builds) while single and two person households represent a majority of the current occupied dwellings.

The change in the age profile of Tauranga's and Western Bay of Plenty's population has significant implications for the proportion of household types living in the area. Section 3.2 projected changes in housing demand across various household characteristics. As the population ages the proportion of couples without children and one-person households increases. In Tauranga City, couples without children are projected to increase by 11,800 (70%) and one-person households by 11,000 (83%) between 2017 and 2047. These household groups are projected to account for 71% of the total growth between 2017 and 2047. Western Bay of Plenty is expected to experience similar trends with couples without children households increasing by 3,000 (35%) and one person households by 3,200 (64%) between 2017 and 2047.

These households will generally require smaller homes with one or two bedrooms. During the period 2001-13, Tauranga's supply of these increased by 1,245 homes and Western Bay of Plenty's by 390. Over the same period, Tauranga's new supply of 3+ bedroom homes was 8,181 and Western Bay of Plenty's was 2,334.

There is also an increasing affordability problem. The affordability challenges documented in Section 4 of this report have developed over many years, but accelerated with the recent surge in house prices and rents. The rate of increase in household incomes has not kept pace with prices and rents. Raising incomes is a sustainable solution, but one which the SmartGrowth Partnership has little direct control. Encouraging broad-based economic development and promoting employment growth will have positive impacts on household incomes.

Between 1991-2017, house prices increased around double the annual average compounded rate of growth as household incomes, whereas rents have increased at between 1.1 and 1.0 percentage points per annum faster than household incomes. The cumulative impact of the faster growth in prices and rents than incomes is reflected in falling homeownership rates and financial stress of renters. In 2017, a majority of all renters were unable to affordably rent a dwelling. In addition, around 90% of all renters were unable to affordably purchase a dwelling at the median house sale price.

Future demand projections indicate these trends will continue. Responses to these trends need to address three inter-related issues; the overall size and number of bedrooms of homes (typology); the overall cost of renting or purchasing a new home (affordability); and the failure of incomes to keep pace with housing costs (wages).

Through SmartGrowth, Tauranga City Council and Western Bay of Plenty District Council have effectively coordinated their growth planning. Long term strategies have been adopted with coordinated infrastructure planning to service new growth areas. Despite the coordinated release of development capacity in line with growth, increases in home prices and rents have outpaced increases in household incomes. The data presented in earlier sections evidences the resulting negative impact on affordability.

The question now is how to achieve results which deliver the types of homes needed by current and projected future households? There are various policy tools available to shift housing typology and price points. These need to be carefully crafted and coordinated across the SmartGrowth area. Provision of incentives or mandated requirements in one council area, but not the other, can create unintended consequences. The responses also must be tailored to the segments of the housing continuum; no single policy can address all needs or necessarily be suitable for all segments.

It is anticipated that Greenfield development will continue to provide the majority of new homes, with smaller contributions from infill sites. Greenfield is anticipated to continue to dominate due to the lack of large infill development sites. Therefore, the policy choices should be prioritised to those Greenfield areas which will deliver most of the new supply while working to improve the conditions to deliver infill homes. As noted in Section 4.3, the development feasibility for infill is currently potentially marginal. At some point, this will change due to the increased costs associated with infrastructure, congestion, proximity to employment and amenities as growth pushes further from the urban centre. Development contributions are already identified as high by builders and developers, so incentives for infill may tip the balance sooner rather than later.

This section provides ideas on potential responses to the housing need identified in Section 4. Table 5.1 presents a summary of the need as at 2017 with the approximate numbers of dwellings required at the various segments of the housing continuum. The type of housing required and provider vary depending on which part of the continuum is being considered.

Table 5.1: Housing Continuum responses to need

Continuum Segment	2017 Need	Type of housing response	Provider(s)
Homeless/Emergency Housing	200	Social Housing Assisted Rental Market Affordable	Community housing trusts; Iwi; and private rental market
Crowding	560	Assisted Rental Market Affordable	Community housing trusts; Iwi; and private rental market
Social Renters	1,810	Social Housing	Community Housing Providers; Council housing
Stressed Renters	11,460	Social Housing Assisted Rental Affordable Assisted Ownership Market Affordable	Community Housing Providers; Community housing trusts; Iwi; Council housing; private rental market
Renters unable to buy at LQ house sale price	7,860	Affordable Assisted Ownership; Market Affordable; Market Rental	Community housing trusts; Iwi; private rental market
Renters able to buy at LQ house sale price	3,320	Market Affordable; Market Rental; Full Market	Iwi; private rental market
Owner Occupiers	47,530	Full Market	Private market
Total	72,740		

5.3 Ways to encourage homes better matched to household sizes and incomes

A consistent response regarding why larger, expensive homes continue to dominate new supply instead of smaller, more affordable homes is the cost of land. The Bay of Plenty Regional Policy Statement targets an increase to minimum densities in greenfield areas over time to reach 15 lots/hectare by 2037. Movement toward this density is being seen in some greenfield developments. After netting out land for roads and other infrastructure, lot sizes would be expected to be between 450-500m^2. At these section sizes, it makes little economic sense to develop a smaller home. Builders are delivering 3+ bedroom homes around 200m^2 in size because they provide a good profit. As these are the dominant product for the past several decades, they are also very knowledgeable about how to deliver these. It is the easiest and most comfortable way to do business. Newer developments appear to be shifting to relatively smaller lots (but still large), while maintaining large home sizes.

Builders are commonly not the ones setting the section sizes which is driving the economics. These are set by the developers who acquire and consent the land. In many cases, in addition to laying out large sections, they are also recording covenants which require larger homes with high cost features. Delivery of a smaller, more affordable product is therefore not permitted, even if a builder wanted to bring a 2 bedroom 90m^2 home to market. With the larger product easy to build and sell for a profit, there is little pressure coming from builders to developers to change what they bring to market.

The layout and design of higher density homes requires a greater level of thought and time. Going above two stories requires a different skill set for the builders and their tradies. There is also concern that higher density will take longer to consent and may involve notified consents. Opening up the consent process to input from neighbours is considered a risk that is best avoided. A higher level of neighbourhood amenity is also needed to support higher density development. Connections to walking, biking and public transit routes are necessary, smaller green spaces scattered in proximity to homes are needed in addition to larger open natural and recreational spaces.

A number of strategies could be adopted to encourage homes better matched to household sizes and incomes and these include:

- Land development leadership;
- Land planning leadership;
- Inclusionary zoning;
- Value uplift/ betterment levies/ targeted rates;
- Scale up community housing trusts;
- Support Iwi housing initiatives;
- Support shared ownership proposals;
- Coordinated advocacy;
- Monitor short term rentals (e.g. Airbnb) and their impact on the long-term rental market;
- Student housing initiatives; and
- Seasonal worker housing initiatives.

Land development leadership.

The legislation for Urban Development Authorities could provide a mechanism for the councils to take an active role in the delivery of new homes. If these progress, the SmartGrowth Partnership should promote a joint Authority covering the sub-region Council areas. This will be the most efficient way to operate, rather than two separate entities operating in the same housing market area. The UDA should have a specific mandate to develop smaller affordable homes for both renters and buyers. It is the most likely means to assemble land to facilitate in-fill development at a higher scale.

The in-coming Government has also signalled it will create an Affordable Housing Authority to deliver new housing supply. The Hobsonville Land Company (now HLC) is identified as a model of how this could operate. In this model, master planning of large land areas is used to achieve mixed income, mixed tenure communities with a variety of uses and affordability levels. It is assumed that this Authority will operate alongside the KiwiBuild programme. The SmartGrowth Partnership can play a role in informing any activity within the sub-region about the priority market segments identified in this report.

An option to ensure the housing the sub-region needs is delivered is to establish a locally-led partnership of councils, Iwi and the development community. This local partnership could be proposed to central government as the entity through which either the Urban Development Authorities or an Affordable Housing Authority be implemented in the sub-region. The partnership could then deliver a response integrating social, environmental and cultural outcomes to benefit the community. Much of the strategy work is completed; this would activate projects on the ground.

The Western Bay of Plenty's Omokoroa development providing two bedroom homes and duplexes is an example of how councils can lead the provision of new typologies. Future developments on council land could also incorporate job training components into the procurement process to encourage growth of skilled tradespeople. Addressing housing affordability through income growth is an important component of the response. As shown in Table 4.1, the long-term failure of housing costs to remain aligned with incomes has significantly impacted affordability.

The SmartGrowth Partnership can identify and promote how to deliver the new typologies required. Recent research by Beacon to develop a medium density development toolkit tailored for New Zealand will be released in early 2018. This tool can provide the information needed by the development community and also existing and future residents to ensure desirable and sustainable neighbourhoods are created. This activity is consistent with current SmartGrowth practice regarding density.

Land planning leadership.

With SmartGrowth Partnership support, Tauranga City Council and Western Bay of Plenty District Council have effectively planned for growth. Long term strategies have been adopted with coordinated infrastructure planning to service new growth areas. There appears to be an adequate supply of zoned and serviced land available and clear signals to the market regarding future growth areas and expected timing. Land banking is not currently identified as a constraint to new home supply. The National Policy Statement on Urban Development Capacity requires on-going monitoring and reporting on supply which will provide the data needed to identify land banking behaviour. Should this become an issue, a targeted rate for zoned and serviced land which is not being developed could be introduced to spur development.

The SmartGrowth Partnership should identify the best ways councils can use their land planning authority to encourage, incentivise and/or require provision of a greater variety of typologies within developments. For example, providing minimum density zones around transit nodes/corridors would likely result in smaller units whilst also encouraging public transit use. Specific guidelines regarding seasonal worker accommodation would facilitate new provision to meet increasing seasonal labour needs.

It is important for the high-level strategies and policies regarding growth and development to be fully integrated into the land planning and consenting systems. If the intent is to better match housing supply to needs with the provision of new typologies, it is critical to provide certainty for developers regarding the planning and consenting requirements. Development is an inherently risky activity. Reducing risk will facilitate developers bringing new typologies to market. This is especially true for in-fill proposals and for higher density schemes in all locations.

Higher densities are typically associated with smaller housing types and unit sizes. When proposed within existing neighbourhoods there is often a concern about changing the character of the area. This can be mitigated through the adoption of Design Guidelines which provide objective standards for proposals to meet, thereby addressing concerns about impacts on surrounding properties. Providing up-front certainty regarding design requirements can significantly reduce the risks faced by developers. Adoption of Design Guidelines may also help to lessen reliance on restrictive covenants by developers. These covenants tend to be blunt tools which limit opportunities to create a variety of housing types meeting a range of needs.

The Development of Design Guidelines covering in-fill and medium density housing typologies can serve as an opportunity to engage with the community on housing and neighbourhood improvements. It is important that the strategic intent of the Design Guidelines is to enable development, not erect barriers. By engaging on issues such as building heights, lot coverage, and parking in an objective review of good design rather than in response to a specific development proposal, broad community input and agreement can be realised. Removing uncertainty from the development process can encourage developers to bring forward proposals meeting the Guidelines by providing certainty about requirements and not being subject to the concerns of the loudest voices at the time of consent application. For infill developments adding another unit on existing lots, the Design Guidelines could streamline the approval process and allow for a greater variety of provision than otherwise feasible.

Whether through an engagement process around Design Guidelines or another process, Councils can review their rules regarding lot sizes and other development requirements. Community housing providers identified the current minimum lot size of 325m^2 in suburban residential areas of Tauranga as an impediment to delivery of social and affordable homes. Relaxed setback, lot coverage and parking requirement incentives should be offered for developments providing one and two bedroom homes.

Inclusionary zoning.

Inclusionary zoning is a tool used in many communities to ensure specified levels of all new development are affordable to residents. These programmes mandate a certain percentage of new homes developed to be affordable at defined affordability levels, normally related to the area median income. In general, this tool works well for assisted rental and assisted ownership market segments which cannot afford full market prices. Combined with other subsidy sources, it can also provide land or homes for social housing. If used, it needs to be consistently applied across the housing market area, including on council owned land. Careful consideration to the design of the programme is needed to avoid windfall benefits to individual households. The use of a community housing trust and/or a community land trust can mitigate concerns about retention of the value contributed by the development.

Inclusionary zoning could be adopted and the resulting development contributions directed to the delivery of the smaller homes. The Queenstown Lakes District Council has successfully used this tool to provide affordable home ownership opportunities through the Queenstown Lakes Community Housing Trust and is proposing to extend the requirements further. This tool would need to be applied across all developable land in both council areas for it to function properly. A research report prepared by Sense Partners in April 2017 reviewed international studies and the specific data in Queenstown. They found no significant impact on house prices where inclusionary zoning was used to deliver affordable homes in local neighbourhoods[17].

