

MASTERTON DISTRICT HOUSING STOCKTAKE

Prepared by Masterton District Council in conjunction
with Connecting Communities Wairarapa: June 2019



DISCLAIMER

The information contained in this housing stocktake is drawn from a variety of sources which, to the best of our knowledge at the time of writing, were the most up to date available. With the exception of a small number of interviews, it has been completed as a desktop exercise, informed by existing research.

The purpose of this stocktake is to bring information together to 'paint a picture' of Masterton's housing situation. It is the first stage of research towards the development of a housing strategy for the district. It has not been the subject of consultation and has not been endorsed by any government department or other organisation.

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INTRODUCTION

Affordability for both homeownership and rental accommodation has declined nationally since the 1980s, with a substantial increase in the percentage of households spending more than 30% of their income on housing.

Over 70% of the additional 150,000 households formed over the past decade are likely to be tenants and recent strong population growth has consolidated strong demand for private rental accommodation.¹ House price inflation over the past five years has been around 30% across New Zealand, while incomes have risen by about half this rate.

Signs of stress within the housing market include rents beginning to rise faster than wages and salaries, and declining turnover of tenancies. Rising levels of homelessness and continuing rates of housing-related poverty are further evidence of housing stress.²

Masterton has not been immune to the impacts of declining housing affordability. The availability of good quality housing (particularly rentals) is limited, and demand currently exceeds supply.

Feedback from the community during the draft long-term plan 2015-2025 and the draft Annual Plan 2016/17 included the need to focus on housing availability, affordability and standards. In response to this feedback, one of the actions MDC committed to the development of a housing strategy in the *My Masterton Our People, Our Land Strategy, He Hiringa Tangata He Hiringa Whenua 2018* implementation plan.

This stocktake report is the first step. It describes the strategic context for housing in Masterton/ Wairarapa, with a summary of the various research reports, legislative and policy changes, and other interventions being introduced at the national, regional and local level. It provides an overview of the current state of Masterton's housing sector and looks at the current demand for, and supply of, housing in the district across the housing continuum. This report also identifies key stakeholders in the sector and discusses their capacity and capability.

This report has been prepared by Masterton District Council (MDC) in conjunction with Connecting Communities Wairarapa (CCW). With the exception of a small number of interviews, it has been completed as a desktop exercise, informed by existing research.

¹ A Stocktake of New Zealand's Housing, February 2018

² Ibid

EXECUTIVE SUMMARY

Masterton's housing is becoming increasingly unaffordable. The average house price increased 10.5% over the past year, and the rental affordability index shows decreasing affordability in the private rental market.

These trends are being observed despite houses being built in Masterton at a significant rate. The number of new dwelling residential consents issued for the district increased 24% in the year to March 2019, and in the first quarter of this year, the number of new dwelling consents issued was 63% higher than the number issued for the same quarter of 2018.

Masterton's housing situation follows a nationwide trend of decreasing affordability. New Zealand's home ownership rates are at their lowest level in 60 years and could fall further. While Masterton's housing is still more affordable than the New Zealand average, the gap is closing.

What makes Masterton's housing issues different from other areas is the lack of a Housing New Zealand presence in the Wairarapa region. Masterton relies on community-owned company Trust House to provide the district's social housing.

Work is underway at the national and regional level to address the housing crisis. One example is the Wellington Regional Investment Plan 2019 (WRIP) developed by Greater Wellington Regional Council in conjunction with councils and central government. However, the Plan has a 30-year timeframe and is not intended to solve the region's housing issues in the short-term.

There are some actions that could be considered at the local level to help address our district's specific housing issues. These include:

- continuing to advocate for Councils to have the ability to provide the Income Related Rent Subsidy to its tenants.
- reviewing MDC's process for allocating tenancies at its senior housing units.
- investigating the feasibility of providing emergency or social housing at a Council-owned site, and
- exploring the potential to provide further housing options at Panama Complex, which is currently designated for senior housing.

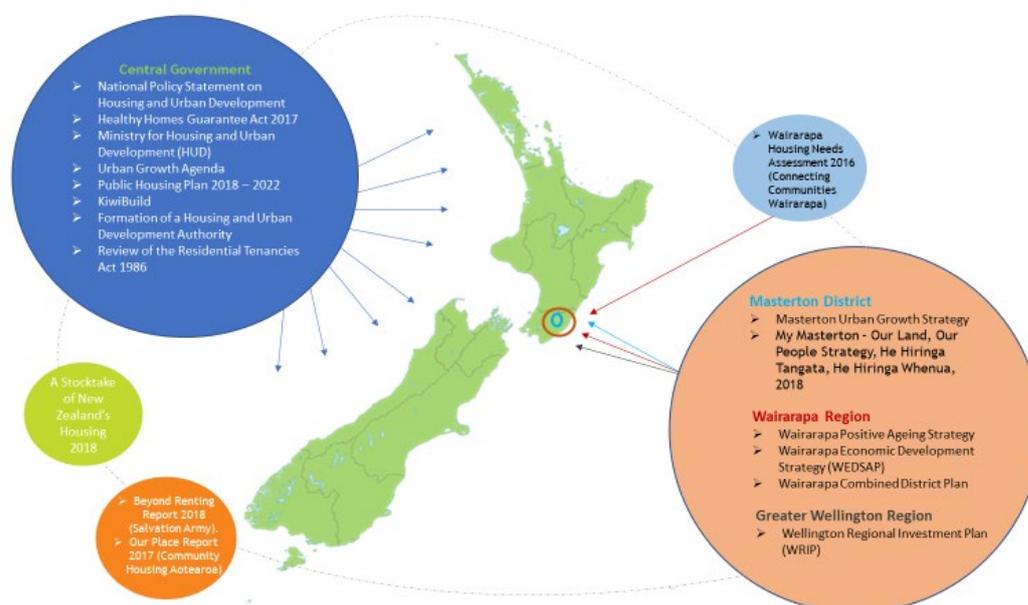
Some of these potential actions could form part of a Masterton housing strategy. The development of a housing strategy is currently scheduled in MDC's work programme for 2020/21. This could be brought forward to 2019/20 so that actions arising from it can begin earlier but this would require a re-assessment of MDC's existing priorities and allocation of resources.

THE STRATEGIC CONTEXT

The imbalance in New Zealand's housing supply and demand, and the resulting rise in housing poverty over the last five years, has led to the development of a multitude of housing related research reports, strategies and plans, particularly since 2016. Policy changes have also been introduced by central government and legislative change is likely in the near future.

Work is being undertaken across the board - at the national, regional and local level. Central and local government agencies, as well as non-governmental organisations are contributing.

There has been structural change within central government, with the formation of the Ministry for Housing and Urban Development in October 2018. Further changes are anticipated with the introduction of a Housing and Urban Development Authority. These recent structural and policy changes, as well as the range of research and strategy being undertaken, are summarised in Appendix 3. The diagram below summarises the various interventions and shows whether they will impact the housing sector at a national, regional or local (Masterton) level.



Implications for Masterton

With a number of reports and strategies either recently released, or under development, it is important that the Wairarapa region is linked up and working together to avoid duplication. The diagram above shows that there are six strategies/plans at the local or regional level which include reference or actions relating to housing. Two of these call for the development of a housing strategy for the Masterton district and/or Wairarapa region, over and above work already being undertaken at the central and regional government level.

The development of a housing strategy for the Masterton District is included in the Implementation Plan of MDC's My Masterton, Our People, Our Land Strategy 2018. It is currently programmed to begin in 2020/21. The WEDSAP identifies the need for a regional housing strategy as an 'immediate priority', suggesting that it could be completed prior to a Masterton-specific strategy. It is important that a Masterton strategy aligns with the region-wide Strategy and vice-versa.

