# Whanganui strategic housing investment plan (SHIP) 2021 — 2031



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## **Purpose of the SHIP**

The Housing strategy was developed 'to support thriving communities with housing that meets the needs of our people'

The purpose of the SHIP is to deliver on the council's Housing Strategy 2019 and to support the investment into this portfolio as prescribed through the Long-Term Plan 2021-2031.

The Strategic Housing Investment Plan (SHIP) is to set out the priorities for investment in housing for Whanganui District Council over the 10 year period commencing 2021- 2031, and outline how the council intends to deliver these priorities.

Housing is a dynamic space and there has been significant central government policy intervention into housing in recent months. This will remain a living document and there is flexibility to adapt the plan as the programme develops and matures. Emphasis is on working collaboratively and in partnership and this will heavily influence the deliverables within the plan. We will continue to gather feedback from key stakeholders over time.

3 Purpose of the SHIP

# **Current strategic direction for Whanganui District Council**

The Leading Edge Strategy sets the overarching strategic direction for the Whanganui District and the strategy has a VISION: that is:

'To be an energised, united and thriving district offering abundant opportunities for everyone'

Community is a key strand of the Leading Edge Strategy which sets out a Strategic Intention 'that we are a place resounding with community spirit and there is an underlying essence that underpins what it means to be from or in Whanganui. We support each other, work in partnership, are resilient and can handle challenges. We keep talking to each other and are pulling in the same direction. We know where we are heading but celebrate and champion diversity. Our roots run deep'.

Acknowledging that we have ambitions for a place where we support each other, work in partnership, are resilient and can handle challenges are strong principles to take into discussions as we tackle the housing challenges faced by the community.

The four key outcome areas identified in the Housing Strategy to focus on are:

- Whanganui's housing systems and infrastructure function well
- Whanganui's homes are good quality and future proofed
- 3. Whanganui's homes meet the needs of our people
- 4. Whanganui's housing network supports united, thriving and connected communities

The four key delivery models for council identified through the Housing Strategy to deliver on these outcomes are:

- Collaborate working in partnership with the community - or encouraging other agencies to partner together
- Advocate the council speaking up and advocating for change locally, regionally and nationally.
- 3. Explore the council looking for new opportunities most often in conjunction with other stakeholders.
- Implement the council taking the lead and in some cases, actioning the recommendations of the strategy.

## **Consultation on the SHIP**

Extensive consultation has been occurring with the community and interested organisations and agencies regarding housing in Whanganui since 2018. This included the development of the housing snapshot 2018 and the Housing Strategy 2019. This included discussions with Iwi, Architects, Developers, Builders, Health representatives, Corrections, Community groups, Safer Whanganui Housing Reference Group, Housing Stakeholders, and many more. The Housing Strategy was publicly consulted on and submissions were sought and heard from the community.

The formation of a regular 'housing reference group' as a result of these conversations has improved the visibility and networking for housing to the council and to other agencies and groups connected to this portfolio of work, in particular those organisations in the social care framework. This housing reference group will continue to be co-ordinated and supported by the council as a high priority.

An increase in council funding to implement the Housing Strategy 2019 was proposed through the Long-Term Plan process 2021-2031 and community consultation occurred with direct feedback sought from the public on increasing the housing spend by council.

The development of the SHIP is considered to be a further tool to support those involved in making housing decisions in Whanganui, giving direction as to how the council now intends to support ongoing improvements in the housing space for Whanganui. Additional broad and comprehensive public consultation has not been undertaken to develop this plan.

The council will continue to engage regularly and responsively to housing stakeholders and development partners, and the primary vehicles for these discussions will be the housing reference group and other existing strategic forums. Reporting on progress against the Housing Strategy and associated work will occur through the regular council Strategy and Finance meetings.

This plan has been adopted by the council, and reviewed approximately three yearly. This will ensure that appropriate budgets can be procured through long-term planning processes.

5 Consultation on the SHIP

## **Setting the Scene**

#### **National Housing Context**

Housing is one of the greatest challenges facing New Zealand in 2021. The Government has a number of housing tools and policies that have come into play in the last two years. Below are some of the key directives and tools that the Whanganui District can utilise to support our District housing challenges.

#### Government Policy Statement

The Government Policy Statement on Housing & Urban Development (GPS-HUD) will communicate the Government's long-term vision for the housing and urban development system, to help build consensus on what New Zealand wants for the future, and to help align the different players to ensure we get there.

The purpose of the GPS-HUD is to:

 build consensus on what New Zealand wants for the future of housing and urban development, and help align the different players and interests to ensure we get there

- provide specific direction and support to Kāinga Ora as the Government's lead housing provider and urban developer
- inform and guide the decisions and actions of all other New Zealand government agencies involved in housing and urban development
- provide more certainty to everyone operating in the system about how the government will operate and invest in housing and urban development
- provide confidence to all New Zealanders about their future wellbeing

The responsible Ministers for the GPS-HUD are the Minister of Housing and the Minister of Finance. Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development is leading the development of the draft GPS with support from other government agencies.

The inaugural GPS-HUD needs to be published by October 2021 and will be reviewed every three years.

#### What will the GPS-HUD cover?

The Kāinga Ora - Homes and Communities Act 2019 says the GPS-HUD must include:

- The Government's overall direction and priorities for housing and urban development, which must include a multi-decade outlook
- How the Government expects Kāinga Ora to manage its functions and operations to meet the Government's direction and priorities (this is binding on Kāinga Ora)
- How the Government expects other agencies to support the direction and priorities
- The Government's expectations in relation to Māori interests, partnering with Māori and protections for Māori interests.
- How the Government expects Kāinga Ora to recognise the need to mitigate and adapt to the effects of climate change

#### Kāinga Ora

Homes and Communities is a new Crown agency that brings together the people, capability and functions from Housing New Zealand, its development subsidiary HLC, and most of the Kiwi Build Unit. Kāinga Ora will have two key roles – continuing to be a public housing landlord, and a new role to work in partnership to enable, facilitate, and deliver housing and urban development projects.

Kāinga Ora is being established through two separate pieces of legislation. The Kāinga Ora-Homes and Communities Act 2019 established Kāinga Ora as a Crown agent. A second bill, to be introduced later in the year, will give Kāinga Ora access to a range of existing development powers that are currently spread across multiple statutes and agencies.

#### What will Kāinga Ora do?

Kāinga Ora will continue to provide the tenancy and public housing functions and related services that were previously provided by Housing New Zealand. These include:

- tenancy services,
- maintaining and developing its public housing stock, and
- providing home ownership products and other services.

In its urban development role, Kāinga Ora will work in partnership with the development community, iwi and Māori, local and central government, and others to deliver urban development projects of all sizes. This will include:

- delivering quality urban development that connects homes with jobs, open spaces and transport links
- accelerating developments and the availability of build-ready land, and
- building diverse communities that include a variety of housing (including public, affordable and market housing of different types, sizes and tenure).

Kāinga Ora will place whānau and families at the centre of its work and will have an essential role in tackling the Government's key priorities of ending homelessness and making houses more affordable.

Whanganui District Council will actively seek to leverage funding and partnership opportunities with Kāinga Ora as a high priority.

Kāinga Ora is an active partner in the housing reference group established through council.

#### Urban growth partnerships

Under the Urban Growth Agenda (UGA), central government is expected to partner with local governments and iwi to ensure that government investment in infrastructure is aligned to help deliver connected, thriving and sustainable urban communities. Urban growth partnerships formalise the relationships between the Crown, local government, iwi and local communities to deliver the UGA objectives.

Current partnerships are focused on regions that are experiencing significant growth pressures and want to work with central government to help address the challenges and opportunities from that growth.