A short-term action to work toward a coordinated inclusionary zoning programme is to consider the use of new Special Housing Areas (subject to their continuation). To date, local Special Housing Areas have only included voluntary affordability targets in Nga Potiki's Manawa Papamoa development and Omokoroa. New SHAs could trial requiring a retained affordable home product based on household income and finance costs. The formula used by Auckland Council is a good reference point for how this could be structured. Based on median incomes and current lending data, the price point for a median income household would be $323,381 in Tauranga and $321,895 in Western Bay of Plenty[18]. This price point is estimated to be close to the current stock standard section price prior to building a home in typical subdivisions.

[17] The report is available at http://www.communityhousing.org.nz/resources/article/research-finds-that-having-an-affordable-home-next-door-provides-wider-community-benefits-with-no-negative-effects?from_month=&from_year=&to_month=&to_year=&keywords=inclusionary+zoning&_pjax=%23article-list

[18] Assumes a 10% deposit on a 30-year amortising term loan at 5.3% interest, with 30% of the median household's income going toward the loan payment.

To gain market acceptance, a mechanism to permanently retain the home as affordable is necessary. A short affordability period followed by resale in the open market would provide a windfall profit to an individual household. As described in the section below, community housing trusts are well-positioned to steward these permanently affordable assets.

Value uplift/betterment levies/targeted rates.

Where infrastructure provided by council significantly increases the value of land serviced by that public investment, it may be appropriate to impose a levy to recapture a portion of the value created. This tool is used in both brownfield and greenfield areas internationally. The value capture can be re-invested in new affordable homes or public amenities located within the levy area. These public amenities should be coordinated with developers to facilitate provision of higher density housing and mixed uses.

These levies would be set and collected by the Council contributing the infrastructure investment. The management and investment of the levy proceeds can be performed by the Council or through another entity, such as an Urban Development Authority. The uses of the levies should be clearly defined at the time of establishment and provide a direct line of site to enhancing the community and/or providing retained affordable housing and not accrue for private benefit.

Scale up community housing trusts.

Community housing trusts are at the forefront of responding to need across the housing affordability continuum. Scaling them up to deliver more homes will help to respond to the large number of households unable to affordably rent or buy in the open market. There are several experienced trusts already active in the sub-region.

They are the leading responses to increased homelessness. The last Government devoted significant money in response to unprecedented increases in homeless households, including in Tauranga. Further support can be anticipated. However, without affordable options to move into permanently, families are challenged to return to a stable home environment. The current collaborative approach should be supported and encouraged.

The local community housing trusts who are registered Community Housing Providers are also serving households eligible for social housing supported by the Income Related Rent (IRR) subsidy. This is often the next step along the continuum for those moving from emergency or transitional housing. As further described in the 'Coordinated advocacy' section below, the current IRR settings do not support development of new social homes in the sub-region by Providers.

Many households with housing need do not meet the eligibility criteria for Income Related Rent subsidy support. Community housing trusts provide assisted rental housing priced at below-market rents. In the past, central government funding helped to build these homes. While tenants are typically receiving the Accommodation Supplement to assist with their rent payment, there is no current funding programme for trusts to build new homes. Contributions from an Inclusionary Zoning programme could effectively deliver new supply serving this segment of the continuum.

Community housing trusts also provide pathways to affordable assisted ownership. Programmes such as rent/lease-to-buy, shared ownership and full ownership provide options for households who aspire to own their own home, have stable employment and income, but simply don't earn enough to afford full market homes. Local examples of affordable assisted ownership include homes provided by Habitat for Humanity and Nga Potiki.

SmartGrowth Partnership advocacy locally and nationally is needed to increase support for community housing trusts to meet both the typology and affordability challenges the sub-region faces. Only registered Community Housing Providers[19] can access the Income Related Rent subsidy needed to adequately house those with the lowest incomes. The private market does not have access to these subsidies, nor does it have the skills and experience required to serve this portion of the market.

The sale of most of the regional Housing New Zealand portfolio to Accessible Properties in April 2017 has increased the need to work with community housing trusts to increase the supply of social housing. Table 4.14 shows the implied demand for social housing based on the level of need. At present, under 15% of the projected need for social housing is addressed (1,810 places available for 14,110 households needing). Just to maintain that ratio, 60-70 new social homes are required per year. Accessible Properties is planning to increase its local stock by about 150 homes. Their ability to continue increasing stock is constrained by the amount of social housing provision Government is willing to support. The Ministry of Social Development's purchasing intentions are to add 170 homes in the sub-region through to 2020. It is not clear if these are additive to the Accessible Properties units proposed in the sales transaction. Based on the analysis of current need, the amount of housing required will still be above the total currently signalled.

Tauranga City Council is considering options for its 246-unit Elder Housing Portfolio. The cost of operating and upgrading the aging portfolio is greater than the rents that can be received from pensioners receiving superannuation. A working group recommended the Council consider selling the portfolio to one or more Community Housing Providers (CHP). The Western Bay of Plenty District Council owns 70 pensioner units and faces similar operating challenges as TCC (and councils across the country). Without a policy change to extend to Councils the ability to access the Income Related Rent subsidy or some other form of support, WBoP will likely need to consider the future of its portfolio. A transfer to a CHP would increase the scale of their provision while retaining the stock as permanently affordable housing.

[19] The Community Housing Regulatory Authority registers and regulates Community Housing Providers. The requirements to become a Community Housing Provider include meeting the Housing Restructuring and Tenancy Matters (Community Housing Provider) Regulations 2014. See chra.mbie.govt.nz

Support Iwi housing initiatives.

Iwi are significant development partners in the sub-region (in addition to many other roles). Continued engagement with tangata whenua is critical to addressing housing needs in a manner which recognises and reflects local cultural values and areas of cultural significance. Iwi direct land holdings in identified growth areas provide opportunities to incorporate these values into new development. As shown in Section 3.4 Maori are disproportionately represented in the lowest income band and only half as likely as people identifying as European to live in an owner-occupied dwelling. Iwi-led initiatives are responding to the housing needs of their people.

Nga Potiki a Tamapahore Trust's Manawa Papamoa development is an exemplar of this approach. This mixed-use and mixed-tenure development reserves some of the homes for tribal members at affordable prices. Working alongside private builders to deliver the homes, the Trust is demonstrating a model which brings the industry along to deliver products meeting the Trusts design requirements.

The SmartGrowth Partnership can facilitate and encourage more schemes of this style. There is already agreement on the sub-regional Maori Housing Strategy. Further work can be done to link up the Councils, Iwi and developers for more developments. Specific support to design the product offering and build relationships is needed. The development of large blocks is a complex process; the added requirements of applications to the Maori Land Court, engaging with stakeholders and delivering benefits to them make Iwi land development more challenging. Ensuring that the land planning and consenting processes support the Maori Housing Strategy and project delivery is necessary. The existing SmartGrowth Partnership structures are in place to do this.

Support shared ownership proposals.

The SmartGrowth Partnership should continue to develop a shared ownership product to provide a new pathway to home ownership for families. As discussed above, this product has been used by the Queenstown Lakes Community Housing Trust in conjunction with the inclusionary zoning programme in that community. In a typical shared ownership model, the homebuyer and the trust are shareholders in the property as 'Tenants in Common' through a Property Sharing Agreement which governs the relationship. The Homeowner is responsible for providing between 60% and 85% of the market value of the property through their own deposit and a mortgage. The trust is a direct co-owner of the home, providing between 40% and 15% of the remaining value of the property.

Other support could come through preferences to council land development opportunities. Should Special Housing Areas be strengthened to require specific affordability and/or inclusionary zoning be adopted, community housing trusts are natural partners to hold the value contributed on behalf of the community.

Establishing a shared ownership programme up-front will provide certainty to developers regarding how affordability requirements can be met. This relieves the developer from having to figure out how to identify eligible families, ensure their qualification and manage the share not purchased initially. Placing the retained affordable homes created through these programmes with a charitable trust reduces the work required by individual developers and ensures the value will be retained for charitable purposes.

Coordinated advocacy.

Some of the actions identified above will either require enabling action by central Government or could be undermined by restrictions imposed by Government. The SmartGrowth Partnership should coordinate advocacy with other Territorial Local Authorities to Government regarding their common interests in providing affordable homes. This is especially necessary regarding the needs of the lowest income households requiring social housing responses.

Specific advocacy can be coordinated with Local Government New Zealand to address areas of common concerns related to housing and development. The ability of local councils to fund required infrastructure is a key area to engage with central Government. Delays in infrastructure provision negatively impact affordability. New tools which are not constrained by council debt limits need to be developed for growth areas. As discussed earlier, if adopted, an Urban Development Authority could provide the means to assemble land for in-fill development.

The current Income Related Rents subsidy settings are another area of common interest across councils. These specifically exclude local councils or council-controlled organisations from accessing this subsidy. The result is an uneven outcome for needy households based on whether their landlord happens to be a council or a registered Community Housing Provider. As a result, many councils are looking to either sell or lease their housing to registered Community Housing Providers who can receive the subsidy. Tauranga City Council will be consulting on this issue as part of their 2018-2028 Long Term Plan.

Another Income Related Rent subsidy constraint facing the sub-region is the inability for Community Housing Providers to enter into long-term capacity contracts for new supply. These contracts provide a guaranteed market rent for homes committed for households referred exclusively from the Social Housing Register maintained by the Ministry of Social Development (MSD). To date, MSD only offers these contracts in Auckland, Whangarei, Hamilton, Wellington, Lower Hutt and Christchurch. As these are offered through a Request for Proposal contracting process, there are no legislative barriers to including Tauranga and Western Bay of Plenty. With this long-term income stream, providers can secure some debt financing to construct new homes. Absent a long-term contract, Providers are typically leasing existing homes from private landlords rather than contributing to new supply. Since the majority of the existing supply does not match the reducing household sizes, this is an additional constraint on meeting current and future need.

The lack of capacity contracts in Tauranga and the Western Bay of Plenty is particularly concerning as Housing New Zealand has sold nearly all its local stock to Accessible Properties. It is understood that Accessible Properties can provide up to 150 additional units with the IRR committed in the transfer agreement. While Housing New Zealand has signalled a significant new build programme in many communities, their plans are not likely to include a return to the sub-regional market. Scaling up will require extensive effort and cost to rebuild local capacity, which now exists with Accessible Properties. The transfer of the Wairarapa portfolio to Trust House in the late 1990s has not been followed by additional HNZC activity in that market area. Advocacy to ensure the ability of Community Housing Providers to contribute new social housing supply and access to similar rates of financing as Housing New Zealand will be crucial for addressing the needs of the lowest income households.

The SmartGrowth Partnership's advocacy should emphasise the significant planning and work already completed to address housing need in the sub-region. A compelling offer can be presented to partner with Government to deliver affordable housing. With scaled up community housing trusts, potential resources from Inclusionary Zoning and betterment levies, and potential development sites on Council land, there is a substantial local match that can leverage Government investment to meet local needs.

Understanding household assets, aspirations and needs

The data modelling provides information on current and future housing needs at a macro-level, providing a good base regarding the scale of the response needed. For both Iwi and community housing trusts to deliver homes to address that need, much more needs to be known at the household level. The specific needs of households in the assisted rental and affordable assisted ownership segments is generally not well known by Crown agencies, as they often are not eligible for or access services. To build the proper homes for them, it is important to understand:

- How many children and members of the whanau make up the household?
- What are their financial circumstances?
- How much debt do they have?
- Do they have any savings?
- Are any of them on Kiwisaver and if so how much?
- Does anyone have income and how much?
- Where is the right place for them (i.e. near to whanau, near to work, near to transport, near to schools)?

With this information, an appropriate housing plan can be developed. Resourcing groups to gain this understanding will ensure that the specific housing types and models resulting from the actions and programmes above will address household needs in a sustainable manner.

This type of engagement was completed by Nga Potiki a Tamapahore Trust for the Manawa development. Building on the lessons they learned and expanding the scope across the sub-region is recommended. SmartGrowth can work with the Trust and others to develop and document a consistent model for this engagement. It could be implemented by one or more organisations.

Monitor Short term rentals (e.g. Airbnb) and impact on the long-term rental market.

Tourism is an economic force in the region, with strong growth in visitor numbers in recent years. It is identified as an increasing part of the economy with long term plans to encourage its growth. Increasingly, many cities with tourism-based economies are experiencing a decline in long-term rental homes as the popularity and convenience of short term holiday rentals increases. In New Zealand, Queenstown Lakes District Council is reviewing its visitor accommodation policies to balance its short and long-term rental supply. While the Western Bay region does not currently experience problems, it is important to monitor changes in the availability of long-term rentals for permanent residents.

Student housing.