Housing strategies produced for the Masterton district or Wairarapa region will also need to align with the revised National Policy Statement on Housing and Urban Development (to be released later this year) and with the direction set in the WRIP. A local strategy would also need to take account of the goals in the recently-released Wairarapa Positive Ageing Strategy.

REGIONAL OVERVIEW

According to the Wairarapa Economic Development Strategy and Action Plan (WEDSAP), there are two distinct housing issues for the Wairarapa region. These are:

1. The increasing demand for housing, off the back of increasing population growth rates. In the ten years to March 2018, Wairarapa's population has increased 13.3% to 45,490 residents.³
2. A shortage of social and affordable housing, as well as rental accommodation (both social and private).⁴

Key facts:

- Wairarapa has relatively higher rates of home ownership than New Zealand as a whole, but renting is becoming more common.
- Median rents in Wairarapa are low compared with the rest of New Zealand. However, they are increasing, while incomes are staying relatively static. Rental affordability is therefore decreasing.⁵
- Housing deprivation and homelessness are increasing.
- There is inequity in the region in access to housing support and social housing provision.⁶
- Low-income Wairarapa residents have little residual income after housing costs.
- Groups who are overrepresented in crowded households in Wairarapa include Pacific people, Māori, children and young people.⁷
- Wairarapa has overall poor-quality housing. However, more than 99% of Wairarapa homes have some form of heating. Between 2004 and 2016, over 2,500 homes have been insulated under insulation subsidy schemes in the Wairarapa.⁸

The WEDSAP notes that substantial work has been undertaken in recent years to increase the Wairarapa Region's housing supply, with the Wairarapa Combined District Plan working to address the future needs of housing and development for the region. Furthermore, a revision of the Combined District Plan will include consideration of the rapid growth that the region is experiencing and the demand for housing that this is creating.⁹ The revision of the Combined District Plan is required to begin by 2021. Preliminary work is currently underway.

³ Infometrics Regional Economic Monitor, March 2018

⁴ Wairarapa Economic Development Strategy and Action Plan, October 2018.

⁵ Infometrics Regional Economic Monitor, March 2018

⁶ Wairarapa Housing Needs Assessment 2016

⁷ Crowded households are those where the number of people living in a household exceeds the capacity of that household to provide adequate shelter and services to its members.

⁸ Wairarapa Housing Needs Assessment, 2016.

⁹ Wairarapa Economic Development Strategy and Action Plan 2018

MASTERTON DISTRICT

This section focusses on housing supply and demand in the Masterton district. It looks at supply and demand across the housing continuum, from emergency and social housing through to the rental market and home ownership. This section also describes the stakeholders involved in Masterton’s housing sector and discusses their current capacity and capability.

A variety of information sources have been used to inform this section. The main sources were: Infometrics (Regional Economic Monitor, March 2018 and March 2019 quarterly update¹³), central government’s Public Housing Plan 2018 – 2022, The New Zealand Housing Stocktake 2018, Census 2013¹¹, and a 2016 Housing Needs Assessment commissioned by CCW.

Overview

Strong population growth in recent years is buoying demand for housing in Masterton. The population grew 2% in the year to December 2018, compared with 1.9% nationally.¹² This follows increases in population growth and house prices in Wellington, which have “spread north” through the Hutt valley and into the Wairarapa as households seek more affordable housing. The following graph shows population increases in Masterton, Wellington City and the Wellington region, in the 10 years to 2018.

Graph 1: Population Growth, Masterton v Wellington, 2008 – 2018¹³



The table on the following page summarises other key indicators which influence housing demand. It also summarises data relating to housing availability, such as the number of residential consents issued in the district.

¹³ Infometrics data for the March 2019 quarter has been delayed and is therefore not available for this report.

¹¹ Data from the 2018 Census is not yet available and has therefore not been included in this report. The first set of Census data will be released on 23 September 2019.

¹² Infometrics Quarterly Update, December 2018.

¹³ Infometrics Masterton District Economic Profile, March 2018

Table 1: Key Indicators – Housing Supply and Demand in Masterton

Indicator	Masterton	New Zealand (if applicable)
Supply Side		
Number of dwellings (2013)	10,976 (9,608 occupied and 1,368 ¹⁴ unoccupied) ¹⁵	N/A
Housing density (2013)	85% low-density, separate houses 9.1% medium density 0.9% low density ¹⁶	N/A
Number of bedrooms (2013)	4,494 have 3 bedrooms 396 have 0-1 bedroom ¹⁷	N/A
Number of new dwelling residential consents issued (March 2019 quarter)	62 ¹⁸ (compared with 38 for the same quarter in 2018)	N/A
Annual % change in number of residential consents issued (March 2018 to March 2019)	24%	10%
Demand Side		
Average house price (March 2019)	\$366,708 ¹⁹	\$683,516
% change in average house price over previous 12 months	10.5% ²⁰	1.3%
Housing affordability index ²¹ (March 2019 quarter)	7.5 ²²	11
Median weekly rent	\$286 ²³ (March 2018) \$350 (as at 31 May 2019) ²⁴	\$398 ²⁵ (March 2018) NB. Comparable data for NZ in May 2019 not yet available.
Rental affordability index ²⁶	0.331 ²⁷	0.359
Mean annual earnings	\$49,094 as at March 2018 ²⁸	\$60,891
% change in mean annual earnings (March 2017 – March 2018)	4.9% ²⁹	3.7%
Percentage of working population (15 – 64) receiving a benefit	13% ³⁰	8.7%

¹⁴ Unoccupied dwellings in 2013 were mostly unoccupied second homes or baches – particularly at beaches along the district’s East Coast.

¹⁵ Census 2013

¹⁶ Ibid

¹⁷ Ibid

¹⁸ Infometrics Quarterly Update, March 2019

¹⁹ Ibid

²⁰ Ibid

²¹ The housing affordability index is the ratio of the average current house value to average annual earnings. A higher ratio, therefore, suggests that average houses cost a greater multiple of typical incomes, which indicates lower housing affordability.

²² Infometrics Quarterly Update, March 2019

²³ Infometrics Annual Economic Profile, March 2018

²⁴ New Zealand Tenancy Services <http://www.tenancy.govt.nz>, 30 June 2019

²⁵ Ibid

²⁶ The ratio of the average weekly rent to average weekly earnings. A higher ratio indicates lower affordability.

²⁷ Infometrics Quarterly Update, March 2019

²⁸ Ibid

²⁹ Ibid

³⁰ Ibid

The following table shows the breakdown of renter and owner-occupier households in the Masterton District as at June 2017, and the number of households at the different stages of the housing continuum.

Table 1: Number of Households across the Housing Continuum Masterton District June 2017

Market Segment	Number of Households	% of Households
Renter households		
Emergency housing and homeless people	100	1.0%
Social housing	36031	3.5%
Cannot affordably pay the lower quartile market rent	1,240	12.1%
Cannot affordably pay the median market rent	100	1.0%
Cannot affordably buy at the lower quartile house price	560	5.4%
Can affordably pay the median market rent and could buy	830	8.1%
Total renter households	3,190	31%
Owner Occupiers		
Total owner occupiers	7,090	69%
TOTAL HOUSEHOLDS	10,280	100%

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

- Financially stressed private renter households;
- Households whose housing requirements are met by social housing and emergency housing;
- People who are homeless or living in crowded accommodation; and
- Other needs - which encapsulates households who because of their circumstances have housing needs in addition to affordability. These households are in social housing, crowded households, or are homeless.

Total renter housing need is therefore: stressed private renter households + social housing tenants + other need. As at June 2017, the Wairarapa Region's housing need equated to 62% of all renter households and 17% of all households. Housing need is unevenly distributed across the region with Masterton having relatively higher levels of housing need (67% of all renters and 20% of all households).³² As at June 2017, 74% of renter households in the Masterton District could not affordably rent at the median rent.³³

While Masterton has high housing need, it is not as chronic as areas such as Eastern Porirua where 85% of all renter households and 52% of all households are in need.

