



GREAT LAKE TAUPŌ
Taupō District Council

TAUPŌ DISTRICT COUNCIL DRAFT HOUSING STRATEGY 2023

HOUSING STRATEGY ON A PAGE

SCOPE

The housing strategy:

Identifies the key housing issues and opportunities in Taupō District.

Provides a strategic housing framework for Taupō District.

Clarifies Taupō District Council's role in housing.

Recognises housing complexities and interrelationships.

OUR VISION

To be the most prosperous and liveable district in the North Island.

ACCOUNTABILITY

To ensure our decision making is robust, we will undertake an ongoing programme of monitoring. This helps to ensure the strategy becomes a living document through regular reviews of action implementation from Council and other housing responders.

FOUR GOALS

Our four goals provide a high-level focus for working toward the vision:



GOAL ONE

More availability and choice of housing.



GOAL TWO

Homes are warm, healthy, sustainable, and resilient.



GOAL THREE

Our homes meet the diverse needs of our communities.



GOAL FOUR

Housing connects and integrates communities.

FIVE FOCUS AREAS

- Housing for the elderly
- Enabling the development of Māori land and papakāinga
- Facilitating social housing development
- Facilitating affordable housing (to rent and own)
- Encouraging and enabling healthy and sustainable homes

HOW ARE WE GOING TO GET THERE?

DELIVERING ON OUR HOUSING ACTION PLAN.



BEING EASY TO DO BUSINESS WITH AND SUPPORTING HOUSING INITIATIVES LED BY OTHERS.



PARTNERSHIPS AND COLLABORATIONS.

INTRODUCTION

HOUSING IS AT THE HEART OF BUILDING SECURE, CONNECTED, AND CARING COMMUNITIES, CREATING JOBS AND A DIVERSE ECONOMY.

The purpose of this strategy is to provide a framework for Council to address the housing need in the Taupō district. Being a district that's easy to live in and where people thrive is central to our Council's vision to be the most prosperous and liveable district in the North Island.

People have better wellbeing and improved social and economic outcomes when they live in safe, healthy housing that's suitable for their needs. Security of tenure gives people a sense of security along with a genuine tangible stake in their community.

When housing prices are high, it can be difficult for people to find safe, suitable, stable, and affordable places to live. This can lead to overcrowding, homelessness, higher levels of stress and mental health problems, as well as financial instability. The stability and productivity of local businesses also suffers when the workforce has housing issues. It can also impact the overall health and wellbeing of the community. These negative health outcomes particularly harm children and the elderly.

KEY ISSUES

The Taupō District's population has grown by 18 percent since 2013, and for a range of reasons housing supply has not kept up with this growth. The district is now faced with a situation where suitable housing is not accessible for everyone, particularly those on lower incomes.

The district has lower incomes than other parts of the country, but the increase in house prices in the district over the last few years is comparable to some of the country's larger and wealthier centres.

There is a mismatch of housing supply and demand in the district, with a reasonable supply of market houses to purchase at the upper end of the market, but next to no entry-level or affordable options. The number of properties available to rent is at an all-time low at all ends of the market - however, there is an abundance of short-term rental options for holiday goers.

There are a number of homes in the district, particularly rental properties, that do not

meet healthy homes standards. The cost of renovating these properties, such as adding insulation, double glazing, and a heat pump, is substantial.

Data shows that across the district Māori are significantly worse off in finding a healthy and affordable home for their whānau compared to other ethnicities. Overcrowding and higher exposure to dampness and mould are key issues. In addition, there can be many financial and regulatory obstacles to overcome that prevent iwi and hapū from developing their land and achieving their housing aspirations.

To be a well-functioning district and an attractive place to live, we want everyone to have access to a decent home that is warm, dry, safe, and affordable. We also want people to see our district as a place to live in and do business, rather than just a nice place to come for a holiday or retire.