Waikato University is constructing a new campus in Tauranga's CBD due to be completed in 2019[20]. This is expected to have an enrolment of 1,000 full time students with potential to increase further. While some of these students will be locals choosing to stay at home and new university entrants who would not otherwise attend university, there will be others moving to Tauranga for their studies. There is a proposed 392 room student hostel to be privately developed and timed to coincide with the opening of the campus. It is likely that other accommodation options will initially be limited to renting existing properties. This will further increase competition amongst renters, especially in proximity to the campus. The development of specialised student accommodation to reduce competition should be further encouraged and facilitated by Tauranga City Council.

Seasonal worker housing.

Seasonal workers are essential to the economy of the sub-region, especially the horticultural sector. Over time, the period of demand for seasonal worker accommodation has lengthened to between March and November. Fortunately, this is outside of the peak demand season for tourism. However, it still increases competition for rental homes for a significant portion of the year. Increased kiwifruit production is forecast to require more workers and increased demand for accommodation, concentrated in the Western Bay of Plenty District Council area. A recent Waikato University report estimated the number of full time equivalent (FTE) kiwifruit workers in the Bay of Plenty is forecast to rise from 10,762 to 25,091 between now and 2030[21]. This growth of over 14,000 FTEs will require significant additional supply of both permanent and seasonal housing. Other horticultural and other sectors' seasonal worker needs will apply additional pressure.

The exact number of seasonal workers is not known. A study completed by NZIER[22] estimates that around 60% of the overall kiwifruit workers in the Bay of Plenty are New Zealanders. The balance of workers are from International students/others, International working holiday visa holders, and the Recognised Seasonal Employer (RSE) Scheme. New Zealand Kiwifruit Growers Inc. (NZKGI) is currently researching the inter-related labour and accommodation requirements of the industry. The most defined group is the 2,000 RSE workers, which have their accommodation met as a requirement of the scheme. NZKGI anticipate better data available by mid-2018. Their efforts should be supported and when available the data should be used to inform future actions.

In the short term, a potential response to facilitate supply for seasonal workers is a review of the 50-day occupancy limit for caravan parks/campgrounds. While not increasing the supply, this would provide greater certainty for the workers and operators. A change to the time limit could also provide stability to residents without homes who are using the parks as safe accommodation while seeking a permanent home.

[20] http://www.waikato.ac.nz/tauranga-campus/
[21] http://www.zespri.com/Documents/Waikato-Uni-Kiwifruit-GDP-Report.pdf
[22] New Zealand Institute of Economic Research, 2016: Horticulture and viticulture labour market forecasts (Kiwifruit, Pipfruit, Summerfruit and Wine grapes), report to MBIE.

New investments will be needed to increase capacity longer term. The SmartGrowth Partnership can work to coordinate a response with the horticultural industry, tourism industry, and accommodation operators to plan for and build the new supply. This will not be easy to address due to competing requirements. For instance, proximity to the orchards and pack houses is a priority for the industry. However, these areas are not attractive for summer tourism uses due to their rural locations. Building up additional backpackers or caravan parks in areas favoured by summer tourists presents transportation challenges.

A mix of industry supplied housing for RSE workers along with accommodation operator supply will likely continue. For operators to build new supply, commitments by growers, packers and labour contractors to specified numbers of places would provide the confidence required for the investments. This would encourage operators who focus on this as their core business to step in and allow the industry to focus on their core business rather than becoming landlords.

Clarity of the requirements for seasonal worker accommodation will help the industry to bring forward new housing. As with traditional housing development, understanding the design requirements and consenting process is key to reducing risks.

5.4 Summary

As discussed above, there are a range of policy initiatives that could be adopted at different points of the housing continuum. Table 5.2 summarises these potential responses.

Table 5.2: Summary of Potential Strategies and Policies

Potential Strategies and Policies	Continuum segment assisted	Priority	Impact	Timing
Land Development Leadership				
- Urban Dev. Authorities	Full continuum	High	Med	Short – Med
- Direct Development	Full continuum	High	Med	Short – Med
- Promote Delivery models	Social to Full Market	Med	Med	Short – Med
Land Planning Leadership				
- Integrate Strategy & Processes	Full continuum	High	High	Short – Med
- Develop Design Guidelines	Social to Full Market	High	Med	Short – Med
Inclusionary Zoning	Social to Market Affordable	High	High	Med – Long
Special Housing Areas	Social to Market Affordable	High	Med	Short – Med
Value uplift	Social to Full Market	Low	Med	Med – Long
Scale up community housing trusts	Emergency to Affordable Assisted Ownership	High	Med	Short – Med
Support Iwi housing initiatives	Full continuum	High	High	Short – Med
Support shared ownership	Affordable Asst. Ownership	High	Med	Short
Coordinated advocacy				
- Infrastructure funding	Full continuum	High	High	Short
- Urban Dev. Authorities	Full continuum	High	Med	Short
- Income Related Rent policy	Social Housing	High	High	Short
Understanding household assets, aspirations and needs	Assisted Rental; Affordable Assisted Ownership; Market Affordable	Med	Med	Med
Monitor rentals	Market Affordable and Market Rental	Low	Low	On-going
Student housing	Market Affordable and Market Rental	Low	Low	Short – Med
Seasonal worker housing	Market Affordable and Market Rental	Med	Low	On-going

Priority: The importance of the activity considering timing related opportunities and potential impact
Impact: The contribution the activity can make to address the overall housing market needs identified
Timing: Short 0-18 months; Medium 18 months to 4 years; Long 5+ years

Appendix 1

Submarket Definition

Appendix 1: Submarket boundary definitions

Figure A1: Wider area boundaries

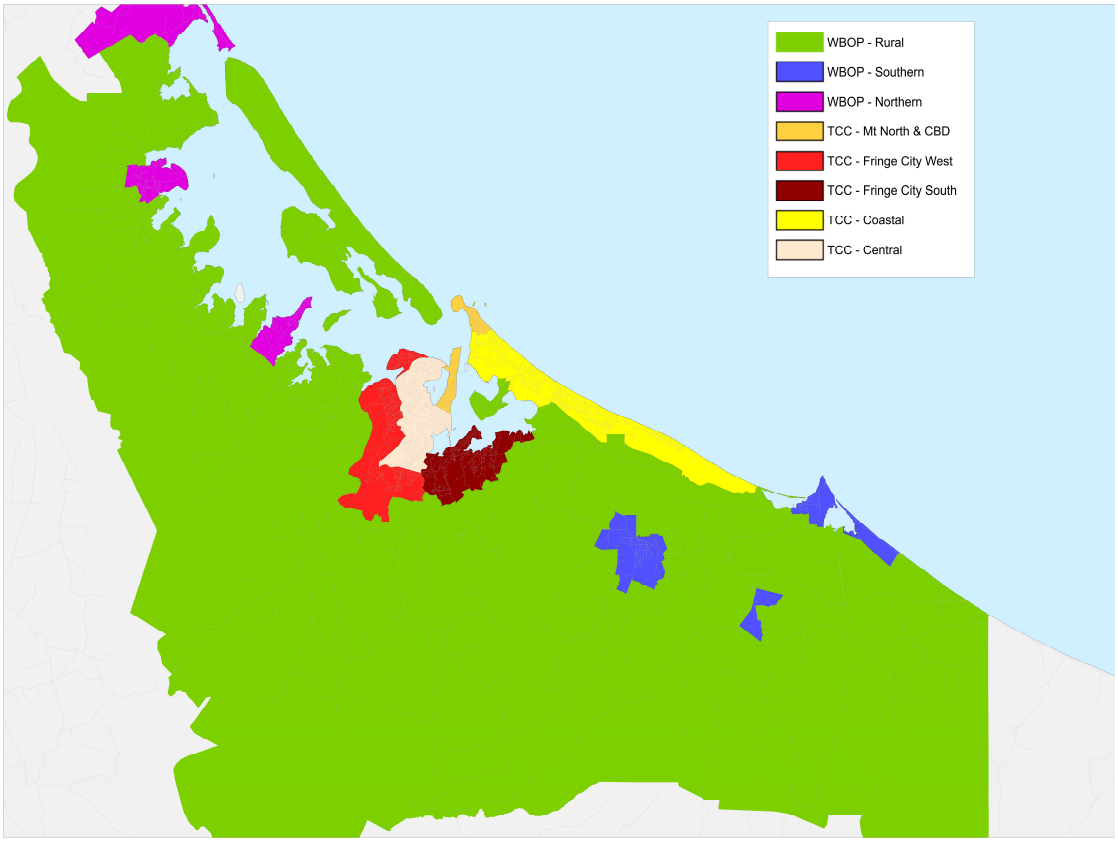
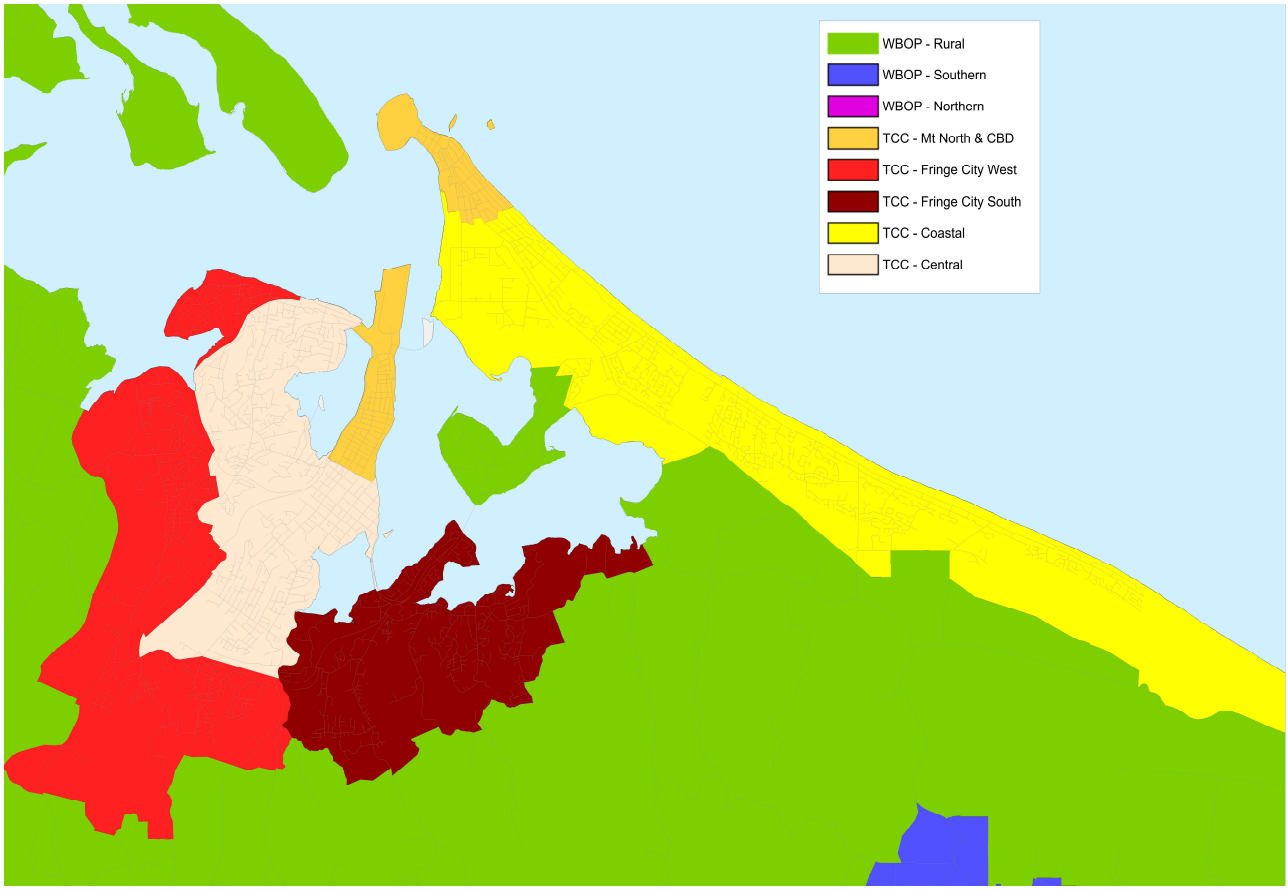


Figure A2: Tauranga City Boundaries



Statistic areas allocated to each submarket are:

1: WBOP Northern

534100 Waihi Beach

535700 Athenree

535800 Katikati Community

536400 Island View-Pios Beach

536000 Omokoroa

2: WBOP - Rural

536611 Matakana Island
536503 Te Puna
536614 Tahawai
536615 Aongatete
536620 Minden
536630 Kaimai
536641 Ohauiti-Ngapeke
536642 Upper Papamoa
536653 Rangiuru
536505 Matapihi (TCC)
536512 Kairua (TCC)
MB 1209100
MB 1209900
MB 1211400
MB 1211701
MB 1211702
MB 1211800
MB 1212101
MB 1212102
MB 1212201
MB 1212202
MB 1212300
MB 1212400
MB 1212500
MB 1212603
MB 1212606
MB 1212609
MB 1212610
MB 1212700
MB 1212800
MB 1212900
MB 1213000
MB 1213100
MB 1213200
MB 1213300
MB 1213401
MB 1213402
MB 1213500
MB 1213600
MB 1213700
MB 1213801
MB 1213802
MB 1211000
MB 1211100
MB 1211200
MB 1211500
MB 1212000