An important aspect of the Urban Growth Partnerships is spatial planning, a long-term and integrated approach to land use and infrastructure planning. In August 2020, Cabinet endorsed the strategic priorities for joint spatial plans for the Hamilton-Waikato and Tauranga-Western Bay of Plenty metropolitan areas and the Queenstown Lakes area.

Emerging partnerships are occurring for:

- Wellington-Horowhenua Region
- Queenstown Lakes
- Greater Christchurch
- Northland-Auckland Corridor

Urban growth partnerships are not a current strategic focus for the Whanganui District, and we would anticipate leadership in any future discussions to happen alongside Horizons and adjoining Regional Councils.

This is a low priority for Whanganui District currently.

Local growth planning to identify preferred areas of intensification, setting new development typologies and understanding priority greenfield sites for future detailed investigation will remain a high priority role for council in its regulator role. Resourcing/capacity exists within the existing planning team to resource this work.

#### **Housing Acceleration Fund**

The Housing Acceleration Fund aims to increase the supply of houses and improve affordability for home buyers and renters.

The Fund announced will:

 unlock more land for housing development, particularly in locations close to jobs, public transport, and amenities;

- support the provision of critical infrastructure needed for that development; and
- support delivery of a wider mix of housing (for ownership and rental) that is affordable for low-to-moderate income households.

The key components of the Fund are:

- an infrastructure fund to unlock a mix of private sector led and government led developments in locations facing the biggest housing supply and affordability challenges
- additional funding for the Land for Housing Programme to accelerate development of vacant or underutilised Crown owned land, operate in more regions, and deliver a broader range of affordable housing options for rental and home ownership

The Fund is not about government doing everything itself. It is committed to building on existing relationships in our urban and regional areas, and working alongside local government, the private sector, iwi and Māori, and the notfor-profit sector to meet New Zealand's housing needs.

The Housing Acceleration Fund is the most significant part of the rolling supply-side measures that the Government is considering.

It forms part of a comprehensive response to address housing needs, alongside a refocused Residential Development Response Fund, support for more first home buyers, the demand-side measures, the new requirement for the Reserve Bank of New Zealand to take account of housing impacts in its policy decisions, and the extensive urban development reform underway.

Supporting the Housing Acceleration Fund is the Kāinga Ora Land programme which is for strategic land purchases to increase the pace, scale and mix of housing developments (including affordable housing).

# Why the Housing Acceleration Fund is needed to address housing affordability

Access to affordable housing is one of New Zealand's most persistent long-term challenges. New Zealand house prices are among the highest in the world relative to incomes.

The Organisation for Economic Co-operation and Development (OECD) Better Life Index 2020 suggests New Zealanders spend the largest proportion of their disposable income on housing costs in the OECD.

From 1991 to 2019 (before COVID-19), our house prices had the highest real growth in the OECD at 266% and, contrary to forecasts, national house prices are increasing at record breaking rates in the low interest rate environment post-COVID – rising 22.8% from February 2020 to February 2021 according to REINZ statistics.

#### Other national fund opportunities

There is a suite of national funding initiatives that may be accessible including:

- · Land for housing programme
- Residential development response fund
- Targeted Training and Apprenticeship Funding

Whanganui District Council will actively seek out opportunities within the Housing Acceleration funding and other national funding initiatives as they become available and where we identify appropriate opportunities. This will be pursued as a medium priority.

#### Māori Housing - Budget 2021

Budget 2021 announced additional focus on Maori housing including:

- \$380 million delivering about 1,000 new homes for Māori including papakāinga housing, repairs to about 700 Māori-owned homes and expanding support services.
- Ring-fencing of \$350 million for infrastructure to enable housing for Māori from the \$3.8 billion Housing Acceleration Fund.
- Funding to strengthen MAIHI approaches and partnerships with iwi and Māori to deliver more whenua-based housing and papakāinga.
- Better quality housing through repairs of existing housing to improve social and health outcomes.

The investment of \$380 million into Māori housing across Aotearoa New Zealand, is anticipated to deliver:

- A range of papakāinga housing, affordable rentals, transitional housing, and owneroccupied housing totalling about 1000 homes.
- Improving the quality of homes for whānau in most need with repairs for 700 Māoriowned houses, led by Te Puni Kōkiri (TPK).
- \$30 million towards building future capability for iwi and Māori groups to accelerate housing projects and a range of support services.

# Whanganui housing context

The strategic context for the development and delivery of the SHIP is outlined in Whanganui's Housing Strategy.

Whanganui and Partners advise that housing constraints have been identified as one of the greatest limiting factors from an economic development perspective. Their purpose is to attract, grow and retain new business to Whanganui. In order to attract new business the ability for employees to be housed has become a constraint. The growth of housing stock across the whole spectrum of housing will broadly support economic development for Whanganui.

From an economic development perspective there is momentum occurring for the development of new private ownership housing, however there remains more opportunity to drive the infill housing scenario for Whanganui.

Whanganui and Partners have also identified that the construction sector is another key constraint for Whanganui, with anecdotal evidence that there is a 9-12 month window before new builds can commence. Council understands that there may be capacity constraints currently around the professional services in Whanganui to support infill subdivision processes. Capacity in construction remains an immediate local and national challenge. However, there is an increase in construction workforce capacity in the national pipeline with multiple initiatives incentivising construction training, with apprenticeship schemes much more readily available. It is considered that there is limited ability to influence this capacity from a local level.

A tough question that remains for Whanganui is 'how big do we want to be?' We continue to delve into growth planning for Whanganui further during 2021.

These considerations, including drivers for growth planning work, are supported through Council's Economic Development Strategy as well as via the Housing Strategy.

## Demographic and land use changes - population modelling for Whanganui District Infrastructure Strategy 2021 and Long- Term Plan 2021-2031

In 2019, the Whanganui District had an estimated population1 of 47,300, which reflects the significant migration to Whanganui since the 2013 Census. Whanganui's tide turned in 2014 when the population began to grow after declining in all but two years since 1996. Average growth during the six-year period from 2014 to 2019 was 630 people per annum (~1.3% per annum). One of the factors that has facilitated this growth has been available housing stock, with Whanganui having only recently (2018) surpassed its 1996 population level of 46,000.

In 2020 subpopulation estimates by Statistics NZ estimated the population of Whanganui to be at 48,100 with a population change of 800 over previous 12 months.

However, continued housing availability has been identified as a potential constraint on growth within Whanganui. In order to sustain the current population growth rates, Whanganui would require approximately 250 available dwellings per annum, based on an average household size of 2.3. During the 30-year planning timeframe for the Infrastructure Strategy household sizes are predicted to drop from 2.3 to 2.1.

Quotable value data from May 2020 estimates Whanganui dwellings to be at 19,500.

House ownership for the Whanganui District is higher than the national average (67%) and is similar to 2006 levels. At the 2018 Census, the number of empty dwellings was 3.7%, which is below the national average of 5.2%. This means that further population growth is reliant on the construction of new dwellings. Based on pre-COVID-19 Infometrics employment forecasting of sector size and historical residential construction capacity, new builds for dwellings are predicted to be between 130 and 140 new dwellings per year (up from between 60 and 117 dwellings in the last Long-Term Plan).