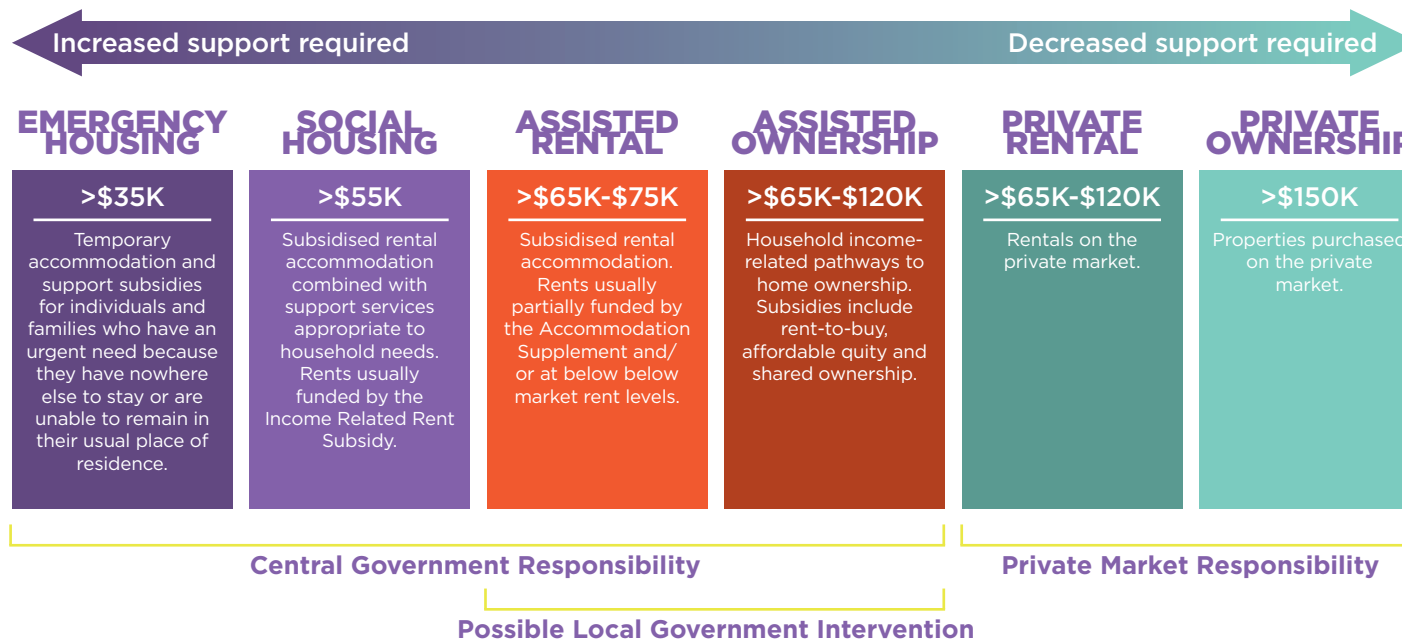
THE HOUSING CONTINUUM

The district has diverse housing needs, which depend on a number of household factors, including income level, life stage, household composition, culture and whether there are specific needs that require extra support.

The diagram below shows the full housing spectrum, ranging from the least support required to the most support needed. Families on lower incomes require more support to access appropriate housing than

those on higher incomes. The labels at the bottom of the diagram show who provides housing options along the spectrum.

Council currently provides housing for the elderly, which is a form of assisted rental. As part of this housing strategy, we will play a part in the provision of assisted rentals and assisted ownership, in the form of affordable housing.



GUIDING PRINCIPLES

HOUSING IS AT THE HEART OF BUILDING SECURE, CONNECTED, AND CARING COMMUNITIES, CREATING JOBS AND A DIVERSE ECONOMY.

▶ PRINCIPLE 1

WE WILL SHOW LEADERSHIP THROUGH PARTNERSHIPS & ADVOCACY

The Council has an important role in leading and contributing to change in the housing space, however solving housing issues requires multiple agencies. Working with central government and community partners is critical to ensuring we can achieve the outcomes of this strategy. We will continue to build on existing partnerships and create new partnerships to ensure there is a coordinated approach across the housing sector. Where other agencies are better placed to deliver, we will support them.

▶ PRINCIPLE 2

WE WILL FOCUS ON LOCALLY BASED SOLUTIONS

Our focus will be on local solutions that meet the needs of our district. We will act as facilitator to bring together the local parties who can contribute to housing development, both at the community and commercial level. We will work with central government, iwi, and relevant agencies to co-design solutions and initiatives for the Taupō District. When Council is acting as a developer, we will use the skills, capabilities, and resources of the community and business sector to the greatest extent possible.

▶ PRINCIPLE 3

WE WILL MAKE EVIDENCE-BASED DECISIONS

We will produce consistent information and robust data, and ensure it is considered in all Council decisions that impact housing. Given the volatility in the housing market over time, we will also take a long-term planning approach when making decisions.

▶ PRINCIPLE 4

WE WILL HONOUR TE TIRITI O WAITANGI

Council is committed to honouring the principles of Te Tiriti o Waitangi / The Treaty of Waitangi through our relationships with our iwi partners, hapū, and mana whenua within the Taupō District. This includes addressing housing needs for Māori and further enabling housing diversity including traditional housing options such as papakāinga.

OUR GOALS

WE HAVE IDENTIFIED FOUR HIGH-LEVEL GOALS WE SEEK TO ACHIEVE THROUGH THE HOUSING STRATEGY AND THE SUPPORTING ACTION PLAN:

▶ GOAL 1

MORE AVAILABILITY AND CHOICE OF HOUSING

- A sufficient supply of affordable housing (rental and owner-occupied) to meet demand, across the district.
- Sufficient social housing to meet local demand.
- The most vulnerable members of society are housed safely, fewer people are living in motels and the need for emergency and transitional housing has been significantly reduced.
- There are effective partnerships across sectors, and between organisations delivering housing solutions

Community housing providers are active in the district.

▶ GOAL 2

HOMES ARE WARM, HEALTHY, AND SUSTAINABLE

Outcomes we want to see:

- More homes are safe* and secure**
- More homes are warm, dry, and energy-efficient
- No families living in unhealthy housing
- People are supported to maintain their homes to healthy standards

*Safe housing means a dwelling in a condition that is decent, safe and sanitary and one for which all applicable and appropriate building standards are complied with.

**Affordable, accessible, of good quality and stable tenure.

▶ GOAL 3

OUR HOMES MEET THE DIVERSE NEEDS OF OUR COMMUNITIES

Outcomes we want to see:

- More housing for elderly and people with disabilities
- More papakāinga enabled
- More Māori land developed for housing
- More homes are universally designed.