3: WBOP Southern

535900 Maketu Community
538501 Te Puke West
538502 Te Puke East
MB 1212604
MB 1212605
MB 1212612
MB 1212613
MB 1212614
MB 1212615
MB 1212616
MB 1212617
MB 1212618
MB 1212619
MB 1212620
MB 1212621
MB 1212622
MB 1212623
MB 1212624
MB 1212625
MB 1212626
MB 1212627
MB 1211601
MB 1211603
MB 1211604
MB 1211900

4: Tauranga - Mount North/CBD

538201 Tauranga Central
538202 Sulphur Point
536810 Mt Maunganui North
536822 Tauranga City-Marinas

5: Tauranga - Fringe City - West

536513 Bethlehem East
536514 Bethlehem
537000 Matua
537602 Pyes Pa

6: Tauranga - Fringe City - South

537800 Poike
537900 Hairini
538000 Maungatapu
538301 Kaitemako
538302 Welcome Bay West
538303 Welcome Bay East

7: Tauranga - Central

537100 Bellevue
537202 Otumoetai South
537201 Otumoetai North
537301 Brookfield
537302 Te Reti
537400 Judea
537500 Gate Pa
537601 Greerton
537700 Yatton Park
538101 Tauranga Hospital
538102 Tauranga South

8: Tauranga - Coastal

536201 Papamoa Beach East
536202 Palm Springs
536203 Doncaster
536515 Pacific View
536516 Palm Beach
536517 Gravatt
536821 Omanu
536831 Arataki
536832 Te Maunga

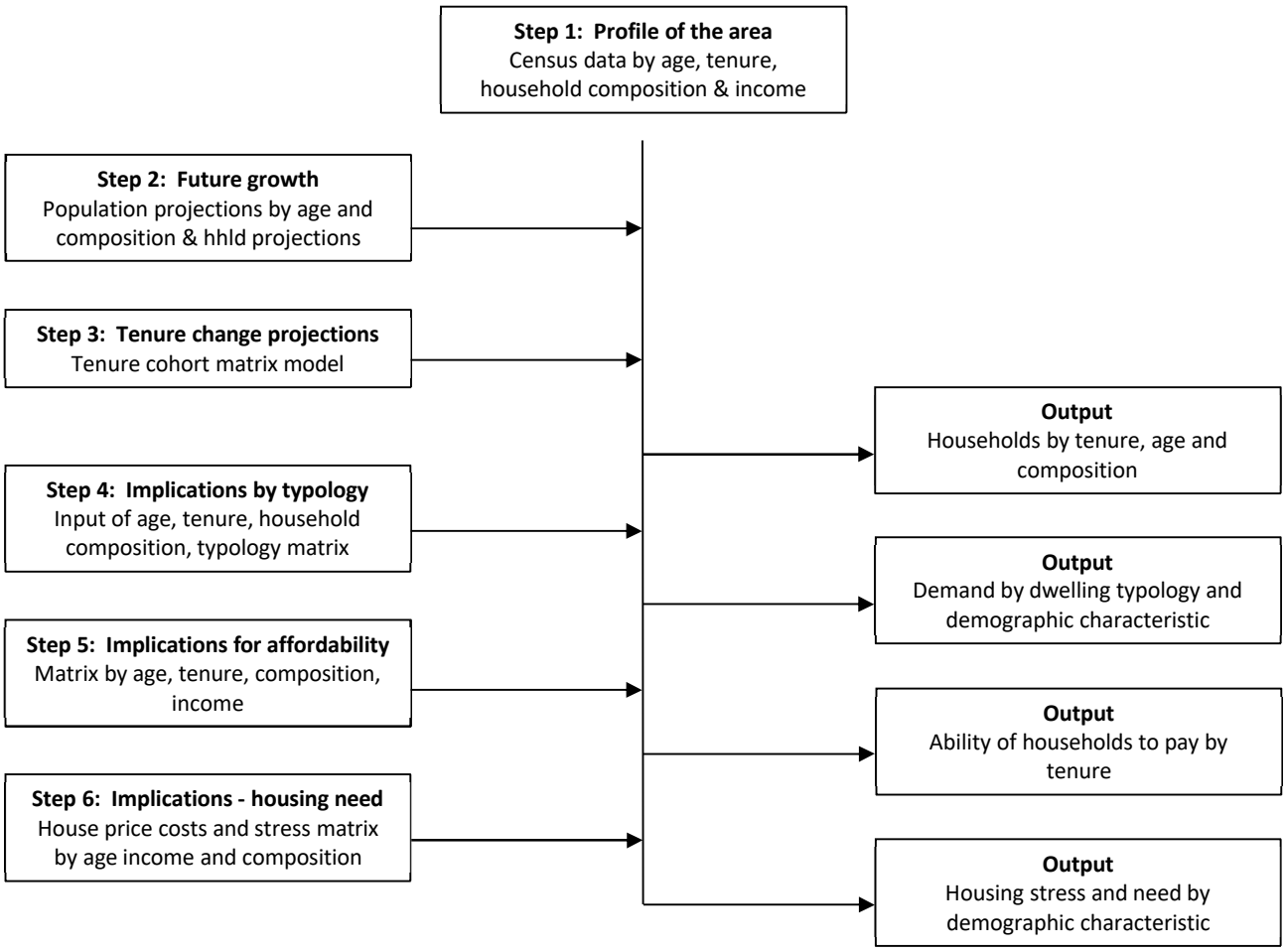
Appendix 2

Overview of the modelling methodology

Appendix 2: Overview of modelling methodology

The objective of this appendix is to provide a high level overview of the modelling methodology . An overview of the different stages in the modelling methodology is presented in Figure 1.

Figure 1: Overview of the modelling methodology



The approach adopted has a number of key assumptions and these include:

- As agreed, the number of occupied dwellings increase in line with the projections provided by SmartGrowth and modelled by the National Institute of Demographic and Economic Analysis (NIDEA);
- Underlying change in age structure and family composition changes associated with Statistic New Zealand's population projections hold true;
- There are no significant unexpected changes to Tauranga and Western Bay of Plenty and the National economies over the projection period;
- There are no significant changes to the institutional and structural settings in the local housing markets.

Description of each stage follows:

Step 1: Submarket household profile

Census results are used to provide a profile of the usually resident households in each submarket by age of the reference person, household composition, household income and tenure.

Step 2: Household projections by submarket and demographic characteristic

Statistics New Zealand population projections by age and family composition are combined with their household projection data and population projections by area unit to model the projected growth in the number of usually resident households living in each submarket by age of the reference person and household composition. These results are cross referenced with the 2013 census results to form a common reference point.

Step 3: Household projections by tenure

Tenure projections (split between owner occupied dwellings and renter households) are modelled using a tenure cohort multi-dimensional matrix approach. This approach tracks individual cohorts (by age and household composition) between 1991 and 2013 by the rate of owner occupation. These trends are projected forward with reference to the tenure change of other cohorts (by age and household composition). The rate of owner occupation matrix (by age and household composition) is combined with the household projections (by age and household composition from stage 2) to provide the projected number of households by age, household composition and tenure.

Step 4: Implications of the projections by age household composition and tenure on the demand by dwelling typology

Step 4 builds on the household projection modelled in step 4. Census data is used to develop a matrix (the dwelling typology matrix) which reflects the propensity of different cohorts (by age, household composition and tenure) to live in different types of dwellings. Dwelling typology is categorised as:

- Standalone dwellings of two bedrooms or less;
- Standalone dwellings of three bedrooms or more;
- Multi-unit dwellings of two bedrooms or less; and
- Multi-unit dwellings of three bedrooms or more.

The dwelling typology matrix (reflecting the propensity of different age groups, household composition and tenure households to live in different dwelling typologies) is combined with the household projections (by tenure, age and household composition) to provide projections of the demand for different dwelling typologies by the demographic characteristics of households.

Step 5: Affordability Statistics

Customised census outputs are used to develop a profile of the usually resident households by age of the reference person, household composition, tenure and household income. This profile is used to profile household income distribution in future years in 2013 dollars assuming the underlying structure of the submarket's income profile by age, household composition and tenure remains constant. Thus, as the proportion of different groups within the submarkets population change over time so does its overall income profile.

The submarkets' income profiles are combined with housing cost data sourced from MBIE's urban development dashboard to provide a range of affordability measures.

Step 6: Implications for housing need

Housing need is defined as those renter households that need assistance in providing appropriate housing to meet their requirements. Housing need in the context of this report is measured as the total number of renter households within a community which require some assistance to meet their housing requirements and encapsulates a number of different groups of households and includes the following groups:

- Financially stressed private renter households;
- Those households whose housing requirements are met by social, third sector and emergency housing; and
- People who are homeless or living in crowded dwellings.

Total renter housing need = stressed private renter households + social housing tenants + other need

'Other need' encapsulates those households who because of their circumstances have housing needs in addition to affordability. Other housing need is defined as the number of households, who because of their circumstances are in Housing New Zealand Corporation (HNZC), local authority, third sector and emergency housing, crowded households, or are homeless.

This section of the report presents analysis of:

- Current levels of housing need;
- Current need by household demographic characteristics;
- Projected growth in housing need; and
- Implications of the current and expected trends in housing need.

Secondary data sources combined with a series of semi structured interviews with social and emergency housing providers will be used to provide an estimate of the number of households in social and emergency housing and homeless people. Data on the relative level of crowded households is sourced from customised data from Statistics New Zealand.

Financially stressed households are measured using the income profile data (by household composition, household composition, tenure and income) developed in the previous stage and data from statistics New Zealand about the relative level of housing stress by these different household cohorts. The modelled output provides estimates of the number of financially stressed private renters. When combined with different scenarios of variations in key housing costs estimates of future levels of housing stressed can be modelled. The output from this stage of the analysis is the total level of renter housing need combined with projection of future need under a range of assumptions.

Appendix 3

Detailed Demand Outputs

Table A1: Occupied dwellings by tenure age and household composition

	Owner Occupiers						Renters					
	30 yrs-	30 to 40	40 to 50	50 to 64	65 yrs +	Total	30 yrs -	30 to 40	40 to 50	50 to 64	65 yrs +	Total
WBOP												
2013												
Couple only	100	160	440	2,810	2,870	6,380	410	160	150	310	200	1,230
Couple with	160	830	1,670	1,070	150	3,880	310	530	420	200	10	1,470
One parent	40	130	320	280	170	940	350	360	380	170	80	1,340
One person	20	70	220	880	1,550	2,740	190	170	300	540	600	1,800
Other	30	10	20	50	100	210	150	20	20	20	0	210
Total	350	1,200	2,670	5,090	4,840	14,150	1,410	1,240	1,270	1,240	890	6,050
2018												
Couple only	120	140	370	2,960	3,520	7,110	490	200	170	490	320	1,670
Couple with	190	780	1,440	1,100	170	3,680	410	660	430	200	20	1,720
One parent	50	130	280	270	260	990	410	410	360	180	40	1,400
One person	30	50	200	940	1,840	3,060	220	190	280	600	750	2,040
Other	30	10	10	50	120	220	140	20	20	30	0	210
Total	420	1,110	2,300	5,320	5,910	15,060	1,670	1,480	1,260	1,500	1,130	7,040
2023												
Couple only	120	160	290	2,900	4,280	7,750	480	260	180	630	400	1,950
Couple with	180	840	1,200	1,040	230	3,490	410	930	530	230	20	2,120
One parent	50	130	240	240	290	950	400	490	340	190	70	1,490
One person	30	60	160	920	2,270	3,440	230	270	290	690	940	2,420
Other	30	10	10	40	130	220	130	20	20	30	10	210
Total	410	1,200	1,900	5,140	7,200	15,850	1,650	1,970	1,360	1,770	1,440	8,190
2028												
Couple only	120	170	280	2,580	4,980	8,130	450	310	210	750	510	2,230
Couple with	180	940	1,160	890	270	3,440	390	1,130	680	220	30	2,450
One parent	50	140	230	200	360	980	370	600	380	190	90	1,630
One-person	40	80	150	840	2,710	3,820	210	320	340	710	1,160	2,740
Other	30	10	0	50	180	270	130	30	20	20	20	220
Total	420	1,340	1,820	4,560	8,500	16,640	1,550	2,390	1,630	1,890	1,810	9,270
2033												
Couple only	130	170	280	2,280	5,430	8,290	470	300	280	870	720	2,640
Couple with	170	900	1,280	770	270	3,390	380	1,130	940	290	30	2,770
One parent	50	140	260	180	420	1,050	380	580	470	170	100	1,700
One-person	40	90	170	740	3,060	4,100	200	330	440	730	1,380	3,080
Other	30	10	20	30	160	250	120	20	20	10	20	190
Total	420	1,310	2,010	4,000	9,340	17,080	1,550	2,360	2,150	2,070	2,250	10,380