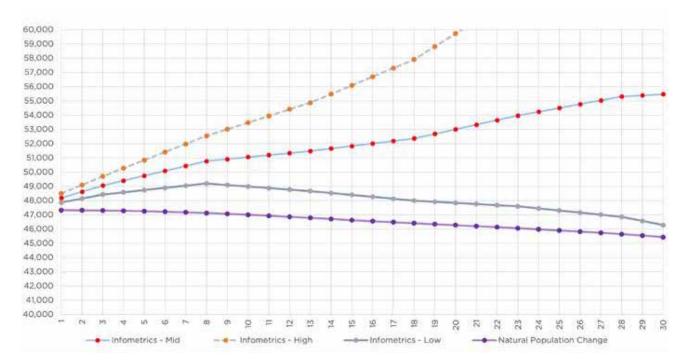
The National Policy Statement on Urban Development Capacity requires us to show we have the land development capacity to cater for projected growth over the next 30 years. Council has undertaken infrastructure modelling work to identify the future infrastructure requirements to accommodate this growth. The District Plan review has allowed for this growth to be accommodated in the North Western Growth area with a total of 179 new sections and 500 infill developments, and in Springvale with a total of 417 new sections. There is also potential for further infill development in other parts of the city. A total of 1,578 new lots is estimated to be required to house the projected population growth. Please see the Infrastructure Strategy 2021 for our growth area maps.

Whanganui has an ageing population and it is predicted that from 2021 onward there will be a natural population decline, i.e. more deaths than births. During the late 90s and early 2000s there was a hollowing out of the population between 20 and 45 years of age. In recent years this has reduced with recent net migration. It is also noted that there has been higher levels of migration gains in the older working demographic (55+) to newly retired (65-70).

1 Statistics NZ

In the first quarter of 2020, Infometrics was commissioned to produce regional and district population projections based on employment projections. The Infometrics 'midrange' predicts population at the beginning of the planning period of 48,200 in 2021, rising to 51,200 by 2031 and approximately 55,500 by 2050. This is an average increase of around 330 people per annum for the first 10 years of the Long-Term Plan, and an average increase of 220 people from years 10 to 30 of the Long-Term Plan.

Figure 1: Whanganui District Population Projections - LTP 2021-203



#### 'Current state' Whanganui data

The housing snapshot completed in 2018 has not been repeated, however the updates received through the regular housing groups have indicated that in April 2021 the following are critical statistics for the Whanganui housing sector:

#### Whanganui data

Number of groups/individuals on emergency housing register:	<ul> <li>87 in June 2018 (social housing register)</li> <li>269 families/individuals on register February 2021.</li> </ul>					
Ministry of Social Development (MSD)	<ul> <li>322 families/individuals on register April 2021 (MSD data).</li> <li>412 applications at May 2021 (Kāinga ora references).</li> </ul>					
	This represents only the very highest need. Stringent criteria are being applied and the wregister does not reflect the full volume of people seeking 'emergency housing'.					
	In February 2021, the housing reference group estimated that the 'real number of people needing housing sits between <b>700 - 750 families.</b> Numbers registered in need are critical to driving increases in new social housing development.					
Public housing provided through Kāinga Ora	580 properties in Whanganui in May 2021, up from 559 homes in June 2018.					
(Housing New Zealand)	13 of these are vacant and under retrofit upgrade, a plan retrofit programme for Whanganui stock is planning 40 retrofits between 2021 and 2022.					
	The 'Public Housing Plan 2021-2024' by Ministry of Housing and Urban Development identifies Whanganui as an area where housing need is urgent and is a focus area for investment.					
	Whanganui sits in the 'central' region where 210-320 supply target.					
	Whanganui has a Kāinga ora target of 125 new social house construction 2021-2024.					
	PHP-Factsheets-for-focus-areas.pdf (hud.govt.nz)					
Data provided by the housing advisory group. April	As at April 2021					
2021	2 motels/hotels accepting referrals from MSD					
Emergency, transitional housing and community	Women's refuge: 11 houses					
housing providers in Whanganui	<ul> <li>Whanganui Housing Trust: 3 houses</li> <li>Salvation Army: 8 houses</li> </ul>					
Emergency placements are managed through <b>MSD</b>	<ul> <li>Prisoners Aid &amp; Rehabilitation Service Trust (PARS): 8 houses</li> </ul>					
	College House (Short term housing)					
	Pensioner Flats Whanganui District Council:					
	275 units across 16 complexes (long term housing seniors)					
	<ul> <li>Kaumatua Flats (long term housing seniors)</li> <li>Te Ora Hou 2 houses</li> </ul>					
	<ul> <li>Compass Housing Services NZ: 37 units/apartments</li> </ul>					
Rest Home provision – Whanganui District Health Board	The DHB has <b>12 age residential care providers</b> with a total of <b>566 beds</b> (30 of those beds are located in Marton).					
	DHB have noted pressure in Whanganui for supply of beds for those with dementia and for hospital beds.					

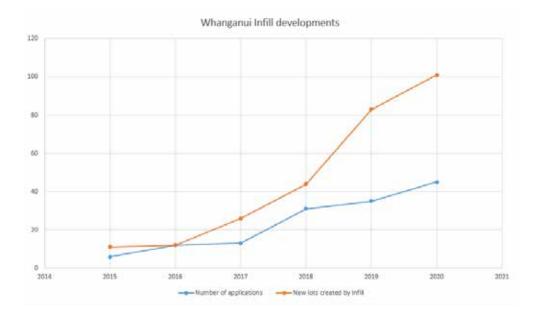
Note: Whanganui is located within the Central Region of the Ministry of Housing and Urban Development. This includes territorial local authorities: Horowhenua District, Manawatu District, Palmerston North City, Tararua District, and Whanganui District.

Whanganui subdivisions, and infill subdivision and building consents- as at April 2021

Whanganui has experienced an increase in subdivision applications with this demonstrated in the tables below, with applications consistently higher than 2015 records.

Year	Number of applications	Original number of lots	Number of lots created	Increase in lot numbers	Average number of lots created per subdivision	Notes
2021	29	29	154	125	4.310344828	Figures are for Calendar year
2020	104	107	305	198	1.903846154	Figures are for Calendar year
2019	90	95	295	200	2.22222222	Figures are for Calendar year
2018	91	96	230	134	1.472527473	Figures are for Calendar year
2017	61	68	188	120	1.967213115	Figures are for Calendar year
2016	54	55	124	69	1.27777778	Figures are for Calendar year
2015	39	37	84	47	1.205128205	Figures are for Calendar year

Infill information (By Calendar year)	2015	2016	2017	2018	2019	2020	2021
Applications for infill	6	12	13	31	35	58	15
Number of new Lots	11	13	26	44	83	117	16
Lots New+Old	17	25	40	78	119	177	31



Building consent applications remain strong for Whanganui as do the number of new residential dwelling building consents. It is estimated that our current annual rate of build capacity sits at approximately 220 new builds per annum

# Current and future housing partnership opportunities

There are a number of potential community housing projects that are at some stage of development or implementation to which council contributions are being actively considered. For some of these council will be working to support from an advocacy position, with others council will go further as a more active partner. A level of confidentiality must remain throughout the development of partnership opportunities, however, the council acknowledges that there are opportunities being explored through current partnership discussions.

Public consultation processes will occur as and when they are required from a statutory perspective to implement new council housing initiatives for the district.

The potential to partner with others to improve housing outcomes for Whanganui is a high priority for the council, Whanganui District Council is only one organisation in a complex housing system and anticipate acting in multiple partnership roles inclusive of:

- Potential development partner with crown, lwi, local housing organisations and private organisations
- Land owner/manager for potential development sites
- Regulator role working to enable high quality design and planning of development
- Asset manager working to support infrastructure needs associated with development
- Connector facilitating the housing group to continue to network positively for Whanganui
- Connector -telling Whanganui housing story
- Advocate for Whanganui in national schemes such as funding and regional discussions
- The role that council plays will be determined on a case by case basis throughout partnership discussions, as there will not be a one size fits all scenario.