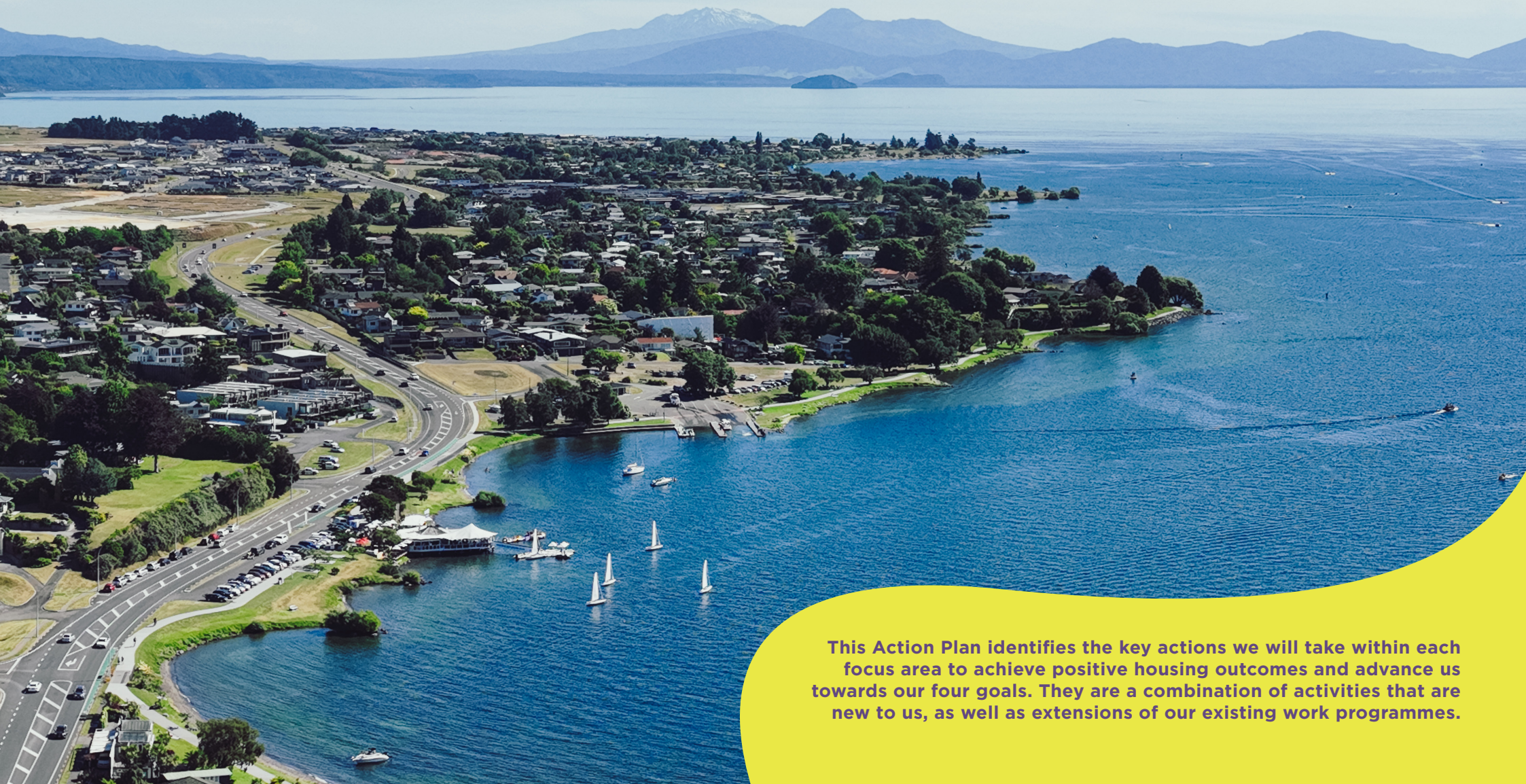
▶ GOAL 4

OUR HOUSING CONTRIBUTES TO CONNECTED AND INTEGRATED COMMUNITIES

Outcomes we want to see:

- Housing supports connected communities and better placemaking.
- Housing is appropriately located and supports the wellbeing of our communities.
- Affordable and social housing is not concentrated in one neighbourhood.
- Suitable infrastructure exists to keep up with the growth.
- Sufficient open space and community green space to support increasing residential density.

HOUSING ACTION PLAN



This Action Plan identifies the key actions we will take within each focus area to achieve positive housing outcomes and advance us towards our four goals. They are a combination of activities that are new to us, as well as extensions of our existing work programmes.

FOCUS AREA 1

FACILITATING AFFORDABLE HOUSING - TO RENT AND TO BUY

These actions focus on increasing the supply of affordable housing options to rent and to buy, to meet current and future demand. Due to the large number of actions in Focus Area 1 we have split the work programme into short, medium, and long term delivery based around Long-term Plan timeframes.

▶ ACTIONS

SHORT TERM

COUNCIL OWNED LAND / COUNCIL PORTFOLIO OF HOUSING

- Develop a business case for Long-term Plan 2024-34 to investigate options to facilitate delivery of affordable housing within the East Urban Lands (EUL).

DISTRICT PLAN

- Undertake changes to the District Plan in parallel with National Policy Statement – Urban Development and investigate how the District Plan can best achieve the outcomes identified in this strategy. This will include investigating areas suitable for housing intensification and the use of other planning mechanisms that can influence housing affordability.
- Develop urban design guidelines to achieve quality affordable housing developments, particularly within the EUL, with potential to incorporate this into the District Plan.

OTHER

- Investigate peer to peer accommodation provision across the district to better understand any impacts on housing and long-term rental supply, and options to manage any negative impacts.
- Upload a housing dashboard on the council's website to show up-

to-date housing data for the district.