	Owner Occupiers						Renters					
	30 yrs-	30 to 40	40 to 50	50 to 64	65 yrs +	Total	30 yrs -	30 to 40	40 to 50	50 to 64	65 yrs +	Total
2038												
Couple only	140	180	310	1,960	5,580	8,170	450	290	340	1,020	950	3,050
Couple with	190	880	1,350	700	250	3,370	390	1,050	1,100	350	30	2,920
One parent	50	140	280	170	470	1,110	370	550	520	180	100	1,720
One-person	40	90	220	670	3,320	4,340	210	320	540	780	1,580	3,430
Other	30	10	20	30	170	260	110	20	20	10	20	180
Total	450	1,300	2,180	3,530	9,790	17,250	1,530	2,230	2,520	2,340	2,680	11,300
2043												
Couple only	140	190	320	1,880	5,580	8,110	480	300	350	1,170	1,110	3,410
Couple with	190	910	1,360	680	280	3,420	400	1,060	1,150	400	30	3,040
One parent	60	150	290	160	460	1,120	370	570	540	200	130	1,810
One-person	40	100	230	660	3,340	4,370	210	320	540	840	1,680	3,590
Other	30	10	10	30	180	260	100	30	30	20	50	230
Total	460	1,360	2,210	3,410	9,840	17,280	1,560	2,280	2,610	2,630	3,000	12,080
2048												
Couple only	140	180	320	1,960	5,470	8,070	480	300	350	1,250	1,140	3,520
Couple with	190	890	1,320	720	270	3,390	400	1,090	1,130	440	30	3,090
One parent	60	150	330	160	500	1,200	370	570	610	200	150	1,900
One-person	40	100	240	750	3,330	4,460	220	340	580	960	1,700	3,800
Other	20	10	10	10	130	180	80	20	20	30	40	190
Total	450	1,330	2,220	3,600	9,700	17,300	1,550	2,320	2,690	2,880	3,060	12,500
Tauranga City												
2013												
Couple only	440	510	840	4,440	5,540	11,770	1,140	490	300	620	550	3,100
Couple with	440	2,160	3,260	1,710	280	7,850	750	1,360	1,040	440	40	3,630
One parent	80	330	760	730	410	2,310	1,020	1,150	1,140	510	140	3,960
One person	80	240	530	1,870	4,520	7,240	350	450	640	1,200	1,680	4,320
Other	120	70	90	180	320	780	610	140	90	100	40	980
Total	1,160	3,310	5,480	8,930	11,070	29,950	3,870	3,590	3,210	2,870	2,450	15,990
2018												
Couple only	510	510	800	5,010	6,650	13,480	1,370	610	390	860	830	4,060
Couple with	490	2,240	3,320	1,880	340	8,270	940	1,590	1,120	490	50	4,190
One parent	100	340	750	760	450	2,400	1,160	1,280	1,200	640	190	4,470
One person	80	270	550	2,090	5,330	8,320	430	500	690	1,470	2,100	5,190
Other	140	70	90	200	350	850	650	150	80	100	70	1,050
Total	1,320	3,430	5,510	9,940	13,120	33,320	4,550	4,130	3,480	3,560	3,240	18,960

	Owner Occupiers						Renters					
	30 yrs-	30 to 40	40 to 50	50 to 64	65 yrs +	Total	30 yrs -	30 to 40	40 to 50	50 to 64	65 yrs +	Total
2023												
Couple only	510	560	700	5,400	7,970	15,140	1,530	750	440	1,110	1,050	4,880
Couple with	500	2,470	3,110	2,020	400	8,500	1,060	1,970	1,270	560	60	4,920
One parent	120	360	680	720	480	2,360	1,230	1,480	1,240	800	260	5,010
One person	90	300	510	2,200	6,200	9,300	460	580	720	1,770	2,650	6,180
Other	150	80	80	220	370	900	710	170	80	120	100	1,180
Total	1,370	3,770	5,080	10,560	15,420	36,200	4,990	4,950	3,750	4,360	4,120	22,170
2028												
Couple only	520	580	660	5,340	9,410	16,510	1,730	850	520	1,400	1,340	5,840
Couple with	500	2,630	3,160	1,910	470	8,670	1,200	2,330	1,530	620	70	5,750
One parent	130	400	680	660	490	2,360	1,330	1,630	1,340	870	350	5,520
One-person	90	330	520	2,140	7,080	10,160	480	660	790	1,960	3,350	7,240
Other	150	90	90	200	410	940	730	170	90	120	130	1,240
Total	1,390	4,030	5,110	10,250	17,860	38,640	5,470	5,640	4,270	4,970	5,240	25,590
2033												
Couple only	570	600	690	5,130	10,550	17,540	1,880	940	630	1,760	1,700	6,910
Couple with	530	2,650	3,460	1,830	480	8,950	1,290	2,560	1,890	690	90	6,520
One parent	150	430	740	620	540	2,480	1,410	1,680	1,530	920	430	5,970
One-person	110	360	570	2,100	7,880	11,020	500	710	950	2,140	4,180	8,480
Other	170	100	100	190	470	1,030	750	180	100	120	150	1,300
Total	1,530	4,140	5,560	9,870	19,920	41,020	5,830	6,070	5,100	5,630	6,550	29,180
2038												
Couple only	640	630	740	4,820	11,610	18,440	1,960	1,040	710	2,170	2,180	8,060
Couple with	590	2,730	3,670	1,850	530	9,370	1,370	2,840	2,210	810	90	7,320
One parent	180	490	820	610	550	2,650	1,470	1,790	1,630	1,000	530	6,420
One-person	110	400	650	2,040	8,590	11,790	510	770	1,080	2,300	5,090	9,750
Other	170	100	90	180	500	1,040	750	180	100	110	180	1,320
Total	1,690	4,350	5,970	9,500	21,780	43,290	6,060	6,620	5,730	6,390	8,070	32,870

	Owner Occupiers						Renters					
	30 yrs-	30 to 40	40 to 50	50 to 64	65 yrs +	Total	30 yrs -	30 to 40	40 to 50	50 to 64	65 yrs +	Total
2043												
Couple only	670	660	770	4,870	11,930	18,900	2,060	1,110	760	2,480	2,570	8,980
Couple with	620	2,830	3,760	1,880	540	9,630	1,440	3,040	2,420	910	120	7,930
One parent	190	520	860	620	550	2,740	1,560	1,880	1,730	1,050	610	6,830
One-person	120	420	700	2,140	8,950	12,330	560	830	1,160	2,530	5,770	10,850
Other	170	110	110	190	500	1,080	750	190	100	120	200	1,360
Total	1,770	4,540	6,200	9,700	22,470	44,680	6,370	7,050	6,170	7,090	9,270	35,950
2048												
Couple only	610	660	790	4,970	12,400	19,430	1,990	1,150	820	2,680	2,900	9,540
Couple with	570	2,830	3,860	2,060	570	9,890	1,380	3,170	2,620	1,060	130	8,360
One parent	170	490	830	590	550	2,630	1,570	1,930	1,770	1,070	630	6,970
One-person	100	430	730	2,290	9,140	12,690	500	860	1,260	2,830	6,210	11,660
Other	180	110	100	190	510	1,090	800	200	120	130	200	1,450
Total	1,630	4,520	6,310	10,100	23,170	45,730	6,240	7,310	6,590	7,770	10,070	37,980

Table A2: Occupied dwellings by tenure, age, composition and dwelling typology

	Owner Occupiers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
WBOP																								
Standalone																								
Less than 30 yrs	0	100	9	151	0	40	0	20	0	30	9	341	173	189	67	234	74	258	99	76	25	118	438	875
30 to 40 yrs	33	127	32	798	0	130	28	42	0	10	93	1,107	66	94	63	435	85	262	98	57	2	18	315	866
40 to 50 yrs	56	384	38	1,624	30	290	41	179	0	20	165	2,497	39	103	27	365	83	297	134	124	3	17	287	906
50 to 64 Yrs	219	2,556	17	1,053	16	264	208	653	2	48	462	4,575	74	219	17	183	46	124	261	180	3	17	400	724
65 yrs and over	233	2,541	5	144	16	151	322	1,066	6	92	582	3,993	53	122	1	8	18	55	230	204	0	0	302	388
Total	541	5,708	102	3,769	61	876	600	1,960	7	200	1,312	12,513	406	727	176	1,225	305	997	821	640	33	171	1,742	3,759
Multi Unit																								
Less than 30 yrs	0	0	0	0	0	0	0	0	0	0	0	0	47	0	0	10	18	0	15	0	0	7	81	16
30 to 40 yrs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16	16	0	12	15	0	0	0	31	28
40 to 50 yrs	0	0	0	8	0	0	0	0	0	0	0	8	8	0	8	20	0	0	41	0	0	0	57	20
50 to 64 Yrs	0	34	0	0	0	0	19	0	0	0	19	34	17	0	0	0	0	0	99	0	0	0	116	0
65 yrs and over	53	44	0	2	0	3	125	37	0	3	177	87	21	4	0	0	4	4	156	11	0	0	181	19
Total	86	88	0	26	0	9	185	52	0	3	271	178	93	4	24	45	22	16	327	11	0	7	467	83

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2018																								
Standalone																								
Less than 30 yrs	0	120	11	179	0	50	0	30	0	30	11	408	208	225	88	308	86	301	114	88	23	110	519	1,033
30 to 40 yrs	29	111	29	749	0	130	20	30	0	10	77	1,029	82	117	78	541	97	298	109	63	2	18	368	1,037
40 to 50 yrs	47	322	31	1,398	25	254	37	162	0	10	140	2,147	44	116	27	373	78	281	125	115	3	17	278	903
50 to 64 Yrs	226	2,689	16	1,081	15	255	221	696	2	48	480	4,768	116	345	17	183	48	131	289	199	4	26	474	885
65 yrs and over	281	3,111	5	162	25	230	380	1,263	6	110	697	4,877	85	195	2	16	9	27	286	253	0	0	382	491
Total	583	6,352	92	3,568	64	918	658	2,182	8	208	1,405	13,229	536	998	212	1,421	317	1,039	923	719	32	171	2,020	4,349
Multi Unit																								
Less than 30 yrs	0	0	0	0	0	0	0	0	0	0	1	1	57	1	1	13	22	1	18	0	0	7	98	21
30 to 40 yrs	0	0	1	1	0	0	0	0	0	0	2	2	0	0	21	21	1	15	18	0	0	0	39	36
40 to 50 yrs	1	1	2	9	0	0	0	0	0	0	3	10	9	0	9	21	1	1	39	0	0	0	57	22
50 to 64 Yrs	4	41	2	2	0	0	21	1	0	0	28	44	27	1	0	0	0	0	111	1	0	0	139	2
65 yrs and over	70	59	0	2	0	5	151	46	0	3	221	115	34	7	1	1	2	2	196	15	0	0	233	24
Total	75	100	6	14	1	6	172	48	0	3	255	172	128	9	31	56	26	18	382	16	0	7	567	105

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2023																								
Standalone																								
Less than 30 yrs	0	120	10	169	0	50	0	30	0	30	10	398	203	220	87	308	83	294	119	91	21	102	513	1,015
30 to 40 yrs	32	127	30	805	0	130	24	36	0	10	86	1,107	107	152	108	761	115	356	155	89	2	18	486	1,375
40 to 50 yrs	36	252	24	1,163	21	217	29	130	0	10	111	1,772	47	123	33	459	73	265	129	119	3	17	285	983
50 to 64 Yrs	217	2,630	14	1,020	13	226	215	680	1	39	460	4,594	149	443	19	210	51	138	331	228	4	26	553	1,045
65 yrs and over	335	3,776	7	219	27	257	465	1,555	7	119	841	5,926	105	243	2	16	16	48	357	316	1	8	482	630
Total	621	6,904	84	3,377	61	879	734	2,430	8	207	1,507	13,798	611	1,180	250	1,753	337	1,100	1,091	844	31	170	2,319	5,048
Multi Unit																								
Less than 30 yrs	0	0	1	1	0	0	0	0	0	0	1	1	57	1	1	14	22	1	19	1	0	6	100	23
30 to 40 yrs	0	0	3	3	0	0	0	0	0	0	4	4	1	1	31	31	1	18	25	1	0	0	58	50
40 to 50 yrs	1	1	4	9	1	1	0	0	0	0	6	11	10	1	11	26	1	1	41	1	0	0	63	29
50 to 64 Yrs	9	44	3	3	1	1	22	3	0	0	35	51	36	2	1	1	1	1	129	2	0	0	167	5
65 yrs and over	91	78	1	3	1	6	189	61	0	4	282	151	43	9	1	1	3	3	247	20	0	1	295	33
Total	102	124	10	18	3	8	212	64	1	4	328	218	147	14	45	72	29	24	462	24	1	7	683	141