GROUP	PARTNERS	OPPORTUNITIES/ EXAMPLES
Tangata whenua and treaty settlement entities	<ul> <li>Iwi, hapū, whanau</li> <li>Whanganui Lands Settlement - investigating social/affordable housing opportunities.</li> </ul>	<ul> <li>Increase social housing and affordable housing stock through:</li> <li>Land, funding and social management collaborations.</li> <li>Papakāinga development</li> </ul>
Community Organisations that have indicated that they have an interest in progressing further social housing initiatives in Whanganui	<ul> <li>Aramoho Marae - Te Ao Hou</li> <li>Whanganui Community Foundation</li> <li>Compass Housing Services</li> <li>Waiora</li> <li>Te Ora Hou</li> </ul>	<ul> <li>Increase social and community housing stock through: land, funding and social management collaborations.</li> </ul>
Central government	<ul> <li>Kāinga Ora, central government (previously Housing NZ)</li> <li>Ministry of Housing and Urban Development</li> </ul>	<ul> <li>Increase broader housing stock through central funding opportunities, including support for infrastructure.</li> </ul>
Construction and development sector	Local construction and development business	<ul> <li>Work with council planning team to understand and shift development typology shifting towards providing for affordability and social provision.</li> <li>Training in Whanganui to encourage capability at place.</li> </ul>
Philanthropic and investor sector		Explore housing investment fund for Whanganui community.

Whanganui District Council will actively seek out partnership opportunities as a high priority. We are able to contribute positively in the housing partnership space in a variety of roles.

## Housing investment principles and key considerations

The way housing is developed and housing investment priorities are delivered is of key importance to ensure there is a sustained legacy from this investment.

The Whanganui Housing Strategy identifies the following 4 strategic principles for Whanganui.

- We will demonstrate leadership and influence
- We will work in partnership
- We will support good housing for everyone
- We will future-proof the needs of our people and district

The council plays a variety of roles that intersect with the housing sector. The principles that have been identified in the strategy acknowledge that we are only one player in a complex system and we can provide influence in a leadership and partnership function.

District planning functions and infrastructure provisions, as both a regulator function and asset manager function, are the key council roles that can be utilised and leveraged to support future-proofing the needs of our people and District.

Council can also play a key role as a social housing provider and we are already managers of a significant portfolio of rented council housing, as well as being a key land owner/manager in the District.

# Key considerations to support prioritisation and funding decisions

Community benefits: The importance of maximising benefit from housing investment cannot be overstated, particularly in relation to job and training opportunities for residents, helping to bolster the construction sector into the future. We would encourage all organisations to prioritise community benefits through the services they deliver and procure which has great potential over the period of the SHIP to deliver more for Whanganui.

- 2. Improving energy efficiency and resilience to climate change: Energy efficiency standards are in place for housing and are a key consideration. It is important that all housing investment streams in all tenures maximise the ability for people to heat their homes, and live in affordable warmth, supporting people to live independently at home for longer. Whanganui District declared a climate emergency and has prioritised both adapting and mitigating responses to climate change. A Climate Change Strategy was adopted in April 2021. Opportunities to reduce carbon emissions should be implemented, and seeking to understand the local vulnerabilities to climate change will support building resilient communities. Access to public transport will also improve both social and environmental outcomes.
- 3. Quality in design of the final housing product: Making a positive contribution to the built form of the city and making Whanganui a city of housing design excellence. This is a priority whether the investment is for new build housing or the retention, conversion or repair of existing buildings. Quality design will enhance the sustainability of stock into the future meeting the aspirations of households for years to come. Currently, larger development areas (7+ lots where road vesting occurs need to incorporate urban design into the subdivision design plans to avoid poor urban design outcomes. Whanganui has applied for status as a UNESCO city of design which supports this ongoing philosophy and strength.
- 4. Tackling Emergency Housing: All partners and stakeholders should use their collective resources to prevent homelessness and to meet the needs of homeless households. This is a growing challenge for Whanganui and although 'homelessness' may not yet be confronting for the community, it is not highly visible on the streets of Whanganui, evidence from the Ministry of Social development indicates that there are dramatic increases of families requiring emergency housing, urgent and innovative solutions must be a priority. See section on specialist housing provision page 25.
- 5. **Digital and technological innovation:**Housing investment should ensure future proofing for the expansion of digital infrastructure, increased connectivity as well as supporting digital skills. Access to high speed internet services is of vital importance to residents and businesses, with lack of access to the internet being a modern form of social and economic exclusion. Innovations in this area can also help support some households (e.g. older people) to live in their own homes for longer and increase their well-being by reducing social isolation and contributing to positive health outcomes. Council has a Digital Strategy that supports
- 6. **Effective and Affordable:** As identified in our Climate Change Strategy Whanganui must live within our means and make the most of every opportunity. In housing we will explore opportunities to ring-fence funding and leverage partnerships to minimise the financial burden on a limited community ratepayer base.

these considerations.

# Investment priorities: 2021- 2031

#### Area-based priorities

Regenerating areas to re-create thriving communities, and intervening to halt neighbourhood decline inform these area-based priorities for housing investment.

Whanganui has active community re-generation work underway in the town centre and in the Castlecliff community. Durie Hill has a strong community network and is well served in active advocacy. Aramoho and Whanganui East communities are areas where council recognises there is regeneration potential that could have positive impact on these communities.

There is a risk to Whanganui and its community cohesion if the pressures of the community housing need and supply are not shared equitably throughout the suburbs of Whanganui.

#### Town centre housing prioritised

With a housing lens, Whanganui does not appear to have a 'greater' need for investment in any one suburb or location, however the town centre regeneration is an important portfolio that should be prioritised through strategic housing investment.

- The Long Term Plan 2021-2031 anticipates an additional \$3.3M contribution to town centre regeneration. This funding does not have a specific housing function but continues to build on momentum around regeneration.
- Adaptive re-purposing of existing town centre buildings do lend themselves towards the provision of smaller, affordable homes and aligns with council strategic intent for the Town Centre.
- Barriers and solutions to them are also proposed in the Town Centre strategy. The Planning team advise that the strongest barrier in this area remain the earthquake strengthening for existing buildings.
- The Town Centre Strategy states:

'During the consultation process a desire for more residential development in the town centre, including retirement living, was expressed. The analysis identified that the town centre is well provided with facilities and services that support living locally.

Locations that should be considered for residential activities include the upper floors above businesses in, or close to, the main street, and some of the underutilised land on St Hill Street behind the Victoria Avenue businesses. Advantages of residential activity in the town centre include, among others, the following:

- > The presence of residents would provide increased security outside business hours.
- > The presence of residents would provide increased vibrancy as well as patronage for town centre businesses.
- > Residential accommodation in the town centre would widen Whanganui's residential offer, which may attract residents to the town it otherwise would not.
- > Residential uses provide another option for filling vacant building space and may help with the viability of redeveloping and / or strengthening heritage buildings.
- > This strategy also references high end residential aged care opportunities as having potential within 400 metres of the town centre.

#### Priority development areas

Whanganui has a number of key priority areas for development. The Springvale West and North West Structure Plans are the highest priority development areas for growth infrastructure identified in the long term plan 2021 - 2031. \$19M has been programmed for infrastructure related to growth in the next ten years to address growing demand. The cost will initially be funded by debt, to be repaid in part by development contributions from developers who benefit when the land is developed.

# Future development areas – growth planning

Growth planning is intended to interrogate potential development areas. Identification of future development areas for Whanganui to meet projected needs remains a high priority for council.