- Maintain an ongoing relationship with the community, iwi and hapū to ensure there is a joined-up and supportive approach to housing in Tūrangi and Mangakino.

MEDIUM TERM

COUNCIL-OWNED LAND / COUNCIL PORTFOLIO OF HOUSING

- Make sure affordability is a key consideration in the release of EUL land to the market.
- Ensure council-owned land is released in a way that is responsive to market needs and promotes competition and choice in the market.
- Work closely with Kāinga Ora and community housing providers to facilitate the development of affordable and social housing across the district, including on council-owned land.

OTHER

- Work with developers, and seek voluntary agreements, to limit the constraint of covenants in private developments that unduly limit housing affordability and choice. This could be an agreed set of principles for covenants that will not restrict height, density, rentability, and further development of sites, such as through infill.
- Identify large vacant land parcels in the residential zone in Tūrangi and work with landowners to facilitate positive housing outcomes.

LONG TERM

COUNCIL-OWNED LAND / COUNCIL PORTFOLIO OF HOUSING

- Actively pursue opportunities to purchase land and/or redevelop housing in suitable locations to enable the delivery of affordable homes, affordable rental properties and housing for the elderly.
- Actively pursue opportunities in Tūrangi and Mangakino to purchase residential zone land and/or redevelop land or housing to enable the delivery of affordable homes, affordable rental properties, and housing for the elderly.

FOCUS AREAS 2 + 3

ENABLING THE DEVELOPMENT OF MAORI LAND AND PAKAKAINGA

The following actions aim to support and enable the development of Māori land and papakāinga across Taupō District.

▶ ACTIONS

REGULATORY

- Enhance staff capabilities and knowledge to effectively support iwi and hapū with regulatory advice about development of Māori land and papakāinga.
- Adopt changes to the District Plan to better provide for the development and operation of papakāinga.

OTHER

- Seek opportunities for collaboration and partnership with Māori, iwi, and hapū to improve housing outcomes across the district.



HOUSING FOR THE ELDERLY

These actions aim to ensure that older persons in the Taupō district have access to affordable, healthy, and appropriately located housing.

▶ ACTIONS

COUNCIL OWNED LAND / COUNCIL PORTFOLIO OF HOUSING

- Develop a business case for Long-term Plan 2024-34 to assess the various options for providing elderly housing in the district and develop an operating model for the preferred option.
- Advocate that central government extend the Income Related Rent Subsidy to Council-owned pensioner housing units.

DISTRICT PLAN

- Review the District Plan to ensure it accommodates elderly housing need. For example, through providing for minor household units (granny flats), intergenerational living, and a mix of density.



FOCUS AREAS 4 + 5

FACILITATING SOCIAL HOUSING

The following actions involve partnerships and advocacy, acknowledging that while Council plays an important part in the local housing ecosystem, many housing issues cannot solely be addressed through Council action. We will look more closely at the role and contributions of Council, Central Government, Iwi, as well as industry and community housing providers. Our intent is to explore how we can better work together to invest in outcomes that will resolve the housing challenges faced by our community.

► ACTIONS

PARTNERSHIPS & COLLABORATION

- Develop a collaborative relationship with the Ministry of Housing and Urban Development and Kāinga Ora, iwi, hapū, and community housing providers with a focus on better understanding and addressing the housing challenges facing the Taupō District, including:
 - » data sharing.
 - » identifying appropriate locations for social housing, with easy access to services.
 - » ensuring provision of wrap-around services for vulnerable people and people with complex needs.
 - » investigating alternative financial models that support home ownership, for example progressive home ownership schemes.

ADVOCACY

- Continue to advocate for Kāinga Ora and Ministry of Social Development to transition people out of motels and into more permanent housing solutions.

HEALTHY AND SUSTAINABLE HOMES

These actions include collaboration with our partners and education in the community to ensure both new and existing homes are accessible, warmer, drier, and more environmentally sustainable.

► ACTIONS

- Develop a webpage to inform the community about:
 - » council's role in the delivery of healthy home initiatives
 - » existing healthy home programmes in the district
 - » ways existing homeowners can do renovations to meet Healthy Homes Standards.
 - » ways to achieve environmental efficiency and sustainability when building new homes.
- Work with accessibility advisors and local disability groups to inform how Council can help improve the supply of accessible housing in the district.
- Develop a public information campaign about where to find information about retrofitting older houses and any access to funding to do so.

ACHIEVING OUR GOALS ISSUES AND OPPORTUNITIES



GOAL 1

MORE AVAILABILITY AND CHOICE OF HOUSING

As our population grows, we need to work together to ensure growth is well-planned for and we have enough housing to meet the needs of our population. We also need to ensure we have enough secure long-term affordable rentals. To achieve this goal, key housing stakeholders will need to work in coordination and/or partnership to achieve more availability and choice of housing and more affordable homes.

► CURRENT ISSUES

COUNCIL-OWNED LAND / COUNCIL PORTFOLIO OF HOUSING

In a well-functioning housing market, prospective home buyers or renters have access to a wide range of housing types and sizes and a choice of pricing and locations.

New house builds in the district tend to be large three to four bedroom houses, with fewer one or two bedroom houses being built. This has created a mismatch between what has been built and what some residents need, particularly individuals and families on low and median incomes and people with specific needs.

The number of properties available for long-term rent in the Taupō District has also declined over the past two years with landlords opting to either sell their property while market prices are high or put it on short-term letting platforms.