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2028																								
Standalone																								
Less than 30 yrs	0	119	10	169	0	50	0	40	0	30	9	408	190	206	82	292	76	271	108	83	21	102	478	954
30 to 40 yrs	34	134	32	899	-1	139	32	48	0	10	97	1,230	127	180	130	923	140	435	183	105	3	27	582	1,670
40 to 50 yrs	34	243	21	1,123	20	208	27	121	0	0	103	1,695	54	143	41	588	81	296	151	139	3	17	330	1,182
50 to 64 Yrs	190	2,336	10	872	10	188	195	620	1	48	407	4,063	176	527	18	200	50	138	339	233	3	17	586	1,116
65 yrs and over	382	4,386	8	257	33	318	552	1,852	9	165	983	6,978	133	309	4	24	20	61	439	388	3	15	599	797
Total	640	7,219	81	3,320	63	903	805	2,681	10	252	1,600	14,374	680	1,364	275	2,027	367	1,200	1,220	949	32	178	2,574	5,718
Multi Unit																								
Less than 30 yrs	1	1	1	1	0	0	0	0	0	0	2	2	54	2	2	14	21	2	18	1	1	6	95	25
30 to 40 yrs	1	1	4	4	1	1	0	0	0	0	6	6	1	1	39	39	3	23	31	1	0	0	74	65
40 to 50 yrs	1	1	5	11	1	1	1	1	0	0	8	14	12	1	16	35	2	2	48	2	0	0	78	39
50 to 64 Yrs	12	43	4	4	1	1	21	4	0	0	38	52	44	3	1	1	1	1	134	3	0	0	180	9
65 yrs and over	114	98	1	4	2	7	230	76	1	6	347	191	56	12	1	1	5	5	307	26	1	1	369	45
Total	128	144	15	24	4	10	253	81	1	6	401	265	167	20	58	90	31	32	537	33	2	8	796	183

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2033																								
Standalone																								
Less than 30 yrs	0	129	9	159	0	50	0	40	0	30	8	407	197	214	80	284	78	278	103	79	19	94	477	949
30 to 40 yrs	34	134	30	860	-1	139	35	53	0	10	98	1,196	122	174	128	921	134	419	188	108	2	18	574	1,640
40 to 50 yrs	34	243	22	1,237	22	234	31	137	0	20	109	1,871	72	190	56	811	99	365	195	179	3	17	425	1,563
50 to 64 Yrs	164	2,061	8	753	9	169	171	545	1	29	352	3,556	203	609	23	264	45	123	348	239	1	9	620	1,244
65 yrs and over	409	4,774	7	257	38	370	618	2,087	8	146	1,080	7,634	187	434	4	24	22	68	520	460	3	15	736	1,001
Total	640	7,341	75	3,265	68	963	855	2,862	8	234	1,647	14,665	782	1,622	290	2,304	378	1,253	1,353	1,065	28	152	2,831	6,396
Multi Unit																								
Less than 30 yrs	1	1	1	1	0	0	0	0	0	0	3	3	57	3	2	14	22	2	17	1	1	6	100	26
30 to 40 yrs	1	1	5	5	1	1	1	1	0	0	8	8	2	2	41	41	3	23	32	2	0	0	78	68
40 to 50 yrs	2	2	8	14	2	2	1	1	0	0	12	18	16	2	23	50	3	3	63	3	0	0	106	57
50 to 64 Yrs	14	42	5	5	1	1	20	4	0	0	40	52	53	5	2	2	1	1	139	4	0	0	194	12
65 yrs and over	132	115	2	5	3	9	264	91	1	5	401	225	80	18	1	1	5	5	367	33	1	1	454	59
Total	149	160	20	29	6	13	286	97	2	6	463	305	208	30	69	107	35	34	618	43	2	8	932	222

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2038																								
Standalone																								
Less than 30 yrs	-1	139	10	177	0	50	0	40	0	30	8	435	188	204	81	291	75	270	108	82	18	86	470	934
30 to 40 yrs	36	142	28	839	-1	139	35	53	0	10	97	1,183	118	168	117	854	126	397	182	104	2	18	545	1,541
40 to 50 yrs	37	268	21	1,303	24	252	39	177	0	20	121	2,020	87	230	64	948	109	403	238	219	3	17	501	1,817
50 to 64 Yrs	138	1,768	6	684	8	159	154	492	1	29	307	3,132	236	713	27	318	47	130	370	254	1	9	682	1,424
65 yrs and over	412	4,898	6	237	42	414	666	2,259	8	155	1,133	7,963	246	572	3	24	22	68	593	524	3	15	867	1,203
Total	622	7,215	70	3,240	72	1,014	894	3,022	8	243	1,667	14,734	875	1,887	293	2,435	379	1,267	1,491	1,184	26	144	3,065	6,918
Multi Unit																								
Less than 30 yrs	1	1	1	1	0	0	0	0	0	0	3	3	55	3	3	15	22	3	18	2	1	6	100	28
30 to 40 yrs	1	1	7	7	1	1	1	1	0	0	10	10	2	2	39	39	4	23	31	2	0	0	77	67
40 to 50 yrs	2	2	10	16	2	2	2	2	0	0	16	23	20	3	29	60	4	4	79	4	0	0	132	70
50 to 64 Yrs	15	39	5	5	1	1	19	5	0	0	41	50	63	8	3	3	1	1	150	6	0	0	217	18
65 yrs and over	144	127	2	5	4	11	292	104	1	6	442	251	107	26	1	1	5	5	423	40	1	1	537	74
Total	163	170	25	34	8	16	313	111	2	6	512	338	248	41	75	118	37	36	700	54	2	8	1,062	257

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2043																								
Standalone																								
Less than 30 yrs	-1	139	9	177	-1	59	0	40	0	30	7	445	200	217	83	298	75	269	107	82	16	78	480	944
30 to 40 yrs	37	149	27	866	-1	149	39	59	0	10	102	1,233	121	173	117	861	130	410	181	104	3	27	553	1,575
40 to 50 yrs	38	276	19	1,310	24	261	41	185	0	10	122	2,042	89	236	65	989	113	418	237	219	4	25	508	1,887
50 to 64 Yrs	130	1,693	5	663	7	150	150	484	1	29	293	3,019	269	816	30	362	52	144	398	272	2	17	752	1,612
65 yrs and over	403	4,890	7	265	40	404	665	2,268	8	164	1,123	7,991	285	666	3	24	28	88	628	555	7	37	952	1,370
Total	607	7,147	67	3,282	70	1,023	895	3,035	9	242	1,647	14,730	965	2,109	298	2,534	397	1,329	1,552	1,232	32	184	3,245	7,389
Multi Unit																								
Less than 30 yrs	1	1	2	2	1	1	0	0	0	0	4	4	60	4	4	16	23	3	19	2	1	5	106	31
30 to 40 yrs	2	2	8	8	1	1	1	1	0	0	12	12	3	3	41	41	5	24	32	3	0	0	81	71
40 to 50 yrs	3	3	12	18	3	3	2	2	0	0	20	26	22	3	32	64	5	5	79	5	0	0	138	77
50 to 64 Yrs	17	40	6	6	1	1	20	6	0	0	45	54	74	11	4	4	2	2	162	8	0	0	242	24
65 yrs and over	152	135	3	6	4	12	298	109	2	6	459	267	127	32	1	1	7	7	452	45	3	3	589	89
Total	175	181	31	40	10	17	322	118	2	7	540	364	285	52	81	126	42	42	744	62	4	9	1,156	292

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
Tauranga City																								
Standalone																								
Less than 30 yrs	23	405	11	421	0	80	0	80	0	115	34	1,101	226	475	55	604	131	628	48	115	49	398	508	2,220
30 to 40 yrs	40	450	30	2,084	0	319	31	185	0	70	101	3,108	66	255	69	1,117	151	830	96	123	10	103	392	2,427
40 to 50 yrs	31	764	34	3,159	21	698	74	391	0	86	159	5,097	34	190	32	903	97	841	141	200	5	69	309	2,203
50 to 64 Yrs	191	3,906	11	1,661	48	644	252	1,294	5	164	507	7,669	66	383	12	376	73	307	289	274	10	72	451	1,411
65 yrs and over	328	4,371	0	280	0	410	643	2,337	0	308	971	7,706	61	256	0	40	20	80	285	399	3	31	370	806
Total	613	9,896	86	7,605	68	2,151	1,000	4,286	5	743	1,773	24,681	453	1,557	168	3,040	472	2,686	860	1,111	76	672	2,029	9,067
Multi Unit																								
Less than 30 yrs	12	0	0	8	0	0	0	0	0	5	12	13	370	69	47	44	193	68	187	0	72	91	870	273
30 to 40 yrs	8	12	0	46	11	0	24	0	0	0	42	58	131	39	90	83	99	71	192	38	12	15	525	246
40 to 50 yrs	23	23	10	57	8	33	54	12	0	4	95	129	52	24	35	70	101	101	251	47	8	8	447	251
50 to 64 Yrs	133	210	0	37	26	13	205	119	1	10	365	389	114	57	24	28	95	35	563	75	9	10	804	204
65 yrs & over	490	351	0	0	0	0	1,237	302	6	6	1,733	659	192	42	0	0	40	0	922	73	6	0	1,160	115
Total	692	613	10	149	48	53	1,544	439	4	30	2,298	1,285	859	231	197	225	528	275	2,115	234	107	125	3,805	1,089

	Owner Occupiers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2018																								
Owner Occupier	1.0%																							
Standalone Dwelling																								
Less than 30 yrs	32	465	8	464	-1	99	-1	79	-1	133	36	1,240	285	557	59	748	137	703	55	137	46	417	581	2,562
30 to 40 yrs	35	445	9	2,139	-3	326	33	205	-1	69	72	3,184	76	311	65	1,290	155	910	102	132	9	109	407	2,752
40 to 50 yrs	21	719	1	3,184	13	681	71	400	-1	85	105	5,069	41	243	23	961	90	874	145	209	3	61	303	2,347
50 to 64 Yrs	166	4,358	-6	1,808	42	662	261	1,425	3	180	466	8,433	84	522	8	414	86	379	339	321	9	71	526	1,706
65 yrs & over	327	5,180	-3	337	-5	446	705	2,703	-4	333	1,021	8,999	84	377	-1	50	25	107	336	478	4	54	449	1,065
Total	581	11,166	7	7,931	46	2,214	1,069	4,812	-3	801	1,700	26,924	569	2,010	155	3,463	493	2,972	977	1,276	71	711	2,265	10,432
Multi Unit																								
Less than 30 yr	19	5	5	13	1	1	1	1	1	7	27	28	459	97	69	64	231	89	234	4	84	103	1,076	358
30 to 40 yrs	13	17	22	70	14	3	29	3	1	1	80	94	169	54	121	113	123	91	219	48	14	18	647	325
40 to 50 yrs	30	30	44	92	16	40	62	18	1	5	152	184	71	35	49	87	118	118	278	58	8	8	524	306
50 to 64 Yrs	200	287	19	60	35	21	250	154	3	13	507	534	167	88	32	36	126	50	704	107	10	11	1,037	291
65 yrs & over	655	488	3	3	5	5	1,512	410	10	10	2,185	916	298	71	1	1	56	2	1,174	113	11	1	1,539	187
Total	916	827	93	239	70	70	1,854	585	16	36	2,950	1,756	1,163	345	271	301	654	351	2,608	329	126	141	4,823	1,467