# Residential Spatial Plan - Strategic Direction Setting

It is proposed to develop a guiding document for urban growth and development in Whanganui District. This guidance will address rates of development, current zonings, development typology and compliance, all in accordance with the National Policy Statement – Urban Development 2020.

The opportunity exists for Whanganui to proactively shape future development to retain its current compact scale (a 'ten minute' city), to guide future development on a sustainable trajectory and to build on the city's inherent attractions – the river, heritage, coastal environment and relative affordability. This also aligns with the need to manage encroachment into rural productive land, fund future infrastructure and address demographic and climatic changes.

The most effective form for this guidance material may be a plan change for a new District Wide Chapter: Strategic Direction – Urban Framework and Development. This chapter would contain a spatial growth plan identifying, amongst other matters, residential intensification areas as well as future greenfield investigation areas.

It will provide an opportunity for the team to be innovative in setting the strategic direction, and housing outcomes such as 'affordability', and social provision may be considered as part of this work. Spatial planning at a local level is consistent with the thrust of the RMA reform, which is promoting spatial planning at a regional level.

If this option is undertaken, approval to commence a plan change will be sought after completion of initial research. The initial research will include demand and supply analysis, urban form considerations and review of similar planning guidance. Plan change documentation is proposed to be presented to Council for public notification approval before the end of 2021.

Whanganui District Council will continue in its regulator role to enable, where possible, the continued trend of infill housing, where this is driven by developers. This will continue to be a high priority role for council, and resourcing/capacity exists to resource this within the existing council team.

Spatial growth planning to identify preferred areas of intensification, setting new development typologies and understanding greenfield sites for future detailed investigation will remain a high priority role for council in its regulator role. Resourcing/capacity exists within the existing planning team to resource this work.

Council will actively look to support housing opportunities in the CBD area to align with town centre regeneration. This is a high priority for council.

Current research includes the identification of council owned land with suitable development potential for housing complexes. Financial investment is likely to be required to leverage opportunities in this space.

Research into council owned buildings and the opportunity in this portfolio is yet to be completed.

#### Type of housing - priorities

Our overarching strategic priority is to increase the supply of good quality housing in the city to house the growing population and support the local economy.

#### Papakāinga

Multiple ownership of land has led to some difficulties with development and use. The Whanganui District Plan sets out provisions for the development of papakainga within the District. The intention of the papakainga provision in the plan is to enable Tangata Whenua to cater for their aspirations. Development of papakainga will bring benefits to the people, the land, the community and the economy. It is recognised by Council that papakainga has multiple meanings from hapū to hapū. The definition in the District Plan is intended to recognise the significance of Marae and to enable hapū to use land in a way that meets their aspirations for the future.

There are current initiatives being explored in the papakainga development space for Whanganui. The district council is not leading these discussions, but is an active party looking to enable this approach to community-led development. Papakainga development has the strong potential to increase the wellbeing in our community.

#### Private rented supply

The private rented sector can play an important role in meeting housing demand by increasing housing supply and contributing to the range of housing options on offer in Whanganui. Council does not wish to pursue significant financial investment in increasing private rented supply, however, is able to act in an enabling capacity as a regulator in planning. This can support the general increase in housing stock, and advocacy is occurring through our planning team regarding creating sustainable communities with mixed housing options.

#### Assisted ownership and occupation

This is a concept that is becoming more prominent through schemes such as kiwi saver first home buyer and initiatives with TPK and others.

While Council does not see an active financial role in supporting homebuyers into homes, it does recognise that we may be able to support facilitation and education capacity for potential housing funders in Whanganui. If suitable council land was identified and available, council may consider the opportunity to make available as leasehold sections, available to first home buyers. This could only progress following appropriate discussions with key land stakeholders such as Iwi.

#### Private sector housing development

The development of private sector owneroccupied housing is important to the growth of Whanganui's economy and is vital to housing our growing population.

The city's approach to population growth and housing pressure should recognise the need for mixed tenure development and the role that new private housing plays in supporting social rented housing stock.

Growth planning work by council and District Plan changes are the key tools council has to influence the private sector development. This work has been prioritised for 2021.

Infill housing has been increasing, and this has been primarily undertaken through private housing development.

Building consent applications remain strong for Whanganui as do the number of new residential dwelling building consents.

The council is keen to continue working with developers to make development in the city more attractive to house builders and developers through infrastructure works, transport links, and the identification of future development areas. The council will not be investing directly in private housing stock supply, but will continue to plan for growth and fund infrastructure through long-term planning processes and potentially funding bids.

#### Affordability

This is a snapshot of content provided by Statistics New Zealand through their report on Housing in Aotearoa 2020. The full report can be found at: https://www.stats.govt.nz/assets/Uploads/Reports/Housing-in-Aotearoa-2020/Download-data/housing-in-aotearoa-2020.pdf

"A dwelling that is an affordable home is not simply a matter of price, but the data shows that a dwelling that costs more than an individual or household can afford undermines its security and compromises the dwelling as a home. A dwelling that is priced more than can be afforded is transformed from a place of comfort to an arena of material struggle. It is associated with under-investment in many of the goods and services that generate wellbeing, it contracts rather than expands life chances, and makes precarious social, cultural and economic participation."

(Saville-Smith (ed), 2019)

The Review of housing statistics report 2009 defined housing affordability as "housing costs in relation to a household's ability to meet those costs" (Stats NZ, 2009).

Housing costs can be divided into: entry costs (such as regulatory, material and labour costs to build a house, deposit to buy a house, bond to enter a tenancy) and ongoing housing costs (loans, mortgage repayments, rental payments, rates, and the costs of repairs and maintenance).

Several inter-related factors affect housing affordability:

- income (ability to meet costs)
- house prices and rents (level of payment required)
- financial factors (cost and availability of credit)
- demographic factors (household formation and household size)
- employment and labour market conditions (ability to participate and earn income)
- supply factors (zoning, labour, and resource availability and costs)
- people's needs, expectations, and demands regarding the quality of their housing, such as location or proximity to key amenities, size, and special features
- relative advantages and disadvantages of ownership versus rental.

Ratio measures of housing affordability have faced criticism because they apply the same calculation to all households, regardless of income. For higher income households a high housing-costs-to-income ratio may not be an overburden at all (Stone, 2006). Residual income available after housing expenses is a way of looking at housing affordability that focuses on a household's capacity to pay housing costs and still have enough money for necessary non-housing expenditure.

Households with low residual income after housing costs are at risk of experiencing relative poverty. Housing costs can therefore have a big impact on poverty rates. Those who are classified as below a given poverty threshold only after housing costs are taken into account are considered to experience 'housing-costs-induced poverty' (Tunstall et al, 2013).

Disposable equivalised annual income is income after tax that has been adjusted by the number of people in the household. Total gross annual income (from Census) is income before tax.

Statistics NZ summarise affordability:

- There are a diversity of experiences of housing affordability.
- Care should be used interpreting affordability measures – such as the proportion of households over a given housing-costs-toincome threshold. These indicators can hide differences in affordability across time and space.
- Differences occur between owners and renters and across regions and groups in society.
- Renters typically spend a higher proportion of their outgoings on housing costs, and many aspiring homeowners - typically young adults - may struggle to raise a deposit in the face of rapidly rising house prices.
- In contrast, lower interest rates may have benefitted existing homeowners with a mortgage.
- While those who own their homes outright typically have much lower housing costs, above average inflation for local authority rates, insurance, and electricity prices between 2010 and 2020 will have affected many home-owning retirees reliant on NZ Superannuation.