The lack of a wide range in housing choice has forced some people to:

- Buy a substandard house that does not meet healthy homes standards, with a harmful impact on their health and wellbeing.
- Buy or rent a smaller house and live in overcrowded conditions, which also has an adverse impact on health and wellbeing.
- Be forced into social housing or require emergency housing support.

- Buy a more affordable house outside the main urban areas but have to contend with a longer and more expensive commute to access education and job opportunities and shorter leisure and family time. Over time, this will result in urban sprawl and disconnected communities.
- Move away from Taupō with collateral negative impacts on the wider community and the local economy.

PRICE AND AFFORDABILITY

There are several factors that determine house prices such as supply and demand, availability and location of land, and economic factors such as interest rates and inflation. These and other factors can interact and vary depending on local and global market conditions.

Housing affordability is determined by the relationship between housing costs and household income. When housing costs, such as rent or mortgage payments, consume a large portion of a household's income, it is considered unaffordable.

Growth in house prices across the Taupō District has put the prospect of owning a home out of reach for many. The price of a median three-bedroom home is over 10 times the median household income, and it takes a median income household about seven years to save a 20 percent deposit on that home.

During this time, household costs have also significantly increased, while household incomes have stayed relatively unchanged. This means housing has become less affordable.

Housing affordability does change over time, however our data shows that housing affordability is getting worse in the Taupō district and intervention in the market is necessary.

RENTAL PROPERTIES

There is a shortage of rental housing across the district. This is due to a variety of factors including rising property prices, high construction costs, population growth, an increase in short-term letting demand, and changes to government policies that make it less profitable or appealing for landlords to rent out their properties.

GOAL 1 (CONT.)

Signs of stress within this market include rents beginning to rise faster than incomes and declining turnover of tenancies because tenants are afraid of moving out and not finding another suitable home. Variable housing quality is also a challenge in the rental property market.

While many residents are likely to have experienced pressure related to limited rental choice, quality or affordability, the impact of this is particularly felt by the most vulnerable in our community, who have fewer options available.

HOLIDAY HOMES, INVESTMENT PROPERTIES, AND SHORT-TERM LETTING

As a holiday destination, the district has many non-resident owners of second homes and investment properties. A lot of these homes are listed on short-term letting platforms like Airbnb and Bookabach. While this provides benefits to our community it also reduces the supply of housing to the market.

Short-term letting also contributes to the current rental shortage, with some investment property owners preferring to rent out their properties to short-term guests at higher rates rather than have long-term tenants. This shortage also results in higher rents, which makes it difficult to find affordable rental homes.

With volatility in the housing market and a return of international tourists, there is a risk more investment property owners will take their homes out of the long-term rental market and list on short-term letting platforms.

SOCIAL HOUSING

Social housing is subsidised rental housing for people who are on the lowest incomes, unable to pay private market rates and unlikely to be able to own their home; or people who are vulnerable and/or have special needs. The government provides subsidised rental housing through state-owned housing managed by Kāinga Ora and through community housing organisations such as churches, iwi and housing trusts. Council provides some housing for the elderly units across the district, which is also a form of social housing.

The need for social housing, particularly in the wake of Covid-19, far

outpaces supply. This demand is generated by a shortage of affordable housing driving up house prices and rents. Household costs such as rent, electricity, petrol, and food, have also increased rapidly in the last few years. This has led to massive housing stress in New Zealand. People on low incomes are most affected by rising housing costs and many seek help by registering for a social house.

The number of applicants on the Housing Register in the Taupō region has increased by 850 percent in the last five years, compared to 452 percent nationally. Given that many individuals opt not to register, this may not accurately reflect the actual need.

Unfortunately, due to the shortage of public housing some individuals and families are currently living in emergency accommodation, such as motel units. While this is supposed to be a temporary measure, people are being housed there for months at a time. It is challenging to determine the precise number of Taupō district residents living in emergency housing given people are being relocated into areas where there are vacancies for emergency accommodation.

Housing people in motels is not a long-term solution that we want to see in our district. We need our motels to support our thriving tourism sector. We also have concerns that wrap around social services essential for the wellbeing of social housing tenants are not being provided to some of these tenants.

COMMUNITY HOUSING PROVIDERS

The Taupō District does not currently have an active community housing provider (CHP) building homes or managing social housing in the district. Councils are unable to become a CHP and council tenants cannot access income related rent subsidies (IRRS), even though eligibility to receive the subsidy exists for both for-profit and not-for-profit organisations, and even international firms.

DISCONNECT BETWEEN NEW BUILDS AND COMMUNITY NEED

There is a disconnect between market supply and what is needed now and for future residents. Few rental properties, one- and two-bedroom homes, and affordable homes are being built. There are also few home

GOAL 1 (CONT.)

builders who cater to multi-generational families and only a handful of developers in New Zealand who build affordable housing developments.

► OPPORTUNITIES

COUNCIL-OWNED LAND - LAND RELEASE

Taupō District Council is the owner of the largest block of undeveloped residential land in the district - the East Urban Land (EUL) - which has space for at least 1,600 homes. In some cases, Council will sell blocks of this land to developers to stimulate housing supply. In other cases, Council will investigate options to achieve the outcomes of this strategy, such as developing the land.