³¹ The number of IRRS social housing placements in Masterton is significantly lower than this figure. This reflects the fact that respondents to this 2017 research self-selected cohorts and may see pensioner housing or residential care facilities as 'social housing'.

³² Livingstone Associates 2017. Modelled using data from modelled using data from MBIE, Statistics NZ and NZ Headway Systems

³³ Ibid.

Key Stakeholders and Housing Capacity

The table in Appendix 1 provides a summary of housing providers and other key stakeholders in Masterton. It describes their role, responsibilities, and current housing capacity. The roles of various agencies and their capacity are also discussed throughout this report.

EMERGENCY HOUSING

Overview

The New Zealand definition of homelessness is “living situations where people with no other options to acquire safe and secure housing: are without shelter, in temporary accommodation, sharing accommodation with a household or living in uninhabitable housing.”³⁴

The Emergency Housing Special Needs Grant (EH SNG) is a grant paid by MSD to cover the cost of emergency accommodation for people with an urgent housing need. Generally considered a last resort, the EH SNG is used to meet the cost of short-term emergency accommodation (often in motels) providing clients with a warm, dry, safe place to stay while giving them time to take steps toward more permanent accommodation. While each grant has a seven-day time limit, MSD ensures that those in need receive support for the duration of their needs. The grant is not intended as a long-term housing solution, but as a necessary solution while more sustainable options, such as public housing, are progressed and become available.³⁵

Homelessness in Masterton

Infometrics has recently released its Regional Wellbeing Framework. The Framework ranks districts and regions according to various Wellbeing metrics, such as the crime rate, suicide rate and household crowding rate. The higher a score is (the closer it is to 100), the better the outcome in terms of community wellbeing. For the year to March 2018, Masterton’s household crowding rate was 75.9. This compares favourably with New Zealand as a whole (44.75) but less favourably than Carterton (97.63) and South Wairarapa district (92.87). To provide context, districts that scored particularly high include Central Otago (100) Clutha district (100) and those scoring particularly poorly were Auckland (4.42) and Porirua (3.34).³⁶

There is currently no data available for levels of homelessness specifically in Masterton. At a regional level, in 2013, around 160 Wairarapa residents were homeless – living on the streets, in cars, in boarding houses and camping grounds, and as temporary residents in severely crowded dwellings. This meant that nearly 4 in every 1,000 people in Wairarapa were homeless. Between 2001 and 2016, the prevalence of homelessness across the region increased by over 70%.³⁷

Masterton’s Emergency Housing Supply

There has been no emergency accommodation in Masterton since 1998, when the Salvation Army closed its shelter on Lincoln Road.³⁸ One motel will take people if possible and there are others that will occasionally, but places are not guaranteed. It is up to the motel owner to decide whether they take a person/family or not. People will also need to move out of a motel if a room has been pre-booked and move back in once a room becomes available again. This often happens when large events are being held in the region and accommodation is booked out in advance – such as the Wings over Wairarapa Air Show and the Golden Shears.

Wairarapa Women’s Refuge has a safehouse in Masterton for women and their children who are victims of domestic violence and who are in immediate or imminent danger from their abuser. Spaces at the safehouse are oversubscribed and have been for several years.

³⁴ Statistics New Zealand 2009

³⁵ New Zealand Government Public Housing Plan 2018 – 2022

³⁶ Infometrics – Wellbeing Regional Comparison, March 2018

³⁷ Wairarapa Housing Needs Assessment, 2016

³⁸ Wairarapa Times Age, 29 May 2019

In the month of March this year, Women’s refuge turned down 16 women/families. Four were self-referrals and twelve were referred from other agencies. The situation is becoming progressively worse, with an average of one woman/family being turned down each day. These are people who do not meet the domestic violence criteria, but who are homeless or have a myriad of other issues.

While not an emergency housing provider (other than for those who meet the criteria outlined above), Wairarapa Women’s Refuge note that they have always been flexible and have tried to assist other agencies whenever possible. However, they are now adhering strictly to their criteria because once a family is in the safehouse it is difficult to move them on given the Wairarapa Region’s housing shortage.³⁹

The Social Housing Register

Social and transitional housing figures are drawn from the MSD’s social housing statistics. To understand the difference between emergency, transitional and social housing, it is necessary to understand how the Social Housing Register works.

Anyone with a housing need can be assessed by Work and Income and if found eligible, placed on the Social Housing Register. People on the Social Housing Register are given a "need score" out of 20 (20 being the highest need) and a priority category (A for high priority and B for lower priority). This is intended to ensure that people with the greatest need are housed as quickly as possible. As at March 2019 there were 52 households on the Social Housing Register in Masterton. Forty-six were Priority A households and the remaining six were Priority B.

In general, anyone assisted with emergency or transitional housing will undergo an assessment for the Social Housing Register and be given a Need Score. If people on the Social Housing Register indicate a willingness to move to other regions, they may be offered a Housing New Zealand property outside of the region, depending on their Need Score.

Masterton does not have a Housing New Zealand presence; however Trust House is a Community Housing Provider (CHP) and anyone accepted as a tenant from the Social Housing Register by Trust House is eligible for the Income Related Rent Subsidy (IRRS).

The IRRS is the subsidy paid by MSD to bridge the gap between what a public housing tenant is able to pay towards rent and the amount of rent the property they live in would command in the private market (the market rent). It ensures people pay no more than approximately 25% of their income on rent. MSD purchases public housing tenancies by paying the difference between market rent and the IRR through the IRRS. Rent limits are set which vary depending on location.

For Masterton, the rent limits are:

1 bedroom: \$250 per week	4 bedrooms: \$400 per week
2 bedrooms: \$300 per week	5 bedrooms: \$450 per week
3 bedrooms: \$350 per week	

³⁹ Wairarapa Women’s Refuge, May 2019.

TRANSITIONAL HOUSING

Overview

Transitional housing is contracted, short-term housing funded by the Ministry of Social Development (MSD) for people who urgently need a place to stay.⁴⁰ The intention of transitional housing is to provide housing and support to vulnerable households, and to support the transition to long-term housing.

Central Government's Public Housing Plan 2018 notes that MSD is looking to secure an additional supply of transitional housing places across New Zealand (beyond what is already contracted throughout the country). This additional supply could include:

- the provision of Crown-owned properties to transitional housing providers;
- provider-owned properties; or
- the use of additional private properties as transitional housing accommodation.

MSD aims to secure this additional supply in areas where demand exceeds supply, with particular focus on Auckland, Napier, Hastings, Wellington, Hamilton, Rotorua and Whangarei.

Masterton's Transitional Housing

Emerge Aotearoa is contracted by MSD and currently provides seven transitional houses in Masterton. All seven houses are currently at capacity; however, this fluctuates as people transition into longer-term accommodation.

To access transitional housing, people need to be on the Social Housing Register. When a transitional house becomes available, Emerge Aotearoa notify Work and Income that it is ready to let again, and a client with an emergency housing need (most likely motel accommodation) will be referred.

The person referred is the person assessed as being the most suitable for the house. In some cases, it could be that they have been in emergency accommodation the longest, or they could be the person/family that best suits the house available.

Once Emerge Aotearoa receives a referral from Work and Income, a Housing Navigator arranges for an assessment and deems whether the house and service are appropriate for the client/family.

Tenants who go into transitional houses are offered a 90-day tenancy during which they are supported by Housing Navigators and CCW to secure long-term sustainable accommodation. If no accommodation can be found within 90 days, discussions take place between Work and Income, the Tenancy Manager, Housing Navigator and the client as to whether an extension can be offered.

In July the Colonial Cottage Motel at 122 Chapel Street became transitional housing managed by Emerge Aotearoa. Two additional full-time staff are now based in Masterton, one Housing Navigator and one Tenancy Manager. The staff work from one of the former 12 units, opening up the remaining 11 units to support the community with transitional housing. CCW is working closely with Emerge Aotearoa and the tenants to ensure they are well supported into secure sustainable housing.