- Directly asking people about their own perceptions of housing affordability enriches the understanding of who feels their housing is least affordable. This highlighted to Stats NZ greater housing affordability issues for renters and Aucklanders. One-parent families, parents, recent migrants, Māori, Pacific peoples, low income earners, the unemployed, disabled people, and those with no qualifications, had the highest rates of unaffordable housing.
- People with large housing costs in relation to their income are likely to be at risk of financial hardship. Some households are already struggling with limited disposable income after housing costs. This puts them at-risk of experiencing relative material poverty. Some people may deal with affordability problems by crowding together to save costs, or in extreme cases, may end up homeless.

First home grants offered by Kāinga Ora currently have 'price caps' for new builds and existing properties. Whanganui does not have a unique price cap (unlike some areas), and the grants can be used to purchase property at \$400,000 value for existing properties and \$500,000 for new builds.

Council should develop understanding around Whanganui community 'housing affordability' (focus on disposable equivalised annual income); and work alongside partners to enable an increasing provision of 'affordable housing stock' in Whanganui, this should be a high priority.

#### Specialist housing provision

#### **Social housing**

Our housing strategy references the housing continuum and 'social housing' has connection to both public rental housing and to emergency housing including transitional housing.

Since the late 1940s council has been providing affordable housing to older residents of low to moderate financial means who are able to live independently. The council currently provides this service through 275 units across 16 complexes throughout Whanganui.

In 2012 the council adopted the Pensioner Housing Policy, now known as the 'Council-Owned Housing Policy' to outline how it will manage these assets and retain these complexes. These complexes will not be retained for other purposes or categories of tenants. If occupancy levels are low, flexibility in terms of the entry criteria will be applied. This also contains a guideline on eligibility, the use of the units and pet care agreements.

As at April 2021 Kāinga Ora has a total of 576 houses in Whanganui as public housing, which is an increase from 559 in 2018. Other community providers, when combined, are estimated to have just over 40 houses available for emergency housing. Inclusive of council pensioner housing, public and emergency housing in Whanganui it is estimated that we have a supply of just over 900 dedicated 'social' housing properties.

This excludes specialist care facilities such as specialist aged facilities and disability housing facilities. At the time of writing we do not have this collective data.

Investment in increasing the supply of social rented housing is a **high priority for Whanganui District**, with the focus on tenants of mixed demographics, and not limited to pensioner tenants. This would alleviate some pressure on the emergency housing lists and social housing register. The council is keen to discuss proposals for the development of well-managed new social rented housing with developer or investment organisations.

Investment into smaller 1-2 bedroom social houses is considered a **high priority** – it is recognised that Whanganui has challenges identified with housing single persons with complex needs. It also has a higher proportion of 1-2 person households than the national make-up. Mixed tenure would also be a preferred model given the social cohesion this is more likely to promote, the exception being any new specialist housing with related care facilities.

Proposals have been tabled at council to consider the sale of the pensioner housing portfolio to another social housing provider. The intentions around these proposals has been to enable this funding to be re-invested into new stock social housing stock in Whanganui. This is a model that has been followed in other regions. Kāinga ora has partnered in similar sales in other regions. This proposal has limited political support at the time of writing, and is considered to be a **low priority** for Whanganui.

#### Public housing Kāinga Ora - Whanganui plan

Kāinga ora provide a mixture of public, affordable and market housing. Housing register applications began to trend upwards in 2016 for Whanganui and an active program of divestment of Whanganui state owned housing stock ceased. Targets through to 2024 for Whanganui have been set at 125 new builds for Whanganui.

This will be achieved through a variety of mechanisms including redevelopment of existing sites, and new developments. Primarily these will be assisted rental homes.

#### **Emergency Housing**

There are significant emergency care housing needs in the city, with 412 (May 2021) on the social register for emergency housing and a wider group of people seeking emergency housing and not meeting the stringent criteria. A limited number of emergency and transitional housing options are available and placements are managed through MSD contracted providers.

The number of people registering for emergency housing is increasing for Whanganui, and the number of houses available remains tightly constrained. Increasing the supply of emergency facilities needs to be considered as part of the social housing provision. One is designed to meet an urgent short term need, and the other is designed to fulfil longer term community needs.

Some backpackers, holiday parks and motels and hotels are not available for transitional or emergency housing, but may offer some options for longer term accommodation (where costs can be met as a private rental).

Community groups in Whanganui are developing an evening drop in facility/service for people who are homeless and require showers and food. This is anticipated to be a facility that will be well utilised in Whanganui. There is no council provision of a night shelter or other similar drop in facility for transient community members.

#### **Community housing**

Community housing is a form of public housing working alongside private housing in the open market. Typically these are not-for-profit groups meeting housing need through a range of social and affordable rental and home ownership options. They provide an alternative to the public housing provided by Kāinga Ora and local authority housing.

"The distinction between community housing organisations and other housing providers is that we provide more than just the bricks and mortar. We provide warm, safe and dry homes where tenants know we care about what happens in their day-to-day lives. And where strong connections to communities are created and good tenant outcomes are the norm."-Scott Figenshow, CEO, Community Housing Aotearoa

#### Social housing (specialist care)

Providing support solutions in a more tailored homely setting can ease pressure on health and social care provision. In the existing climate it is important that the council and its partners understand new service models which recognise the housing requirements of a changing population with different needs and aspirations.

The establishment of specialist facilities for youth who have come through social care arrangements are being actively explored in Whanganui.

The housing reference group has indicated that the most challenging client to find a home for are single men, and increasingly, single women. In particular those who have more complex social needs such as from a Corrections background.

Council is prepared to act in a facilitation and partner role in the development of new specialist care social housing. Other agencies may be better placed to support development of specialist care facilities, however, council will consider partnership approaches from specialist providers on a case by case scenario. This is considered a high priority for council.

Gaining a better understanding of the broader specialist care provision in Whanganui is considered to be a priority.

#### Retirement housing.

The Whanganui DHB area has 12 age residential care providers with a total of 566 beds, 30 of those beds are located in Marton. The DHB has indicated that there are current supply and demand challenges that are specific to dementia patients and hospital beds in Whanganui.

The majority of providers in aged care for the Whanganui District are in a private capacity. The key social providers in aged care in Whanganui are the council portfolio of pensioner housing and the Kaumatua flat provisions.

Waiting lists for OYO (Own your Own) apartments and villas have currently a 2-3 year wait. Council will actively work with the sector to promote expansion of existing retirement villages or encourage new providers.

Whanganui has a demographic profile with an aging population.

#### House size for social housing.

Data regarding where the need exists for the size of homes in Whanganui is difficult to extract. MSD has data regarding those who have sought support and registered for social or emergency housing, however, this is considered confidential and is not likely to be publishable. As such we do not have full visibility of this need.

The housing reference group has indicated that it is harder to find housing solutions at both ends of the spectrum, for those looking for affordable 1-2 bedroom homes and for those with larger families' homes.

Provision of wheelchair housing and adaptations to homes

Adaptations and specific design functions can allow people to live in their own homes for longer; and can enhance the independence of an occupier.

Increasing supply of social housing, both as assisted rental and emergency/ transitional facilities, is considered a high priority for Whanganui.

Target: An aspirational target by the housing advisory forum seeks 500 social houses in Whanganui within 5 year period. Target to be reviewed within 3 years.

A focus on both assisted rental and emergency/transitional homes.

A focus on smaller homes with mixed demographics and typology is a high priority.

Council will prioritise partnership opportunities to promote new social housing for Whanganui. Council will approach on a case by case basis and may contribute through: financial investment in new builds and consideration of land provision. Council is not looking to retain management of any new social housing facilities, other providers would be preferred.

\$4.2M across years 2 and 3 of the Long-Term Plan to be adopted by June 2021 has been allocated for social housing and should be prioritised for increasing supply of both assisted rental and specialist care facilities.