Council has developed a Land Release Plan that sets out the road map for the EUL block, identifying where and when we will be providing some of the land Taupō needs to grow. The exact timing of land releases may need to adjust depending on local market conditions. In some circumstances, such as high population growth, we may have to bring forward land releases, or we may need to delay them if the economy doesn't develop in the way we expect. Irrespective of any changes to the timings, we will release land as we've set out in this plan, to help ensure we have the types of houses we need at prices we can all afford.

COUNCIL OWNED LAND - AFFORDABLE HOUSING

Land costs are one of the limiting factors in affordable housing development. The EUL provides Council with an opportunity to help deliver entry-level and affordable housing in Taupō.

There are a number of mechanisms for how this can be achieved, ranging from Council retaining land ownership through to selling land to a housing developer or a CHP at a discounted rate. Other matters that will need to be considered to achieve affordable house prices include options for housing densities, types and sizes, mechanisms for home tenure (ownership or rent), and infrastructure provision.

Council will work collaboratively with iwi, developers, and other organisations to ensure we achieve a balanced and sustainable approach to facilitating the delivery of affordable housing.

PROGRESSIVE HOME OWNERSHIP

Progressive Home Ownership (PHO) is a facilitated approach to home ownership aimed at low and median income households into home ownership, for whom purchasing a home at current market prices remains unaffordable.

PHO falls along the continuum of pure rental and traditional home ownership and includes alternative home ownership and tenure options such as:

- Shared ownership - eligible households buy a home in partnership with an approved provider, and over time work to reach independent ownership by buying back the provider's share of the property.
- Rent to buy - eligible households are provided with a secure tenure - usually five years - alongside an agreed-upon savings plan and other financial and pastoral support, enabling them to work toward purchasing the house they have been renting at the end of the rental term.
- Leasehold - eligible households purchase a leasehold property from an approved provider, servicing a reduced mortgage and paying a modest ground rent, with a right to occupy for long-term - typically a 100-year lease.

ALTERNATIVE HOUSING PROVIDERS

An alternative housing provider delivers housing projects via an alternative approach to the standard market-led, for-profit model of housing delivery. Examples include community housing, papakāinga housing, co-housing and alternative tenure models such as community land trusts, rent to own and shared equity schemes.

Council will investigate opportunities to support these types of housing models in the district, including partnership opportunities to deliver housing on Council-owned land.

COMMUNITY HOUSING PROVIDER (CHP)

The Taupō District does not currently have an active CHP in the district, and this is something that we want to rectify. A CHP would provide an alternative to social housing provided by Kāinga Ora and Council

GOAL 1 (CONT.)

and offer alternative housing models such as those discussed above. A CHP can manage affordable rental properties and provide wrap around social services to social housing tenants. CHPs are able to generate full market rental revenues from their housing because they can access the government's IRRS scheme. In addition, CHPs can often operate more flexibly than councils can, by leveraging their assets to develop additional housing.

SPATIAL PLANNING & DISTRICT PLAN

The Taupō District 2050 - Growth Management Strategy outlines where Council prefers future urban growth to occur and the nature and scale of such growth. This document is updated every 10 years to include latest population statistics and growth projections. Spatial planning is another tool we use to manage growth and development. These provide an opportunity to look in greater detail at growth issues and development opportunities around the district. We will continue to use these planning instruments to make sure we have integrated and connected communities with suitable housing options and appropriate infrastructure.

The District Plan is the tool we use to enable development opportunities identified through the growth strategy and spatial plans. This includes zoning provisions, housing densities, and a range of housing sizes. Through the District Plan review process, Council will look at ways we can support strategy outcomes by enabling a range of housing choices, including intensifying our urban areas where it makes sense to do so.

We will also look at the use of tools such as inclusionary zoning. This requires the developer to contribute a minimum proportion of affordable housing in future developments or pay an 'affordable housing financial contribution'.

HOLIDAY HOMES AND SHORT-TERM LETTING

We need to better understand the impact holiday homes and short-term letting properties have on housing and rental supply, as well what role short-term letting plays in the district for events and tourism. We will use the District Plan review as an opportunity to undertake further investigation.



GOAL 2

HOMES ARE WARM, HEALTHY, AND SUSTAINABLE

Good quality, warm, and well-built homes are a vital element to ensure our residents can live well and contribute positively to the community. High-performing homes promote health, economic efficiency, environmental wellbeing, and can reduce demand for infrastructure and services and increase resilience. Healthy homes also support the climate and help to address the district's carbon footprint.

This goal is strongly linked to our 'Leadership Through Partnership and Advocacy' principle due to the need for collaboration with our partners and education in the community. This goal also supports the National Policy Statement on Urban Development directive that councils support reductions in greenhouse gas emissions and ensure urban environments are resilient to the likely current and future effects of climate change.

► CURRENT ISSUES

POOR QUALITY HOUSES

There are a number of homes in the Taupō District, particularly rental properties, that do not meet healthy homes standards. The cost of renovating these properties, such as adding insulation, double glazing, and a heat pump, is substantial. Financial assistance is likely to be required to enable low-median income homeowners to bring their home up to standard.

New constructions and rental properties are required by law to meet the minimum building code requirements, which is aligned with the current healthy home standards. However, meeting these requirements involves more construction material and labour, which increases house prices and reduces affordability.

OVERCROWDING

Census 2018 data showed that 4 percent of the district's households

are overcrowded. This is lower than the New Zealand average of 5.7 percent but it still places the Taupō District mid-range compared with other districts.