⁴⁰ New Zealand Government Public Housing Plan 2018 - 2022

SOCIAL HOUSING

Overview

Social housing is affordable housing that is allocated on the basis of need by Housing New Zealand and registered CHPs within a regulated framework.⁴¹

Over the past two years there has been a significant increase in the number of people across New Zealand who require social housing. Between 30 June 2016 and 30 June 2018, the number of people on the Social Housing Register increased by 111 percent, or 5,577 applicants.⁴² This increase has been due to a combination of factors including, but not limited to, insufficient general housing supply and the increasing cost of private rentals.⁴³

The WRIP states that the need for more social housing across the Wellington region is urgent. It notes that Councils have a role to play in identifying Crown or Council-owned land which could be used for social housing developments. It also states that in order to increase fairness across housing providers, the IRRS should be made available to council tenants.

The WRIP includes a project to identify land that is owned by HNZ, councils and/or iwi and look to increase the provision of affordable housing. It states that incentives should be provided to councils and NGOs to build and manage social housing and identifies the lead agencies as Councils and HNZ.⁴⁴

Public Housing Plan 2018 – 2022 and the Implications for Masterton

The government's Public Housing Plan 2018-2022 notes that over the next four years MSD will work with Housing New Zealand and CHPs to bring on as many additional public housing places as possible within available funding. Under the Plan, the MSD is looking to secure around 6,400 net additional public housing places by June 2022. At the time the Plan was being drafted, 5,354 of these additional places were already identified and provided for in Budget 2018, so the emphasis of the Plan is on securing the gap between the 6,400 places sought and the 5,354 already in the pipeline. CHPs will continue to have an important role in delivering public housing. At a high level, the MSD aims to secure approximately 70 percent of supply from Housing New Zealand and 30 percent from the CHP sector. The focus is on new builds, so as not to displace people in the broader housing market.

The Public Housing Plan 2018 groups the additional houses into three categories:

1. The base – as at 30 June 2018 there were 67,228 IRRS public housing places available across New Zealand.
2. The Pipeline – in addition, as at 30 June 2018 there were 5,354 more IRRS public housing places in the 'pipeline' due to be completed by June 2022. The places in the pipeline are a mixture of new builds, buy-ins, leases or transfers.
3. Additional places being sought – MSD is seeking a further 1,000 net additional IRRS public housing places by June 2022 to reach its target of 6,400 net additional places by 2022.

The Plan notes that the majority of the 1,000 places will be delivered by the CHP sector. The main funding mechanism available to MSD is the IRRS.

⁴¹ A Stocktake of New Zealand's Housing – February 2018

⁴² New Zealand Public Housing Plan 2018 – 2022, p.3

⁴³ Ibid

⁴⁴ Wellington Regional Investment Plan 2019

Under the Plan, MSD intends to purchase 50 net additional public housing IRRS places in the Masterton District. This is further broken down to: thirty 1-bedroom places, ten 2-bedroom places and ten 3-bedroom places. There are five additional public housing places allocated to the Carterton district, and 10 to South Wairarapa district. The Plan doesn't identify the CHPs it will partner with to deliver these, but rather sets out a new 'strategic partnering model' to procure public housing supply. It replaces the former Request for Proposal process and includes two 'Gateways':

Gateway 1: Invitation to Partner

Providers and potential partners are asked to demonstrate their capability and capacity to supply new public housing places.

Gateway 2: Secondary Procurement

Under this gate, project-specific funding proposals will be assessed under a value for money framework, including consideration of the ability to deliver, fitness for purpose, financial viability and price.

In addition to the IRRS, other funding mechanisms that have previously been available to the MSD to incentivise new public housing supply include:

- the operating supplement – a subsidy paid as a percentage of market rent
- upfront funding – one or two significant lump sum payments paid during or immediately after completion of a new build.

In the past, these subsidies were generally only available to CHPs in Auckland, but since July 2018 both Housing New Zealand and CHPs can apply to receive the operating supplement for new, and net additional buy-in public housing supply. The Plan notes that upfront capital funding will now only be available in very limited circumstances. An example of a situation where upfront funding could be considered would be where Housing New Zealand cannot supply housing in an area of high demand, but a CHP could bring on supply with upfront funding but not with an operating supplement.

Trust House: Masterton's CHP

In 1999 the former government sold all of its Wairarapa Housing New Zealand stock to community-owned company Trust House. Today, Trust House owns nearly 500 dwellings throughout the Wairarapa and Tararua region, including 362 in Masterton. In 2014 Trust House became New Zealand's first registered CHP, enabling it to offer the IRRS to new tenants.

In December 2015, Trust House had five tenants receiving the IRRS. Today, there are 62 households receiving the subsidy in the Wairarapa, with 53 of those in Masterton. Prior to Trust House offering the IRRS, the lack of a Housing New Zealand presence in the Wairarapa meant those seeking housing didn't register themselves on the Social Housing Register. This gave the false impression that Wairarapa had no need for additional social housing. Community organisations now encourage all people who are receiving a benefit and seeking rental accommodation to apply to be on the Social Housing Register. Once on the Register, households are then eligible for Income Related Rent if they are provided a place in a Trust House property.

Although a CHP and able to offer IRRS assisted tenancies for those referred from the Social Housing Register, Trust House are not required to offer available housing solely to those on the Register. Trust House are able to offer their homes to anyone they consider suitable and those selected independently of the Social Housing Register are ineligible for the IRRS.

The graph below shows the increase in Wairarapa registrations on the Social Housing Register since the IRRS became available to Wairarapa residents, via Trust House, in 2014.

Graph 2: Social Housing Register by Quarter, Masterton District, 2014 - 2018/45



Note: Between September 2014 and September 2016 the data was suppressed due to being of low volume (fewer than six). This is to ensure the privacy of MSD clients, and is shown as an 'S' (Suppressed) in the raw data.

All Trust House rental properties that meet the Building Act are currently full. Houses are only vacant if they are undergoing maintenance and/or repairs. The wait-list for a house is very fluctuant, with people finding other accommodation and not informing Trust House of this. While this makes it difficult to give an accurate figure for those waiting for a house, Trust House indicated there would be over 100 on their waiting list, with realistically between 50 and 100 actually in need of a house. This represents a significant increase in the last 3-5 years.⁴⁶

Senior Housing

MDC owns 74 senior-housing units across four properties. Panama Complex (44 units) on Ngaumutawa Road was acquired by the Council under a bequest. The remaining properties were acquired through government incentives of low interest loans to provide affordable housing for older people.

MDC provides senior housing to ensure that low-cost rental accommodation is available for older members of the community who have limited financial resources. Anyone who meets the eligibility criteria can, at their request, be put on MDC’s waitlist for a unit. Criteria include being aged 60 or older, receiving a permanent benefit and having assets not exceeding \$25,000 (single) or \$35,000 (couple). When a unit becomes available, it is generally offered to the person at the top of the waiting list, though an assessment is first undertaken of the character of that person and their ‘fit’ with the existing residents.

There is an opportunity to review this allocation process. MSD have offered their support to work with MDC to develop an allocation process that ensures those with the greatest housing need are prioritised when units become available.

⁴⁵ Ministry of Social Development www.msdc.govt.nz 2019

As noted earlier, the WRIP proposes that to increase fairness across housing providers, the IRRS should be made available to council tenants. MDC has advocated for this change. It would enable the Council to continue to provide units at below-market rates but receive the difference between the subsidised rate and market value from central government. This difference could be reinvested in the maintenance of Council's existing housing stock, or potentially into the purchase of additional properties.