#### Sustaining existing housing stock

The pro-active property management and factoring of buildings to undertake routine maintenance and repairs will be fundamental to the future of the Whanganui housing stock. The council does not have a set of data regarding the broader state/condition of Whanganui housing stock. The council does have a regulatory role to play if a building is considered to be dangerous and/or insanitary.

Council does not play a regulator role in the ongoing maintenance of houses in Whanganui. Central government has recently increased the regulatory requirements for landlords of rented accommodation, including healthy homes standards being complied with by 1 July 2024. Rental properties are legally required to have working smoke alarms and insulation. All boarding houses must comply with the healthy homes standard by 1 July 2021. All houses rented by Kāinga Ora (formerly Housing New Zealand) and registered Community Housing Providers must comply by 1 July 2023.

Privately owned and occupied houses have little regulation that requires formal recorded maintenance of the house.

It is acknowledged that maintenance and sustainability of existing housing stock is a strategic issue of importance, however it is not considered to be a short term priority for council.

The role that council can play in the future is lightly in the regulator role and potentially in advocacy with the community.

#### **Housing Acquisition Programme:**

There is no strategic intention for council to enter into an active acquisition programme for existing housing stock in Whanganui. The private housing market continues to be strong in 2021 and there is a private rental market at play. It is well recognised that the Whanganui average rent has increased significantly in recent years and this has put pressure on the emergency and transitional housing response.

## Resources

In order to deliver the SHIP and help achieve the strategic outcomes in Whanganui's Housing Strategy, a range of resources and partners are needed. This section outlines who and what these resources are and include delivery partners, land and infrastructure, and financial funding streams and mechanisms.

The development of the SHIP should allow the identification of opportunities for partners to bring their resources together to maximise housing supply, improve housing quality and derive added value from separate investment streams.

# The planning and co-ordination of housing investment delivery

Council developed the Housing Strategy for Whanganui in 2019, and facilitates the delivery of that strategy. Subsequently council has increased capacity in-house with the addition of IFTE housing advocacy position and has established strategic relationships with key organisations.

A strategic housing investment group has been initiated and includes: developer and housing representatives, lwi and Treaty Settlement representatives and key council staff. This group will provide support and advice for broader housing challenges in the Whanganui District.

A housing reference group has been established with key social housing agencies and representatives. This group supports networking efforts to increase our response to the social housing needs in Whanganui. This group includes trusts, not for profit organisations, central government agencies and council.

These forums provide the networking opportunities needed to facilitate the delivery of housing solutions for Whanganui.

#### **Private Landlords**

There is currently no established Whanganui landlord forum, there are local specialist landlord support businesses.

#### **Private Housing Developers**

The council is keen to see sustainable growth in the private housing sector in the short to medium term and will support the sector to increase the supply of housing in the city. Working pro-actively in partnership is a key element in delivering private development in Whanganui. The council has a commitment to working in partnership with private developers to build in the city, and are keen to develop these relationships further.

#### **Construction Sector**

A skilled construction sector of sufficient size is required to deliver the housing investment programme. There are concerns about capacity within the sector to carry out the scale of new build programmes across the country, and around the availability of construction material. Scaling up of the national housing 'new build' programmes may have local impacts for Whanganui.

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Training programmes have been scaled up nationally.

# Access to land, private and public landowners

This has been recognised as one of the most significant constraints for Whanganui housing.

Growth planning is intended to interrogate potential development areas. Identification of future development areas for Whanganui to meet projected needs remains a high priority for council.

Whanganui District continues to have active Treaty negotiations underway and this has an impact on some of the District's publicly managed lands, and how the outcomes of negotiations will influence how some land is managed into the future. Iwi and settlement entities remain critical partners with the council regarding the freeing up of any public lands for housing investment and potential development. Council will continue to actively work with these groups to ensure that appropriate opportunities to enable housing on public land are identified and pursued.

#### Infrastructure development

The Springvale West and North West Structure Plans are the highest priority development areas for growth infrastructure identified in the Long Term Plan 2021 - 2031. \$19M has been programmed for infrastructure related to growth in the next ten years to address growing demand.

The growth study should support the infrastructure planning so that infrastructure servicing can be modelled for future growth intentions, for example the infrastructure pipe asset life expectancy is planned for a 100 year period.

The Housing Acceleration Fund, recently announced, aims to support the provision of critical infrastructure needed for that development; and support delivery of a wider mix of housing (for ownership and rental) that is affordable for low-to-moderate income households. The key components of the fund are: an infrastructure fund to unlock a mix of private sector led and government led developments in locations facing the biggest housing supply and affordability challenges. There may be opportunities for Whanganui to pursue this national funding.

30 Resources

## **Financial**

#### **Capital investment**

Council investment in housing in recent times has been minimal. This has focussed on maintenance and delivery for the pensioner housing portfolio of homes. Development of the Housing Strategy was a key milestone and recognised that this is an area that council has ambition to do more.

The resources that we have been allocated to work with are confirmed through Long Term Plan and annual planning processes. The current council budget cycle is completed in June 2021 and is reviewed annually. In 2024 the next long term plan budget will be confirmed and this will be the opportunity to look at our delivery targets and if our financial investment needs to shift.

Housing acceleration funds have come online nationally and the council will consider where appropriate opportunities exist to seek this funding. Capital investment of new builds for Whanganui has also been indicated from a central government perspective, with Kāinga ora the receiving and delivery body for funds in the pipeline.

Local Whanganui community housing providers also have potential to unlock centralised housing support funding, potentially through discussions with agencies such as Te Puni Kōkiri. Te Puni Kōkiri manages Government funding for Māori housing projects and works with other agencies and organisations on a co-ordinated approach to improve Māori housing.

# **Allocated Resources and Resource Planning Assumptions**

This plan assumes that there will be long- term plan funding allocated through council for housing, and that central government opportunities will be sought and advocated for. This plan also assumes that existing capacity at council will be utilised to deliver on new housing initiatives.

The council is also a significant landowner in the District, and this plan assumes that there will be opportunities to utilise existing council owned/managed lands for development opportunities.

#### **Council Funding**

\$4.2M across years 1, 2 and 3 of the Long-Term Plan to be adopted by June 2021 has been allocated for community housing and should be prioritised for increasing the supply of both assisted rental and emergency/transitional facilities. Year 1 will have \$500k, with \$1.85M in both years 2 and 3.

31 Financial

\$19M has been programmed for infrastructure related to growth in the next ten years to address growing demand. This is to be approved in June through the Long-Term Plan process. The cost will initially be funded by debt, to be repaid in part by development contributions from developers who benefit when the land is developed. Council has funded a dedicated housing officer equivalent of 1FTE to support the delivery of the Housing Strategy.

# Housing Costs: Housing Benefits (HB)

Whanganui data has not been provided, however the following regional information is available as at December 2020:

#### **Housing Support in the Central Region**

Accommodation Supplement (AS) is a weekly payment to assist people who are not in public housing, with their rent, board or the cost of owning a home. A person does not have to be receiving a benefit to qualify for Accommodation Supplement.

20,691

People receiving Accommodation Supplements (20,166 as at 30 September 2020)

\$1,373,056

Weekly total AS amount

(\$1,321,018 as at 30 September 2020)

Temporary Additional Support (TAS) is a weekly payment that helps to cover essential living costs that cannot be met from their income and through other resources. It is paid for a maximum of 13 weeks, and the recipient does not have to be receiving a main benefit to qualify for it.

4,398

People receiving Temporary Additional Support (4,421 as at 30 September 2020)

\$281,323

Weekly total TAS amount

(\$268,302 as at 30 September 2020)

32 Financial

Actions outlined in the table meet the strategic priorities outlined in this SHIP and are given a priority based on the criteria below.