	Owner Occupiers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2023																								
Standalone																								
Less than 30 yr	27	460	3	469	-2	118	-2	88	-3	141	22	1,275	303	606	56	833	133	733	54	142	43	449	588	2,763
30 to 40 yrs	33	483	-15	2,333	-7	341	33	225	-2	78	42	3,461	85	375	61	1,579	164	1,038	112	147	9	122	432	3,260
40 to 50 yrs	11	622	-30	2,951	5	611	61	366	-2	75	45	4,625	42	269	13	1,077	80	890	145	211	3	60	283	2,508
50 to 64 Yrs	125	4,643	-27	1,922	32	620	253	1,478	2	196	384	8,860	97	663	4	467	99	465	391	368	9	84	600	2,048
65 yrs & over	312	6,129	-8	392	-10	470	758	3,082	-7	349	1,045	10,422	96	467	-1	59	32	143	397	576	5	76	529	1,321
Total	508	12,336	-78	8,068	18	2,160	1,103	5,239	-12	839	1,540	28,642	622	2,380	133	4,015	509	3,270	1,099	1,445	69	789	2,432	11,899
Multi Unit																								
Less than 30 yr	24	10	10	19	2	2	2	2	3	9	41	42	528	124	88	83	257	107	255	9	99	120	1,226	443
30 to 40 yrs	20	24	49	102	19	7	36	6	2	2	125	142	216	74	170	160	157	121	259	61	18	22	820	438
40 to 50 yrs	33	33	72	117	21	43	62	21	2	5	190	220	85	44	68	111	135	135	297	67	9	9	593	367
50 to 64 Yrs	269	363	40	85	40	27	286	184	6	16	641	675	226	124	42	47	165	70	865	146	13	14	1,311	401
65 yrs & over	864	664	8	8	10	10	1,821	539	14	14	2,717	1,235	387	101	1	1	79	5	1,508	168	17	2	1,992	277
Total	1,210	1,095	180	330	92	90	2,206	752	26	47	3,715	2,314	1,441	467	369	402	793	438	3,185	452	154	168	5,943	1,926

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2028																								
Standalone																								
Less than 30 yr	22	463	-2	464	-4	126	-3	87	-5	139	9	1,279	325	668	51	931	130	779	51	143	37	454	595	2,976
30 to 40 yrs	28	494	-43	2,458	-12	375	33	244	-3	87	4	3,659	88	416	49	1,844	165	1,127	121	161	7	120	430	3,668
40 to 50 yrs	4	580	-62	2,967	-2	604	57	368	-3	83	-6	4,602	44	313	1	1,283	74	949	151	223	2	66	271	2,834
50 to 64 Yrs	70	4,538	-45	1,798	23	562	224	1,416	-1	176	272	8,491	108	822	-2	511	99	497	413	388	8	82	627	2,302
65 yrs & over	275	7,142	-14	456	-15	475	795	3,449	-12	382	1,029	11,904	109	582	-2	68	40	190	469	695	6	97	621	1,632
Total	399	13,218	-166	8,143	-9	2,142	1,107	5,564	-23	869	1,308	29,936	674	2,802	97	4,637	508	3,542	1,205	1,611	59	820	2,543	13,411
Multi Unit																								
Less than 30 yr	29	16	15	24	4	4	3	3	5	11	55	57	614	157	112	106	291	129	271	14	109	131	1,396	537
30 to 40 yrs	27	31	79	135	25	12	42	10	3	3	175	191	253	92	224	213	189	149	302	76	20	24	988	554
40 to 50 yrs	38	38	105	150	28	50	69	27	3	7	242	272	105	57	98	149	159	159	334	82	11	11	706	459
50 to 64 Yrs	320	413	57	99	43	32	299	200	7	17	727	760	299	171	52	58	188	85	978	181	14	15	1,531	510
65 yrs & over	1,115	879	14	14	15	15	2,150	686	20	20	3,314	1,613	507	142	2	2	111	11	1,940	246	23	4	2,583	405
Total	1,528	1,376	270	422	115	112	2,563	926	37	57	4,513	2,893	1,779	619	488	528	938	533	3,824	600	176	185	7,205	2,465

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2033																								
Standalone																								
Less than 30 yr	19	502	-8	486	-6	144	-4	106	-7	156	-6	1,394	335	707	42	988	124	812	48	144	30	459	580	3,111
30 to 40 yrs	23	505	-69	2,451	-17	399	33	263	-4	96	-35	3,714	88	451	28	2,000	153	1,145	123	166	5	125	398	3,887
40 to 50 yrs	-3	600	-103	3,214	-9	650	56	397	-4	92	-62	4,953	47	373	-18	1,565	69	1,068	172	259	1	73	271	3,338
50 to 64 Yrs	16	4,308	-61	1,705	16	522	199	1,369	-2	166	167	8,069	118	1,016	-9	562	96	517	429	403	7	81	642	2,579
65 yrs & over	202	7,902	-19	461	-22	518	806	3,760	-19	434	949	13,074	121	722	-4	86	44	229	543	825	5	111	710	1,973
Total	258	13,817	-260	8,316	-39	2,233	1,090	5,894	-36	943	1,013	31,203	709	3,269	40	5,202	486	3,770	1,316	1,797	49	849	2,600	14,887
Multi Unit																								
Less than 30 yr	38	23	21	30	6	6	4	4	7	14	76	78	686	190	133	127	323	151	287	20	119	142	1,548	629
30 to 40 yrs	33	38	106	163	31	17	50	14	4	4	224	237	289	112	272	259	212	170	332	89	23	27	1,128	657
40 to 50 yrs	46	46	149	199	38	62	81	35	4	8	318	351	134	76	139	203	197	197	411	108	13	13	894	597
50 to 64 Yrs	358	448	73	113	47	36	315	218	9	18	802	832	394	232	65	72	208	99	1,089	219	15	17	1,771	639
65 yrs & over	1,355	1,090	19	19	22	22	2,472	842	28	28	3,896	2,001	660	197	4	4	140	17	2,462	349	28	6	3,294	573
Total	1,831	1,645	369	525	143	143	2,922	1,114	51	72	5,316	3,499	2,163	806	613	664	1,080	635	4,581	786	198	205	8,635	3,095

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2038																								
Standalone																								
Less than 30 yr	14	557	-14	535	-9	171	-6	105	-9	154	-23	1,522	329	718	31	1,035	115	832	44	142	23	451	542	3,179
30 to 40 yrs	18	524	-99	2,497	-25	450	32	288	-5	95	-78	3,854	87	488	3	2,191	145	1,202	126	172	4	123	365	4,176
40 to 50 yrs	-10	636	-146	3,373	-19	712	58	447	-5	82	-121	5,248	46	413	-43	1,808	57	1,121	185	284	0	72	245	3,699
50 to 64 Yrs	-33	3,999	-80	1,705	9	507	173	1,309	-4	155	65	7,676	124	1,231	-18	652	94	552	438	410	5	73	643	2,918
65 yrs & over	107	8,580	-27	504	-28	523	793	4,012	-25	456	820	14,075	133	904	-5	86	49	276	610	954	4	131	793	2,351
Total	96	14,297	-366	8,613	-70	2,362	1,051	6,161	-47	942	663	32,376	720	3,755	-32	5,772	460	3,983	1,404	1,962	36	851	2,588	16,322
Multi Unit																								
Less than 30 yr	49	32	30	40	9	9	6	6	9	16	101	102	735	217	155	148	351	172	298	26	127	149	1,666	713
30 to 40 yrs	41	46	137	195	40	25	59	20	5	5	283	291	330	134	330	316	244	200	368	104	24	29	1,296	782
40 to 50 yrs	57	57	195	248	50	77	99	47	5	8	405	437	158	93	185	260	226	226	478	134	14	14	1,061	726
50 to 64 Yrs	385	469	93	133	52	41	326	232	10	19	866	893	507	308	85	92	236	118	1,193	259	15	16	2,036	793
65 yrs and over	1,608	1,316	27	27	28	28	2,781	1,004	34	34	4,477	2,408	869	274	5	5	178	27	3,049	476	36	9	4,136	790
Total	2,140	1,920	480	642	179	179	3,271	1,308	63	82	6,132	4,132	2,599	1,026	760	821	1,235	742	5,386	998	215	218	10,195	3,804

	Owner Occupers												Renters											
	Couples only		Couples with		One Parent		One person		Other		Total		Couples only		Couples with		One Parent		One person		Other		Total	
	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+	2 bm-	3bm+
2043																								
Standalone																								
Less than 30 yr	8	577	-21	556	-11	179	-7	113	-10	153	-42	1,577	325	734	18	1,074	106	867	43	151	15	444	508	3,269
30 to 40 yrs	12	542	-131	2,560	-31	472	30	298	-7	103	-126	3,977	82	510	-27	2,315	134	1,243	128	177	2	128	318	4,374
40 to 50 yrs	-18	654	-187	3,418	-28	738	55	474	-7	99	-184	5,382	42	435	-72	1,956	43	1,173	187	293	-1	71	199	3,928
50 to 64 Yrs	-82	3,992	-100	1,714	3	509	160	1,352	-6	162	-26	7,729	117	1,382	-30	723	88	569	457	425	5	79	637	3,178
65 yrs & over	-10	8,697	-32	508	-33	517	737	4,091	-30	451	631	14,264	131	1,040	-7	113	51	312	634	1,024	3	144	812	2,632
Total	-89	14,462	-472	8,756	-101	2,415	975	6,328	-60	968	253	32,929	697	4,101	-117	6,181	422	4,164	1,449	2,070	24	865	2,474	17,381
Multi Unit																								
Less than 30 yr	58	40	37	48	11	11	7	7	10	17	124	124	793	249	177	170	388	198	333	34	134	157	1,825	808
30 to 40 yrs	50	55	170	231	48	31	67	25	7	7	341	349	364	154	384	369	275	228	405	121	28	32	1,454	904
40 to 50 yrs	67	67	237	292	61	89	114	57	7	11	486	517	177	107	227	309	257	257	525	155	15	15	1,200	843
50 to 64 Yrs	438	522	113	154	59	48	363	264	13	22	986	1,011	604	377	104	113	259	134	1,338	310	17	19	2,323	952
65 yrs &over	1,771	1,472	32	32	33	33	2,987	1,136	39	39	4,863	2,712	1,050	349	7	7	211	37	3,514	598	42	12	4,824	1,002
Total	2,384	2,157	589	756	213	213	3,537	1,490	75	97	6,799	4,712	2,987	1,235	900	967	1,390	854	6,114	1,217	235	236	11,626	4,509

Table A3: Occupied dwellings by sub region and age of the reference person

	Less than 25	25-29 Years	30-34 Years	35-39 Years	40-44 Years	45-49 Years	50-54 Years	55-59 Years	60-64 Years	65-69 Years	70-74 Years	75-79 Years	80-84 Years	85 Years +	Total
WBOP - Northern															
2013	110	170	210	290	430	470	450	500	570	720	660	540	410	280	5,810
2018	110	210	260	320	420	520	500	620	690	830	840	710	470	370	6,870
2023	130	240	300	360	460	500	520	660	780	980	980	920	610	460	7,900
2028	150	260	330	430	530	520	530	730	870	1,170	1,160	1,060	740	620	9,100
2033	170	290	350	450	610	620	580	720	920	1,270	1,320	1,280	890	840	10,310
2038	160	310	400	480	640	710	640	730	900	1,370	1,410	1,480	1,030	1,030	11,290
2043	180	330	410	540	700	780	710	780	950	1,450	1,500	1,580	1,070	1,040	12,020
2048	190	350	450	570	730	810	730	810	990	1,510	1,560	1,650	1,110	1,070	12,530
WBOP - Rural															
2013	260	260	500	670	1,070	1,220	1,220	1,250	1,020	840	570	320	180	60	9,440
2018	260	300	540	660	970	1,270	1,230	1,420	1,130	920	680	400	180	80	10,040
2023	280	310	590	700	1,000	1,190	1,230	1,440	1,220	1,040	760	490	220	90	10,560
2028	300	320	610	790	1,110	1,160	1,150	1,500	1,250	1,150	860	530	250	110	11,090
2033	320	340	640	810	1,180	1,240	1,180	1,380	1,230	1,160	900	610	280	140	11,410
2038	280	350	650	810	1,190	1,340	1,250	1,300	1,130	1,170	900	660	300	170	11,500
2043	300	340	650	840	1,180	1,360	1,250	1,310	1,140	1,170	880	650	300	160	11,530
2048	290	340	660	830	1,190	1,350	1,260	1,290	1,130	1,170	890	650	300	160	11,510
WBOP - Southern															
2013	220	300	350	430	500	510	600	480	480	410	330	310	230	210	5,360
2018	210	310	360	410	420	500	570	510	520	430	380	370	230	260	5,480
2023	220	320	380	440	430	460	560	510	560	480	410	440	290	300	5,800
2028	210	330	380	480	470	430	520	530	550	510	450	460	320	360	6,000
2033	210	330	380	470	480	470	510	460	530	510	460	510	350	450	6,120
2038	200	330	390	470	470	480	540	440	480	510	460	540	370	510	6,190
2043	200	340	400	470	490	510	540	430	480	510	460	540	360	480	6,210
2048															