MARKET RENTAL

Overview

Over 70% of the additional 150,000 households formed in New Zealand over the past decade are likely to be tenants and recent strong population growth has consolidated strong demand for private rental accommodation. Signs of stress within the rental market include rents beginning to rise faster than incomes and declining turnover of tenancies.⁴⁷ As noted by Community Housing Aotearoa in their 2016 document 'Our Place', over 42% of sole parent beneficiary households are spending more than 50% of their income on rent, and 50% of Accommodation Supplement receivers spend more than 50% of their income on housing.⁴⁸

The Accommodation Supplement is a payment to assist people who are not in public housing with their rent, board, or cost of owning a home.⁴⁹ In 2017, two-thirds of recipients of the Accommodation Supplement were private sector tenants, and collectively they receive 75% to 80% of the total spent on the Supplement.⁵⁰

The falling rates of homeownership over the past 25 years is also now feeding through into the housing options for retiring baby boomers. More than 85% of the people receiving an Accommodation Supplement are also receiving either a working age benefit or Superannuation. Furthermore, the number of people receiving both New Zealand Superannuation and an Accommodation Supplement payment is growing by 2,000 people per year.⁵¹

Over the past 30 years New Zealand has relied extensively on private rental housing and small-scale 'mum and dad' investors to supply the majority of housing for new households and young families. However, yields are low in the main centres (as low as 2.5% in Auckland) and the Salvation Army is concerned that this is likely to be problematic for future investment.⁵² The New Zealand Housing Stocktake 2018 also notes that subdued yields on rental property investments are likely to have influenced the limited supply of new rental housing, which in turn has caused rents to rise faster than incomes. This trend has been noticeable since 2015.⁵³ In the year to February 2019, a rise in national rents of 5.6% was close to double the increase in property values of 3%.⁵⁴ The Salvation Army consider that yields will rise, eventually, due to an ever-growing shortage of rental housing pushing rents higher.⁵⁵

Masterton's Private Rental Market

Demand for good quality, affordable rental housing in Masterton exceeds the availability of suitable properties.⁵⁶ Rents have risen relatively sharply in recent years, with a 6.4% increase in the year to March 2017, and a 6.2% increase in the year to March 2018. As at 30 April 2019, the median weekly rent in Masterton was \$350⁵⁷, as shown in the diagram below.

⁴⁷ New Zealand Housing Stocktake 2018

⁴⁸ Our Place - Community Housing Aotearoa 2016

⁴⁹ The New Zealand Housing Plan 2018 - 2022

⁵⁰ Ibid.

⁵¹ Ibid

⁵² 'Beyond Renting - Responding to the Decline in Private Rental Housing' - Salvation Army Social Policy and Parliamentary Unit, October 2018

⁵³ New Zealand Housing Stocktake 2016

⁵⁴ CoreLogic April 2019, cited in Wairarapa Times Age, 9 April 2019

⁵⁵ New Zealand Housing Stocktake, February 2018

⁵⁶ Social Development Chapter of My Masterton - Our Land, Our People Strategy 2018

⁵⁷ New Zealand Tenancy Services 2019, <https://www.tenancy.govt.nz>

Market rent in Entire District (Masterton)

01 Nov 2018 - 30 Apr 2019

BONDS

266

LOWER

\$280

MEDIAN

\$350

UPPER

\$380

FIND THE MARKET RENT IN YOUR AREA

MASTERTON - ENTIRE DISTRICT

FIND RENT

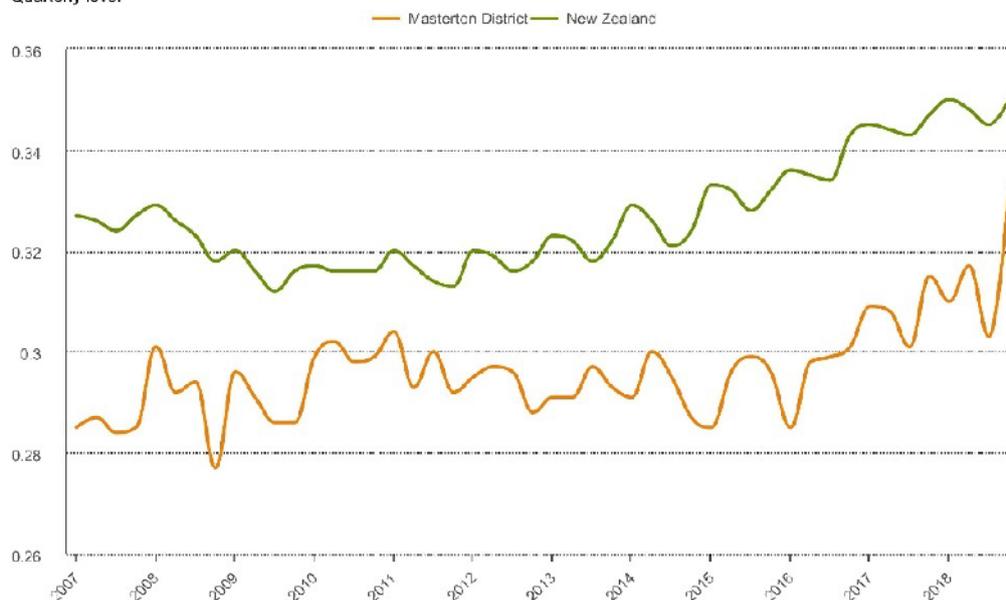
Source: New Zealand Tenancy Services, 2019

Rental affordability can be assessed by comparing average weekly rents with average weekly earnings. Infometrics calculates a rental affordability index which is the ratio of the average weekly rent to average weekly earnings. A higher ratio, therefore, suggests that average rents cost a greater multiple of typical incomes, which indicates lower rental affordability.

The graph on the following page shows the Rental Affordability Index between 2000 – 2018, comparing Masterton with New Zealand as a whole. While Masterton rentals are becoming less affordable, the same trend can be observed for all of New Zealand.⁵⁸

Graph 3: Rental Affordability Index, Masterton District, 2000 – 2018

Rental affordability index
Quarterly level



Source: Infometrics Quarterly Economic Monitor, December 2018

Infometrics data also shows that private rental accommodation is currently more affordable in Masterton than in South Wairarapa, and slightly more affordable than in the Carterton district.⁵⁹

A key measure of the level of housing need in a community is the proportion of renter households paying more than 30% of their gross household income in rent. These households are defined as being financially stressed. Households paying over 50% of their gross household

⁵⁸ Infometrics Quarterly Economic Monitor, December 2018

⁵⁹ Ibid

income in rent are defined as severely financially stressed.⁶⁰ As at June 2017, there were 2,740 private renter households in the Masterton District. Fifty one percent of those were paying more than 30% of their household income on rent and 24% were paying more than 50% of their household income on rent.⁶¹

A Wairarapa Times Age article on 9 April 2019 stated that landlords in Wairarapa are making better returns than the national average, and better returns than in the main centres. It quoted April 2019 statistics from property data firm CoreLogic which showed that Masterton has an average rental yield of 4.6%, Carterton 4% and South Wairarapa 3.9%. Yields are higher than the nationwide average of 3.3%. The article reported that while rent increases should increase the rental yield, property prices are also rising, meaning rental returns as a percentage of property value are relatively stable. In Masterton and South Wairarapa rents have been rising more quickly than the value of rental property.⁶²

Based on the findings of the New Zealand Housing Stocktake 2018 (described earlier) it can be assumed that Masterton's rental prices will continue to rise while residential property prices are continuing to do so.

⁶⁰ New Zealand Housing Stocktake 2018

⁶¹ Livingstone Associates 2017. Figures modelled using data from the Ministry for Business, Innovation and Employment, and Statistics New Zealand.

⁶² CoreLogic April 2019, cited in Wairarapa Times Age, 9 April 2019.

HOME OWNERSHIP

Overview

Housing tenure has an important influence on a community's health and wellbeing. Home ownership is linked to better health, social and economic outcomes. Housing tenure data provides insight into a region's socioeconomic status and housing affordability.