Crowding is caused when the homes that people live in are too small to accommodate the number of people in a household. The Stats NZ measure calculates the number of bedrooms needed based on the demographic composition of the household. It presumes that there should be no more than two people to a bedroom, but that couples and children of certain ages can share a bedroom. Nationally, about a quarter of tamariki and rangatahi (children and young people) lived in a crowded home. The data showed that larger and more complex households, particularly multi-family households, were the most likely to be crowded.

Crowding is stressful to health and wellbeing and causes adverse health outcomes such as infectious disease, respiratory illnesses and mental health problems.

SUSTAINABILITY AND CLIMATE CHANGE

Emissions reduction targets set by government are essential to work towards. Making better decisions locally about how we build and live in our homes is critical and the ways that homes are built and remodelled, and how they are heated, are all areas in which both collective and direct individual action can make a difference. Creating efficient, sustainably-built homes to last makes environmental, health, and economic sense.

ENERGY EFFICIENCY

The ability for households to heat their homes is variable, and the biggest driver is affordability of heating. The 2018 Stocktake of New Zealand's Housing report found that:

- only about two-thirds of New Zealand houses are even partially insulated, which makes the remainder cold, less energy efficient and more costly to heat in winter.
- 5 percent of New Zealand households did not usually heat living areas at all and almost half did not usually heat any occupied bedrooms.

GOAL 2 (CONT.)

- Owner-occupied households had access to more cost-effective heating compared to renting households.

A Statistics New Zealand Report on Energy Hardship showed that up to a third of New Zealand households struggled to afford their power bills, spent a large part of their income on power, or often felt cold. Again, renters were more likely to experience hardship, with 44 percent of renting households reporting at least one energy hardship indicator compared with 22 percent of households who owned their own home.

► OPPORTUNITIES

Opportunities in this space include collaboration with our partners to see where we can complement existing activities, and education

in the community. We will also develop a business case that outlines council's role in the delivery of healthy home initiatives and ways we can support existing homeowners with repair work to meet the healthy homes standards.

Further investigations will look at options to support environmental efficiency and sustainability when building new homes, for example introducing fee waivers on building consents for solar and retrofit insulation.

The next step in Council's Climate Change work is an Adaptation Plan. This plan will look at ways we can ensure homes and buildings are climate resilient, and that new and existing developments are planned and managed to minimise risks to communities from climate change.



GOAL 3

OUR HOMES MEET THE DIVERSE NEEDS OF OUR COMMUNITIES

To ensure our residents are well housed it's crucial we understand and respond to the needs of our various communities and demographic groups. We want to see future housing developments providing a variety of homes of different types and sizes to meet the needs of different households and cultures that live in our district. We also want to encourage builders to think about accessibility requirements and universal design elements, and options that provide for multi-generational living.

We also want to support iwi and hapū in their work to achieve their housing aspirations in our district.

► CURRENT ISSUES

HOUSING FOR OLDER PERSONS - SUPPLY AND DEMAND

There is a shortage of supported housing for older people and a lack of providers, with Council and Tūwharetoa the only two providers in the Taupō District. More than 120 people are on the council's waiting list for a supported pensioner unit. Demand is predicted to increase with a rapidly growing number of renters reaching retirement age who don't have the capital to access retirement villages and lack adequate housing options.

COUNCIL HOUSING FOR THE ELDERLY

Taupō District Council owns pensioner units in Taupō town, Tūrangi and Mangakino. These rental properties are for older persons (60 years and over) who are on a benefit and have assets under a specified amount. While the stock is well-maintained, many of the units are outdated or not fit for purpose. Substantive refurbishment and investment are required to make them more suitable and bring them up to standard. Some complexes are also old-fashioned in design and do not effectively

and efficiently use the site.

Another issue is that councils are unable to become a Community Housing Provider and therefore offer tenants income related rent subsidies (IRRS), even though councils are one of the biggest providers of social housing in New Zealand.

The Residential Tenancies Amendment Act 2020 also removed the ability of councils to end the tenancies of those whose income may have increased beyond the qualifying threshold. Being able to end tenancies on such grounds is essential to free up accommodation for those in greatest need.

HOUSING FOR MĀORI / HAPŪ / IWI

Data shows that in the Taupō District Māori are significantly worse off in finding a healthy and affordable home for their whānau compared to other ethnicities. Overcrowding and higher exposure to dampness and mould are issues that need to be prioritised by Council and other housing agencies and organisations.

In addition, there can be many financial and regulatory obstacles to overcome that prevent iwi and hapū from achieving their housing aspirations. This includes constraints from the partitioning of land and collective decision-making, land banking lending practices aligned to Pākehā models of land title, and access to appropriate expertise on statutory processes and planning compliance.

In 2011, the Office of the Auditor General New Zealand published a report entitled *Government planning and support for housing on Māori land - Ngā whakatakotoranga kaupapa me te tautoko a te Kāwanatanga ki te hanga whare i runga i te whenua Māori*. The report considered how effectively the government supported Māori seeking to build housing on multiple-owned Māori land. There were two key recommendations for local government:

1. that local authorities build appropriate flexibility into their district plans to allow housing to be built on Māori land.
2. that local authorities identify and work with landowners who have particularly suitable land blocks and who want to build housing on Māori land.

GOAL 3 (CONT.)

There is further discussion about the development of Māori land and papakāinga in our Supporting Information document.