	Less than 25	25-29 Years	30-34 Years	35-39 Years	40-44 Years	45-49 Years	50-54 Years	55-59 Years	60-64 Years	65-69 Years	70-74 Years	75-79 Years	80-84 Years	85 Years +	Total
TCC – Mt & CBD															
2013	180	250	220	250	220	240	310	270	270	250	200	180	150	150	3,140
2018	190	280	260	250	210	260	320	310	320	280	240	230	160	200	3,510
2023	200	300	280	270	230	240	330	330	350	320	270	280	200	220	3,820
2028	200	290	290	300	240	240	320	350	360	360	310	310	230	290	4,090
2033	220	320	310	300	260	260	320	320	370	360	330	360	260	380	4,370
2038	220	340	330	320	280	280	360	320	350	390	340	400	290	450	4,670
2043	230	360	350	350	310	300	390	350	380	420	370	420	310	470	5,010
2048	240	390	370	380	320	350	430	380	410	450	400	460	330	500	5,410
TCC –Fringe West															
2013	70	200	310	490	780	740	760	690	710	640	550	460	370	270	7,040
2018	100	260	420	580	870	940	930	970	960	870	820	700	480	390	9,290
2023	100	310	520	710	1,010	990	1,030	1,090	1,170	1,070	1,010	970	670	520	11,170
2028	110	360	590	890	1,240	1,060	1,080	1,270	1,310	1,320	1,250	1,170	850	710	13,210
2033	130	450	730	1,070	1,570	1,370	1,320	1,390	1,530	1,580	1,580	1,560	1,120	1,100	16,500
2038	150	520	840	1,220	1,790	1,690	1,600	1,500	1,630	1,850	1,810	1,970	1,430	1,480	19,480
2043	170	570	960	1,390	2,030	1,900	1,780	1,670	1,790	2,040	2,000	2,140	1,540	1,530	21,510
2048	180	600	1,040	1,500	2,170	2,050	1,910	1,790	1,920	2,180	2,130	2,270	1,640	1,640	23,020
TCC – Fringe South															
2013	210	370	460	600	690	710	710	600	630	560	450	280	220	190	6,680
2018	240	450	510	600	660	760	730	710	720	630	550	370	250	250	7,430
2023	270	470	570	670	690	740	740	740	800	720	610	450	320	300	8,090
2028	270	480	590	740	750	700	690	750	780	770	670	480	360	360	8,390
2033	280	490	600	740	800	750	710	690	780	770	700	540	390	470	8,710
2038	260	520	610	760	800	830	760	650	730	790	710	600	440	550	9,010
2043	270	540	650	810	850	860	770	670	750	810	730	610	440	530	9,290
2048	270	540	660	830	860	880	780	690	740	830	740	620	450	540	9,430

	Less than 25	25-29 Years	30-34 Years	35-39 Years	40-44 Years	45-49 Years	50-54 Years	55-59 Years	60-64 Years	65-69 Years	70-74 Years	75-79 Years	80-84 Years	85 Years +	Total
TCC - Central															
2013	740	870	1,070	1,200	1,420	1,340	1,410	1,320	1,130	1,110	950	780	700	610	14,650
2018	730	960	1,120	1,110	1,220	1,330	1,350	1,400	1,220	1,160	1,090	910	710	730	15,040
2023	750	960	1,180	1,150	1,210	1,190	1,300	1,390	1,260	1,260	1,170	1,080	840	810	15,550
2028	740	940	1,160	1,270	1,300	1,120	1,180	1,400	1,240	1,340	1,250	1,130	920	980	15,970
2033	760	960	1,180	1,260	1,350	1,180	1,180	1,280	1,210	1,320	1,280	1,230	990	1,220	16,400
2038	710	960	1,200	1,250	1,330	1,280	1,250	1,200	1,110	1,330	1,280	1,340	1,070	1,400	16,710
2043	710	990	1,230	1,320	1,400	1,330	1,280	1,220	1,120	1,350	1,270	1,310	1,060	1,350	16,940
2048	730	1,020	1,250	1,330	1,410	1,330	1,290	1,220	1,130	1,360	1,300	1,340	1,070	1,360	17,140
TCC Coastal															
2013	520	790	1,080	1,300	1,490	1,300	1,270	1,150	1,010	1,150	1,040	780	680	520	14,080
2018	610	1,020	1,320	1,400	1,510	1,500	1,420	1,480	1,270	1,400	1,400	1,090	800	720	16,940
2023	700	1,140	1,560	1,660	1,670	1,530	1,530	1,630	1,480	1,700	1,670	1,450	1,080	910	19,710
2028	770	1,250	1,700	1,990	1,980	1,560	1,540	1,800	1,620	2,000	1,990	1,660	1,320	1,220	22,400
2033	820	1,330	1,810	2,070	2,160	1,750	1,600	1,700	1,640	2,060	2,150	1,900	1,490	1,600	24,080
2038	800	1,430	1,950	2,190	2,250	1,980	1,810	1,690	1,600	2,220	2,270	2,210	1,730	1,960	26,090
2043	830	1,520	2,090	2,370	2,450	2,160	1,910	1,810	1,700	2,340	2,400	2,310	1,780	1,960	27,630
2048	870	1,580	2,150	2,460	2,540	2,210	1,970	1,860	1,750	2,440	2,480	2,380	1,830	2,010	28,530

Table A4: Occupied dwellings by submarket, tenure and household composition

	2013	2018	2023	2028	2033	2038	2043	2048
WBOP - Northern								
Owners								
Couples only	2,550	3,060	3,590	4,170	4,730	5,180	5,790	6,050
Couples with	1,130	1,220	1,310	1,470	1,640	1,770	1,980	2,080
One parent	340	380	410	450	480	530	590	620
One person	1,510	1,880	2,220	2,630	3,050	3,390	3,250	3,350
Other	280	330	370	380	410	420	410	430
Total	5,810	6,870	7,900	9,100	10,310	11,290	12,020	12,530
Renters								
Couples only	1,550	1,770	1,970	2,170	2,310	2,470	3,000	3,130
Couples with	690	710	730	770	800	850	1,030	1,070
One parent	220	220	220	230	240	250	310	320
One person	930	1,100	1,240	1,370	1,490	1,620	1,690	1,740
Other	180	200	200	200	200	190	210	210
Total	3,580	4,000	4,360	4,740	5,040	5,380	6,240	6,480
WBOP - Rural								
Owners								
Couples only	3,470	3,800	4,100	4,350	4,450	4,480	4,650	4,660
Couples with	2,880	2,920	2,980	3,140	3,260	3,310	3,420	3,450
One parent	580	590	580	600	610	640	660	660
One person	1,610	1,820	1,960	2,080	2,170	2,210	2,000	1,980
Other	900	910	940	920	920	860	800	760
Total	9,440	10,040	10,560	11,090	11,410	11,500	11,530	11,510
Renters								
Couples only	3,160	3,520	3,760	4,030	4,130	4,310	5,240	5,460
Couples with	2,630	2,710	2,760	2,890	3,020	3,180	3,860	4,030
One parent	520	540	540	570	590	620	750	780
One person	1,460	1,680	1,820	1,930	2,020	2,140	2,240	2,300
Other	800	840	850	830	840	820	890	890
Total	8,570	9,290	9,730	10,250	10,600	11,070	12,970	13,480
WBOP - Southern								
Owners								
Couples only	1,510	1,600	1,730	1,800	1,850	1,870	2,010	2,010
Couples with	1,160	1,120	1,140	1,180	1,160	1,190	1,260	1,260
One parent	600	580	580	590	590	590	610	610
One person	1,450	1,590	1,730	1,840	1,940	2,000	1,820	1,820
Other	640	590	620	590	580	540	510	490
Total	5,360	5,480	5,800	6,000	6,120	6,190	6,210	6,190
Renters								
Couples only	890	1,000	1,090	1,180	1,240	1,320	1,610	1,680
Couples with	670	690	720	760	790	830	1,010	1,050
One parent	350	360	360	380	390	410	500	520
One person	850	990	1,100	1,200	1,300	1,410	1,470	1,510
Other	360	380	380	380	390	380	410	410
Total	3,110	3,420	3,650	3,900	4,110	4,350	4,990	5,170

	2013	2018	2023	2028	2033	2038	2043	2048
Mt M North / CBD								
Owners								
Couples only	1,090	1,230	1,360	1,490	1,580	1,670	1,940	2,100
Couples with	390	400	410	430	470	520	570	610
One parent	160	170	170	170	170	180	210	250
One person	1,130	1,320	1,460	1,600	1,740	1,890	1,880	2,010
Other	370	390	420	400	410	410	410	440
Total	3,140	3,510	3,820	4,090	4,370	4,670	5,010	5,410
Renters								
Couples only	880	990	1,080	1,170	1,230	1,310	1,590	1,650
Couples with	310	320	330	340	360	380	470	490
One parent	130	130	130	140	140	150	180	190
One person	910	1,060	1,160	1,270	1,370	1,480	1,540	1,590
Other	300	310	320	320	330	320	340	340
Total	2,530	2,810	3,020	3,240	3,420	3,630	4,110	4,260
Tauranga Fringe West								
Owners								
Couples only	2,510	3,470	4,290	5,160	6,490	7,700	8,880	9,530
Couples with	1,980	2,430	2,800	3,250	4,050	4,780	5,450	5,900
One parent	450	530	620	720	860	1,010	1,160	1,260
One person	1,290	1,820	2,290	2,810	3,600	4,360	4,320	4,570
Other	810	1,040	1,170	1,270	1,500	1,630	1,700	1,760
Total	7,040	9,290	11,170	13,210	16,500	19,480	21,510	23,020
Renters								
Couples only	2,400	2,720	3,000	3,280	3,470	3,700	4,500	4,690
Couples with	1,880	1,920	1,960	2,060	2,160	2,290	2,770	2,900
One parent	410	430	430	450	460	480	590	610
One person	1,220	1,430	1,610	1,770	1,930	2,090	2,180	2,250
Other	770	810	820	800	810	790	860	860
Total	6,680	7,310	7,810	8,360	8,830	9,350	10,900	11,310
Tauranga Fringe South								
Owners								
Couples only	2,000	2,300	2,550	2,710	2,820	2,940	3,180	3,250
Couples with	1,810	1,900	2,020	2,080	2,140	2,240	2,420	2,480
One parent	580	630	640	660	680	700	750	770
One person	1,170	1,420	1,630	1,740	1,860	1,970	1,830	1,830
Other	1,120	1,180	1,250	1,200	1,210	1,160	1,110	1,100
Total	6,680	7,430	8,090	8,390	8,710	9,010	9,290	9,430
Renters								
Couples only	1,910	2,140	2,330	2,520	2,650	2,810	3,410	3,560
Couples with	1,720	1,780	1,830	1,940	2,020	2,140	2,590	2,710
One parent	560	580	580	610	630	660	810	840
One person	1,130	1,320	1,460	1,600	1,730	1,880	1,960	2,020
Other	1,060	1,120	1,140	1,120	1,130	1,090	1,190	1,200
Total	6,380	6,940	7,350	7,790	8,170	8,580	9,960	10,320

	2013	2018	2023	2028	2033	2038	2043	2048
Tauranga Central								
Owners								
Couples only	3,660	3,840	4,060	4,250	4,370	4,490	4,830	4,940
Couples with	3,080	3,000	3,010	3,080	3,110	3,150	3,410	3,470
One parent	1,760	1,690	1,670	1,660	1,690	1,710	1,850	1,880
One person	4,170	4,540	4,870	5,140	5,420	5,630	5,210	5,250
Other	1,980	1,970	1,940	1,840	1,810	1,730	1,640	1,600
Total	14,650	15,040	15,550	15,970	16,400	16,710	16,940	17,140
Renters								
Couples only	3,310	3,720	4,060	4,420	4,660	4,970	6,030	6,290
Couples with	2,800	2,900	3,000	3,180	3,310	3,490	4,240	4,430
One parent	1,580	1,640	1,660	1,750	1,810	1,900	2,310	2,420
One person	3,770	4,400	4,880	5,350	5,770	6,240	6,510	6,710
Other	1,810	1,890	1,940	1,910	1,950	1,900	2,040	2,060
Total	13,260	14,560	15,540	16,600	17,510	18,500	21,130	21,910
Tauranga Coastal								
Owners								
Couples only	4,390	5,450	6,520	7,540	8,120	8,850	9,870	10,220
Couples with	3,500	3,970	4,460	5,040	5,350	5,770	6,420	6,660
One parent	1,320	1,490	1,630	1,830	1,930	2,080	2,300	2,420
One person	3,140	4,020	4,870	5,670	6,270	6,990	6,660	6,840
Other	1,730	2,010	2,230	2,320	2,410	2,400	2,380	2,390
Total	14,080	16,940	19,710	22,400	24,080	26,090	27,630	28,530
Renters								
Couples only	4,010	4,530	4,960	5,420	5,730	6,110	7,420	7,740
Couples with	3,190	3,290	3,410	3,620	3,780	3,980	4,840	5,050
One parent	1,190	1,240	1,250	1,320	1,370	1,430	1,740	1,820
One person	2,870	3,340	3,720	4,080	4,430	4,820	5,030	5,180
Other	1,580	1,660	1,700	1,670	1,700	1,660	1,790	1,800
Total	12,840	14,060	15,040	16,120	17,010	18,010	20,810	21,600