New Zealand's home ownership rates have fallen to the lowest levels in 60 years.⁶³ The national rate of homeownership in 2013 was 64.8%, a decline from 66.9% in 2006.⁶⁴ As noted earlier, house price inflation over the past five years has been around 30% across New Zealand, while incomes have risen by about half this rate.⁶⁵

It is estimated that the greater Wellington region is currently short of between 4,000 – 5,000 homes and this number is gradually increasing. The largest shortage is in Wellington City, but pressures are growing in other parts of the region. The threat is not just shortages of houses per se, but shortages of affordable houses, especially for young families. If a high population growth scenario is applied, then something in the order of 56,000+ new housing units will be required across the region by 2043.⁶⁶

Masterton's Residential Property Market

Masterton's average residential property price was \$327,969 in March 2018. This represents a 16% increase in the ten years since March 2008.⁶⁷ Prices in some parts of the district are currently rising faster than others.

In River Road on the East side of Masterton, house prices are starting to push \$300,000. For lower socio-economic families in the past this area of town was an option to purchase a 3-bedroom house for their family. This is becoming increasingly difficult as potential buyers are competing with a greater number of buyers as well as investors.

Infometrics presents a housing affordability index which is the ratio of the average current house value to average annual earnings. A higher ratio suggests that median houses cost a greater multiple of typical incomes, and are therefore less affordable.

The following graph shows housing affordability in Masterton in March 2018. A trend of decreasing affordability can be observed since 2016. In 2018 the average Masterton house cost 6.7 times the average Masterton income. However, this is still less than in 2008 when the average house cost nearly eight times the average income. Masterton's house prices are also still more affordable than New Zealand as a whole, where the average house costs 10.5 times the average income.⁶⁸

⁶³ A Stocktake of New Zealand's Housing, February 2018

⁶⁴ Census 2013 (Statistics New Zealand)

⁶⁵ New Zealand Housing Stocktake 2018

⁶⁶ Draft Wellington Regional Investment Plan 2019, p.15

⁶⁷ Infometrics Masterton District Economic Profile, March 2018

⁶⁸ Infometrics Masterton District Economic Profile, March 2018

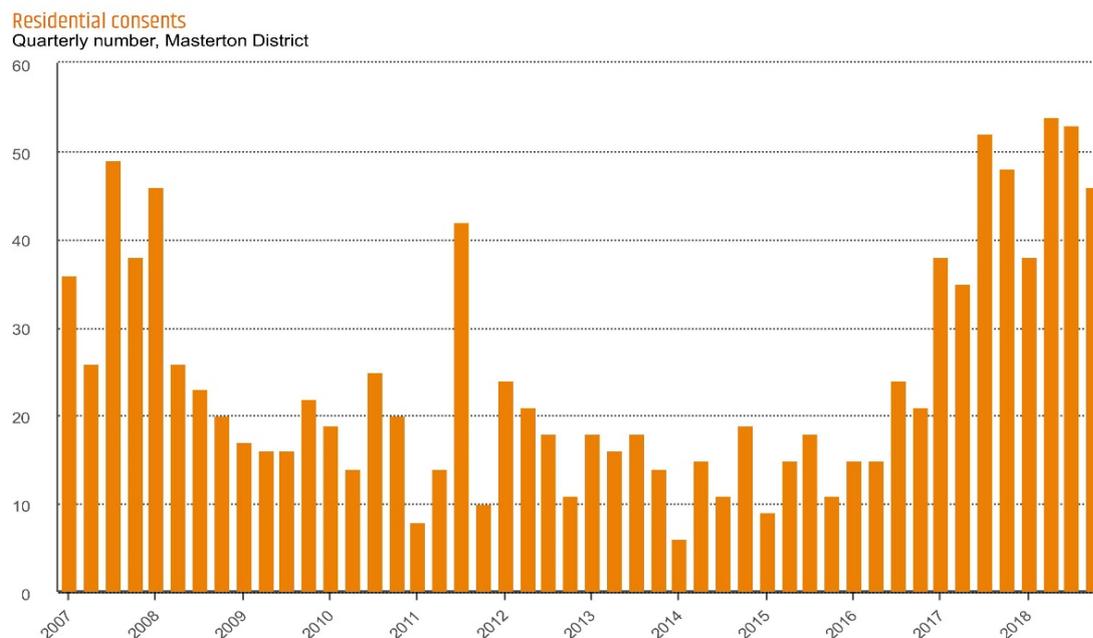
Graph 4: Housing Affordability in the Masterton District, March 2018



A total of 46 new residential building consents were issued in the Masterton District in the December 2018 quarter. This is just over double the 10-year average for the quarter. On an annual basis, the number of residential consents issued increased by 10% in the year to December 2018. The number of consents in New Zealand increased by 6.1% over the same period.

The graph on the following page shows the number of residential consents issued in Masterton district on a quarterly basis, between 2007 and 2018.

Graph 5: Residential Consents issued in Masterton District, 2007 – 2018



The WRIP prioritises the retrofitting of brownfields developments ahead of suburban outward expansion via the development of greenfields as a means to increasing housing supply in the greater Wellington region.⁶⁹ Brownfield development is redevelopment of the city fringes with more intensive housing, such as apartment blocks. Greenfield development is built development on a piece of previously undeveloped land (generally on the urban fringe), which had been either used for agriculture or was in its natural state.⁷⁰

The Wairarapa is an exception to this prioritisation. There are limited brownfields opportunities in the Wairarapa, making greenfields development (within the urban boundary) a feasible option for increasing housing supply. Masterton district's total greenfields units are in excess of 700. Thirty hectares of land, comprising approximately 200 units, was recently sold by MDC for \$2.4 million and will be developed for residential housing. Other greenfield areas are Arvida (approximately 55 units) the final stages of Solway Property Developments Limited (approximately 21 units) The Barracks (approximately 55 units) Cashmere, which is only half developed (approximately 120 units) South Belt (approximately 73 units) Roberts Road (approximately 10 units) and Chamberlain Road (approximately 197 units). This totals 731 units and does not include the subdivisions that were approved a few years ago and are now almost all completely sold and being built on.⁷¹

Infill housing, whereby property owners/developers subdivide large lots to build additional housing within already-developed areas, is taking place in areas close to Masterton's central business district. There is still opportunity for this type of development to continue in the district.

⁶⁹ Wellington Regional Investment Plan, May 2019, p.15 ⁷⁰ Ibid ⁷¹ These figures are approximate and could be more or less, depending on the lot sizes that will best meet the needs of the community. ⁷² Infometrics Wellbeing Framework, May 2019

⁷⁰ Ibid ⁷¹ These figures are approximate and could be more or less, depending on the lot sizes that will best meet the needs of the community. ⁷² Infometrics Wellbeing Framework, May 2019

⁷¹ These figures are approximate and could be more or less, depending on the lot sizes that will best meet the needs of the community. ⁷² Infometrics Wellbeing Framework, May 2019

SUMMARY AND CONCLUSIONS

Masterton's housing is becoming increasingly unaffordable, both for tenants and prospective home owners. House prices rose 13% in the year to December 2018, and the average weekly rent increased over 6% in both 2017 and 2018. The rising cost of housing is making the home ownership dream out of reach for many more Masterton residents who are now being forced to rent for the foreseeable future.

Masterton's rising housing costs reflect the situation being experienced across New Zealand, and while housing is becoming increasingly unaffordable, the district is still more affordable than many other towns or main centres. Masterton is performing better than the New Zealand average on all housing wellbeing indicators – household crowding rate, housing affordability ratio, ownership rate and rental affordability.⁷² Masterton is also fortunate that it has greenfield sites available for residential developments, and residential consents are being issued at a higher rate than at any other time over the past 10 years.