High: Projects which will contribute the greatest to meeting strategic priorities and in priority areas, and which are moving towards an advanced stage of project delivery.

Medium: Projects which will contribute to meeting strategic priorities with any project delivery issues being actively identified and addressed.

Low: Projects which will contribute to meeting strategic priorities but which have project delivery issues which require to be addressed.

Action	Priority	Council Role	Four key housing strategy outcomes	Timeframes
Whanganui District Council will actively seek out partnership opportunities. We are able to	High priority	Partnering/ collaborate and explore	Whanganui's housing network supports	From year one of this plan.
contribute positively in the housing partnership space in many roles.			united, thriving and connected communities	Immediate priority. Will be ongoing.
Whanganui District Council will actively seek to leverage funding and partnership opportunities	High priority	Partnering/	Whanganui's homes meet the needs of our	From year one of this plan.
with Kāinga Ora.		collaborate and explore	people	Immediate priority.
Kāinga Ora is an active partner in the housing reference group through council.				Will be ongoing.
Whanganui District Council will continue in its regulator role to enable, where possible, the	High priority	Regulatory role and infrastructure provider	Whanganui's housing systems and	From year one of this plan.
continued trend of infill housing, where this is driven by developers.		imastructure provider	infrastructure function well	Immediate priority. Will be ongoing.
This will continue to be a high priority role for council, and resourcing/capacity exists to resource this within the existing council team.			Whanganui's homes are good quality and future proofed	
Growth planning to identify preferred areas of intensification, priority greenfield sites for future detailed investigation and setting new development typologies will remain a high priority role for council in its regulator role.	High priority	Planning, regulatory. Explore	Whanganui's homes meet the needs of our people	Year one and two of this plan.
Resourcing/capacity exists within the existing planning team to resource this work.				
\$19M has been programmed for infrastructure related to growth in the next ten years to address growing demand. The cost will initially be funded by debt, to be repaid in part by development contributions from developers who benefit when the land is developed.				

Action	Priority	Council Role	Four key housing strategy outcomes	Timeframes
Increasing supply of social housing, both as assisted rental and emergency/transitional facilities is considered a high priority for Whanganui.	High priority	High priority Partnering, collaborating, land manager/owner, regulatory and infrastructure provider	Whanganui's homes meet the needs of our people	Target to be met within 5 year period. Target to be reviewed within 3 years.
Aspirational Target: 500-600 new social houses in Whanganui.				
A focus on smaller homes with mixed demographic and typology is a high priority.				
\$4.2M across years 2 and 3 of the Long-Term Plan to be adopted by June 2021 has been allocated for social housing and should be prioritised for increasing supply of both assisted rental and specialist care facilities.				
Council will actively look to support housing opportunities in the CBD area to align with town centre regeneration. This is a high priority for Council.	High priority	Partner, land owner/ manager	Whanganui's housing network supports united, thriving and connected communities	Research underway year one. Implementation
Current research includes the identification of council owned land and council owned buildings with suitable development potential for housing complexes. Financial investment is likely to be required to leverage opportunities in this space.				years two to three of this plan.
Council should interrogate Whanganui community affordability (focus on disposable equivalised annual income); and work alongside partners to enable an increasing provision of 'affordable housing stock' in Whanganui, this should be a <b>high priority</b> .	High priority	Advocacy and partnering	Whanganui's housing network supports united, thriving and connected communities	From year one as opportunities are identified.
Gaining a better understanding of the broader specialist care provision in Whanganui is considered to be a priority.	High priority	Advocacy and partnering	Whanganui's housing network supports united, thriving and connected communities	Year one and two of this plan.

Action	Priority	Council Role	Four key housing strategy outcomes	Timeframes
Whanganui District Council will actively seek out opportunities within the Housing Acceleration funding and other national funding initiatives as they become available.	Medium priority	Advocacy and partnering	Whanganui's housing systems and infrastructure function well	From year one as opportunities are identified.
It is acknowledged that maintenance and sustainability of existing housing stock is a strategic issue of importance, however it is not considered to be a short term priority for council.	Low priority (short term)	Regulator role, advocacy	Whanganui's homes are good quality and future proofed	Year three onwards.
The role that council can play in the future is lightly in the regulator role and potentially in advocacy with the community.				
Urban growth partnerships are not a current strategic focus for the Whanganui District, and we would anticipate leadership in any future discussions to happen alongside Horizons and adjoining Regional Councils.	Low priority (short term)	Advocacy	Whanganui's housing systems and infrastructure function well	Year three onwards.

# **Delivery**

The SHIP is not just a delivery plan for housing investment in Whanganui, it also provides a focus for a very practical dialogue about how to deliver more homes for our communities.

Availability of resourcing is critical to make any impact in housing delivery. It is important that the council and its partners actively assess, monitor and manage risks associated with development and ongoing service provision.

#### **Housing Delivery Targets**

Based on the Infometrics mid-range forecast, obtained in 2020, to sustain the current population growth rates Whanganui would require approximately 250 available dwellings per annum, based on an average household size of 2.3.

At the time of writing, 322 families/individuals are listed on the emergency housing register April 2021. This represents only the very highest need. Stringent criteria are being applied and the register does not reflect the full volume of people seeking 'emergency housing'. In February 2021, the housing reference group estimated that that 'real number of people needing housing' sat between 700 - 750 families. The target has been agreed by the housing reference group.

Council has undertaken infrastructure modelling work to identify the future infrastructure requirements to accommodate growth from a 30 year infrastructure perspective. The District Plan review has allowed for this growth to be accommodated in the North Western Growth area with a total of 179 new sections and 500 infill developments, and in Springvale with a total of 417 new sections. There is also potential for further infill development in other parts of the city. A total of 1,578 new lots is estimated to be required to house the projected population growth over a 30 year period for Whanganui.

Target: 500 - 600 new social houses to be reviewed in 2023/24 to align with the Long-Term Plan funding cycle.

#### **Development Constraints**

Development constraints regarding delivery of more homes have been identified. These will be monitored throughout the period of the SHIP.

To summarise, these are:

- Capacity within the building and development industry across the country
- Access to land
- Instructure development
- Growth Planning processes to be completed

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# Managing the Delivery of the SHIP

It is clear that the housing sector in Whanganui needs to actively engage in a very practical discussion about how to sustain an up-scaled housing programme in the city, particularly over the next 10 years, with an immediate and pressing need in social housing. This discussion needs to include how we can create more certainty and confidence in the housing system, what we need to do to tackle development constraints and manage risks to delivery, and what we could do to maximise the community and economic benefits of investment.

Outlined below are some actions which council will commit to continue the delivery of this SHIP.

The Council will commit to:

- Actively manage and monitor the delivery of the SHIP.
- Work to ensure that strategic priorities are met.
- Seek to allocate and identify resources where possible.
- Work actively with delivery partners to manage the risks to the effective delivery of the SHIP, and actively seek new relationships to support delivery.

- Further develop options on how to better respond to social care housing needs in the current financial and policy climate by looking at alternative sourcing of capital and/ or revenue funding.
- Highlight the contribution of the housing sector to the wider economy and work to maximise this contribution in any new and creative ways.
- Work to ensure that all potential added value is being extracted from different investment streams, and that the positive impact of investment is maximised for residents.
- The council will seek to better understand the impacts of housing investment from the council lens.

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# **Contact**

We are keen to discuss any potential projects or delivery mechanisms which may contribute to meeting our strategic priorities for housing investment in the city.

Please contact us through our planning team, community wellbeing team or development engineering officers.

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