Where Masterton's housing problems differ from other areas is the lack of a Housing New Zealand presence in the Wairarapa region. Masterton relies on Trust House to provide the district's social housing, and while tenants have been able to receive the IRRS since Trust House became a CHP in 2014, there is no requirement that Trust House takes its tenants from the Social Housing Register.

While work is underway at the national and regional level, there are some actions that could be considered at the local level to help address our district's specific issues. These include:

- Continuing to advocate for the ability for Councils to offer the IRRS.
- Working with CCW to continue to provide support and advocacy for housing agencies, where appropriate.
- Reviewing MDC's process for allocating tenancies at its senior housing units.
- Where appropriate, continuing to support or assist agencies that are exploring options for emergency housing.
- Reviewing Council-owned land to establish whether MDC can increase the social housing offered in Masterton, or partner with others to do so.

The next steps in MDC's housing work are to develop a position statement on housing (2019/20) and a housing strategy, currently scheduled for 2020/21. Some of the potential actions listed above could form part of a Masterton housing strategy. MDC could consider bringing forward the development of a strategy to 2019/20 so that actions arising from it can be scheduled to begin earlier. However, bringing forward this work would require a re-assessment of MDC's existing priorities and allocation of resources.

Housing affordability is a nation-wide problem and requires intervention at the central and regional government level. This report has outlined the various government policies and strategies that have either been recently introduced or that are under development. The Wellington Region Investment Plan will have an impact on Masterton but has a 30-year time horizon and is not intended to 'fix' the region's housing issues in the short-term. Action is needed at the local level in order to help alleviate Masterton's specific housing issues.

⁷² Infometrics Wellbeing Framework, May 2019

ATTACHMENTS

Attachment A: Key Stakeholders and Housing Capacity – Masterton District

Stakeholders	Role	Responsibilities	Housing Capacity
Trust House	Community Housing Provider	<p>Trust House is a community-owned company. It provides affordable rental homes to low income individuals and families in the Wairarapa.</p> <p>Trust House has a contract with MSD to offer social housing via the Income Related Rent Subsidy (IRRS).</p>	<p>Trust House currently owns 362 rental properties in Masterton.</p> <p>All properties that meet the Building Act are full. The only houses that are currently empty are those that are in need of maintenance work.</p> <p>The waitlist for a Trust House property is currently over 100 households. According to Trust House, 50 – 100 households are actually in need of rental accommodation.</p>
Emerge Aotearoa	Community Housing Provider	<p>Emerge Aotearoa provides transitional housing to people on the Social Housing register, via a contract with MSD.</p>	<p>Emerge Aotearoa currently have seven transitional houses in Masterton. All seven houses are at capacity, however this fluctuates as people transition into longer- term accommodation.</p> <p>Emerge Aotearoa have recently secured a further 11 Units to be used as Transitional Housing.</p>
Ministry of Social Development/ Work and Income	Government Agency	<p>Work and Income provides emergency housing if a household has nowhere to stay and no other options. This is usually in a hostel, motel or hotel. As noted, Work and Income also holds contracts with Trust House and EmERGE Aotearoa for transitional housing.</p>	<p>The majority of people move from emergency accommodation within 1-2 weeks.</p> <p>As at 10/4/2019 there were seven families in motels – this fluctuates as people are moved</p>

			onto either transitional housing or long-term rentals.
Wairarapa Women's Refuge	Not for Profit Charitable Organisation	Women's Refuge provides a safehouse for women and their families who are victims of domestic violence, and who are in immediate or imminent danger from their abuser.	One safe-house is provided in Masterton. Demand for safe-house accommodation is over-subscribed, and has been for several years. 50-60% of Women's Refuge funding is provided by central government.
Masterton District Council (MDC)	Provider of senior housing	MDC provides senior housing to ensure low-cost rental accommodation is available for older members of the community who have limited financial resources.	74 units are provided across four sites (refer to Appendix 2 for full details). Panama Village (44 units) was acquired by MDC under a bequest. The remaining properties were acquired through government incentives of low interest loans to provide affordable housing for older people.
Property Managers and Landlords	Manage or own rental properties	Manage private rental properties including finding tenants, managing payments and undertaking property inspections.	Masterton's property managers have insufficient houses available for the number of people searching for a rental property.

Attachment B: Senior housing properties owned by Masterton District Council, May 2019

	Location	Number and Style of Units	Weekly Rent 2018/19
Panama Village	Ngaumutawa Road	25 bedsitters	96.00
		15 one-bedroom units	\$102.00
		4 one-bedroom units - double	\$106.00
Laurent Place	Laurent Place, Kuripuni	8 bedsitters	\$92.00
		4 one-bedroom units	\$99.00
		6 one-bedrooms units - double	\$109.00
Bodmin Flats	182-184 Chapel Street	8 bedsitters	\$92.00
Truro Flats	190 Chapel Street	4 one-bedroom units	\$99.00
		4 garages	\$8.00

Attachment C: Summary of Recent Reports, Plans and Policies and other Housing Interventions

Interventions by Central Government		
Type	Name	Purpose
Policy	National Policy Statement on Housing and Urban Development	The National Policy Statement on Urban Development Capacity (NPS-UDC) came into effect under the previous government on 1 December 2016. It directs local authorities to provide development capacity in their resource management plans to meet demand for housing and business space. Cabinet agreement will be sought on a proposed revision of the NPS-UDC in June this year, with consultation to be undertaken in July.
Legislative change	Healthy Homes Guarantee Act 2017	The Healthy Homes Guarantee Act came into force in December 2017. It amends the Residential Tenancies Act 1986 so that rental housing has to meet minimum standards relating to heating, insulation, ventilation, moisture ingress, draught-stopping and drainage.
Research	A Stocktake of New Zealand's Housing, February 2018	A stocktake of New Zealand's housing was commissioned by the Minister of Housing and Urban Development in November 2017. It provides a broad overview of the current state of housing markets and the housing system in New Zealand. It takes the form of a series of brief reviews of various housing outcomes and policy areas and backs these with data and additional references.
Structural Change	Ministry for Housing and Urban Development (HUD)	The Ministry for Housing and Urban Development (HUD) was formed on 1 October 2018 as the government's lead advisor on housing and urban development. It brings together functions from MBIE and MSD, as well as monitoring of Housing New Zealand and Tamaki Redevelopment Company function from Treasury. HUD is responsible for delivering the government's housing and urban development programme to end homelessness, make room for growth in our urban centres, and help create thriving communities.
Policy	Urban Growth Agenda	In October 2018, Cabinet also agreed to a proposed approach for an Urban Growth Agenda (UGA) The UGA is a programme that aims to remove barriers to the supply of land and infrastructure and make room for cities to grow up and out. The main objective of the UGA is to improve housing affordability, underpinned by affordable land.

		<p>The UGA has five inter-connected focus areas: Infrastructure Funding and Financing; Urban Planning; Spatial Planning; Transport Pricing and Legislative Reform.</p> <p>The Minister of Housing and Urban Development and the Ministry for the Environment will report back to Cabinet in the first half of this year on the results of work undertaken to date. They will also present options on the nature and degree of system reform recommended. This will include potential legislative changes that are required to give effect to the UGA. This may have wider implications for the way central government plans for and enables development, the way natural resources are managed and the roles of central and local government.</p>
Strategy	Public Housing Plan 2018 – 2022	<p>The Public Housing Plan 2018-2022 is the Government’s response to the increasing demand for public housing across New Zealand up to 2022. It supersedes the 2016 Social Housing Purchasing Strategy. It provides members of the public, housing providers, local government and non-government organisations with updated information about where, and how many, additional public housing places are planned over the four years to 2022.</p> <p>MSD is aiming to secure around 6,400 additional public housing places across New Zealand by June 2022. A significant majority of these 6,400 are contracted for, under negotiation, or part of Housing New Zealand’s four-year plan. The emphasis of the Strategy is on the gap between what is being sought by June 2022 (6,400 net additional places) and these places (5,354 net additional places) – that is, about 1,000 net additional places. Information about where MSD proposes to bring on these places across New Zealand, and what size houses are being sought, are also provided. The full 6,400 additional places are fully funded by Budget 2018.</p> <p>MSD’s intention is for the Plan to be updated and published annually, mid-year, following the Government’s Budget process. Each annual update will contain updated information about the number of additional public housing places being sought, based on what has been secured in the pipeline and to reflect any changes in national and regional demand, and funding availability.</p>
Policy	KiwiBuild	<p>In 2018 the government also introduced the KiwiBuild programme, which aims to provide 100,000 homes for eligible first home buyers by 2028.</p> <p>KiwiBuild:</p>

		<ul style="list-style-type: none"> • purchases land for government-led developments • integrates affordable housing into major urban development or regeneration projects • purchases or underwrite homes and • supports developers and connects them with eligible KiwiBuild buyers. <p>KiwiBuild creates a pathway to home ownership for eligible first home buyers who don't have to compete with established homeowners and property investors.</p> <p>One of the projects included in the draft Wellington Regional Investment Plan (WRIP - described in detail in the following table) is to identify priority areas across the Wellington region that can support the KiwiBuild programme.</p>
Structural change	Formation of a Housing and Urban Development Authority	<p>HUD is supporting the development of a new Housing and Urban Development Authority by consolidating Housing New Zealand (including its subsidiary Homes Land Community) and KiwiBuild. Once established, the Authority will be responsible for leading urban development projects and managing public housing. It will have two key focuses: being the lead developer and driving the delivery of 100,000 KiwiBuild homes; and managing tenancies across New Zealand.</p> <p>The Authority will work with councils and other development partners to identify and deliver housing and urban projects. It will have access to a range of statutory powers that it can use to enable large and complex urban development projects at scale and pace.</p> <p>In terms of timing, a transition plan is underway and the Minister of Housing and Urban Development will report to Cabinet early next year.</p>
Legislative change	Review of Residential Tenancies Act 1986	<p>The Residential Tenancies Act came into force over 30 years ago to govern a rental market with different characteristics from today's market. A reform of the Act is underway to make sure it remains fit for purpose.</p>

Interventions at the Regional and Local Level		
Organisation	Title/area of work	Description
Masterton District Council (MDC)	Social Development Chapter of My Masterton Our People, Our Land Strategy He Hiringa Tangata, He Hiringa Whenua	MDC wants everyone who lives in the Masterton district to have equal access to opportunities that enable a happy and healthy lifestyle. There are three strategic directions to support this priority, including supporting a better standard of living. Housing is a core component of living standard and is therefore a priority for MDC. The Strategy's implementation plan sets out work to be undertaken over the next three years, including the development of a Position Statement on housing and a Masterton District Housing Strategy/Plan to deliver improvements.
Masterton District Council	Masterton Urban Growth Strategy	This document has not yet been circulated to Masterton's Elected Members. A description will be included here once this has been undertaken.
Masterton, Carterton and South Wairarapa District Councils	Wairarapa Combined District Plan	The Wairarapa Combined District Plan takes into account future housing demands and sets aside land for development. The Plan is reviewed every 10 years and is due to be reviewed over the coming 2-3 years. A new plan will be adopted in 2021. The updated plan will include consideration of the rapid growth that the region is experiencing and the required demand for housing that this is creating, with close consideration paid to the infrastructural and community facility requirements around this. The plan will also include amenities, such as schools, green spaces and retail/hospitality areas and supporting transport and 3 waters infrastructure.
Greater Wellington Regional Council, together with the three Wairarapa Councils	Wairarapa Economic Development Strategy and Action Plan (WEDSAP)	The WEDSAP summarises the housing issues being faced across the Wairarapa region. It includes three immediate actions: <ol style="list-style-type: none"> 1. The Development of a Wairarapa Housing Plan to establish the housing requirements for each of the three districts and formulate a strategy for addressing the needs of each. 2. Urban Development Authority (UDA) Feasibility Study – establish a working group to consider the usefulness of the UDA, or similar model, in parts of Wairarapa. This would form part of wider work on a regional UDA, being considered as part of the WRIP. 3. Continue to improve consenting processes.

		<p>A medium-term action of the WEDSAP is consideration of how Papakainga housing could be developed/supported in appropriate parts of the Wairarapa and in association with iwi. This would require an initial think-piece to develop the idea followed by a feasibility study.</p> <p>The WEDSAP states that success will be:</p> <ul style="list-style-type: none"> - Availability of new housing keeping pace with demand - Sufficient supply of social and affordable housing for private ownership - Adequate supply of affordable rental properties (social and private) - Adequate supply of seasonal workers' accommodation
Greater Wellington Regional Council (GWRC), together with councils and central government	Wellington Regional Investment Plan (WRIP)	<p>A Wellington Regional Investment Plan (WRIP) has recently been developed for the greater Wellington region. The plan was developed in partnership between central government, local government and iwi. It includes the whole continuum of housing, and recognises the level, type and possible placement of housing and related urban development and infrastructure over the next 30 years.</p> <p>The WRIP will help guide entities such as Councils, NZTA, the new HUDA, and relevant central government agencies and infrastructure providers in planning for future housing and related urban development in the region.</p>
Masterton, Carterton and South Wairarapa District Councils	Wairarapa Positive Ageing Strategy 2019	<p>The vision of the Positive Ageing Strategy is: Our koroua/older residents are loving life, valued, connected, active, independent and contributing members of our community. Housing is one of the six goals identified in the plan, specifically that housing options are appropriate, safe and accessible for older people. This overarching goal is further broken down into the following priorities:</p> <p>Ensure housing options are appropriate, safe and accessible for older people by:</p> <ul style="list-style-type: none"> - Housing development that considers the needs of older people including housing stock, design, access and community connectedness - Sufficient social housing stock for older people.

Reports and Research by Non-Governmental Organisations

Organisation	Title of work	Description
Connecting Communities Wairarapa (CCW)	Wairarapa Housing Needs Assessment 2016, and 2017 high level update	<p>In 2016, CCW commissioned research to determine the extent and nature of housing need across the Wairarapa. Its authors used Census 2013 and other data to assess the region's housing stock, tenure, quality, deprivation, and key trends in the sector.</p> <p>A high-level update of the needs assessment was completed by Livingston Associates in 2017.</p>
The Salvation Army	Beyond Renting – Responding to the decline in private rental housing. October 2018	<p>The Salvation Army's 'Beyond Renting' Report was released in October 2018. It analyses the current housing situation and central government's policy interventions to address inequity in the sector. It argues that a more deliberate set of housing policies are needed, which will require greater direct involvement by central government. This involvement will be in the provision of more state and social housing, and in the subsidising of home-ownership programmes for modest income households. The paper concludes with proposals for policy reform.</p>
Community Housing Aotearoa	Our Place - all New Zealanders well-housed May 2017	<p>'Our Place' is a working document which was last updated in May 2017. It was prepared on behalf of the community housing sector by Community Housing Aotearoa and is endorsed by Trust House.</p> <p>It sets a direction for improving housing affordability in New Zealand and has a vision of 'all New Zealanders well-housed by 2030'. It includes a goal of 15,000 new social houses and 85,000 new affordable homes across the country by 2030. It would like to see new homes being delivered across the housing continuum at the rate of 1,000 new homes per year for the next 15 years in community housing.</p> <p>The document has four pillars to achieve its vision:</p> <ol style="list-style-type: none"> 1. Commit to delivery across the housing affordability continuum 2. Implement social investment 3. Activate delivery partnerships (between the private sector, Maori, community housing providers, HNZC, local government and central government) 4. Build the systems (align the planning, funding and delivery actions across government, monitor and evaluate progress).