ACCESSIBILITY AND UNIVERSAL DESIGN

The Human Rights Commission’s “Right to a Decent Home” inquiry found that one in six people with a physical impairment have unmet housing modification needs. With New Zealand’s population aged 65 and over expected to increase from 793,000 in 2020 to almost 2 million people in 2073, universal design and accessible housing are important issues to tackle. In Taupō the number of households with people who are aged 65 years or older is expected to increase by 72 percent in the next 20 years.

Universal design supports people to age in place, instead of having to move when they can no longer navigate the stairs or narrow hallways. A review by the United Nations Committee on the Rights of Persons with Disabilities recommends a target of 100 percent accessibility for new build public housing and mandatory accessibility requirements for new housing constructed by the private sector.

OPPORTUNITIES

PLANNING INSTRUMENTS

As part of the District Plan review process, Council will identify those areas suitable for housing intensification and investigate other planning mechanisms that can be used to achieve the outcomes identified in this strategy. Having different housing density options will allow a mix of housing typologies to be built, which in turn provides more housing choice and price-points in the market.

PAPAKĀINGA & DEVELOPMENT OF MĀORI LAND

The development of Māori land and papakāinga is a focus area of this strategy. A recent review of the District Plan included updating the papakāinga provisions. These changes recognised that the design, size, and layout of papakāinga development should continue to be guided by the history and iwi, hapū or whanau relationship with the land.

Council is also working with iwi and hapū across the district to

better understand their housing aspirations and to see where we can provide support. This support includes guiding iwi and hapū through the planning and regulatory process and working collaboratively on solutions for infrastructure and growth issues.

HOUSING FOR THE ELDERLY

As part of the next Long-term Plan, Council will develop a business case to assess the various options to provide rental housing for older persons and improve outcomes for tenants. As part of this, Council will consider its ability and willingness to contribute resourcing and funding, directly or indirectly, in the redevelopment and building of rental housing stock for older persons. Council will also look at opportunities that give residents access to IRRS, such as facilitating a process for a CHP to own or manage the units.

Through this review, we want to make sure we get the best outcomes for tenants and that quality, affordable, and appropriately located housing options are available for Taupō District’s vulnerable older people.

COUNCIL OWNED LAND - AFFORDABLE RENTAL PROPERTIES

Council will work collaboratively with iwi, developers, and other organisations to facilitate the delivery of affordable housing and affordable rental properties on the EUL.

UNIVERSAL DESIGN

Council will support the local disability and older persons advocacy groups in discussions with local developers and central government agencies to ensure that universal design and accessibility are considered in new housing developments, particularly social housing developments.

GOAL 4

WE HAVE CONNECTED AND INTEGRATED COMMUNITIES.

Housing is key to enabling connections and social inclusion within and across communities. Enabling the right social infrastructure and ensuring communities are developed in a way that encourages these connections between people, places, urban form, and nature is essential to developing sustainable, resilient, and connected communities

The Council is required to give effect to the National Policy Statement on Urban Development (NPS UD), which requires us to plan well for growth and ensure well-functioning urban environments that meet the changing needs of our diverse communities. This means enabling the right social infrastructure and ensuring communities are developed in a way that encourages these connections between people, places, and nature is essential to developing sustainable, resilient, and connected communities. It also means that continuing to enable supply through both intensification and thoughtful expansion in areas with appropriate infrastructure and transport connections is essential.

► CURRENT ISSUES

LOCATION AND INFRASTRUCTURE

New housing developments can have accessibility and connectivity issues if they are not within easy reach of amenities including medical clinics, shopping centres, sports facilities, parks, and schools. Supporting infrastructure, such as roads, wastewater, stormwater, and flood management is also integral to housing development. Currently we face some issues with our infrastructure services and connections that support the northern side of the Taupō township.

SOCIAL AND AFFORDABLE HOUSING

Besides ensuring there is enough diverse housing stock to cater for all in our community, we also need to ensure that community or social housing (such as housing for the elderly) and affordable housing are located in the right place so that vulnerable tenants and people with accessibility issues can easily access key services, public transport, and shops.

In well-balanced and integrated communities vulnerable households are better supported and less marginalised compared to those living in concentrated social housing complexes. More diverse neighbourhoods are also more conducive to better placemaking and improve the wellbeing of the community.

OPEN SPACE

Open spaces (parks, reserves, green space, and community gardens) play a crucial role in residential areas, especially when there is housing intensification. Open spaces provide opportunities for physical activity and exercise, which has both physical and mental health benefits for residents. They provide a place for people to gather, play, and relax, fostering positive social interaction. Green space, gardens, and trees, also provide habitats for wildlife, promote biodiversity, and play an essential role in reducing air pollution.

► OPPORTUNITIES

INFRASTRUCTURE PLANNING

Through our growth planning and District Plan development we must be forward thinking and understand how we want the district to grow into the future and where it should grow. This ensures we have the necessary supporting infrastructure to enable development in the right areas at the right time. It also ensures that we create connected communities with the right social infrastructure in place.

Our infrastructure and financial strategies set out our approach to managing and funding the district's core infrastructure services (transport, stormwater, water supply, and wastewater) for the next 30 years. Our Long-term Plan process gives us the opportunity to update these strategies and ensure growth is well-planned for.

GOAL 4 (CONT.)

AFFORDABLE AND SOCIAL HOUSING

For future development on the East Urban Lands and across our district, we want to ensure that we don't create slums by concentrating social or affordable housing in one neighbourhood. We will encourage a "pepper-pot" approach where this housing is dispersed and indistinguishable from the market housing in that neighbourhood.

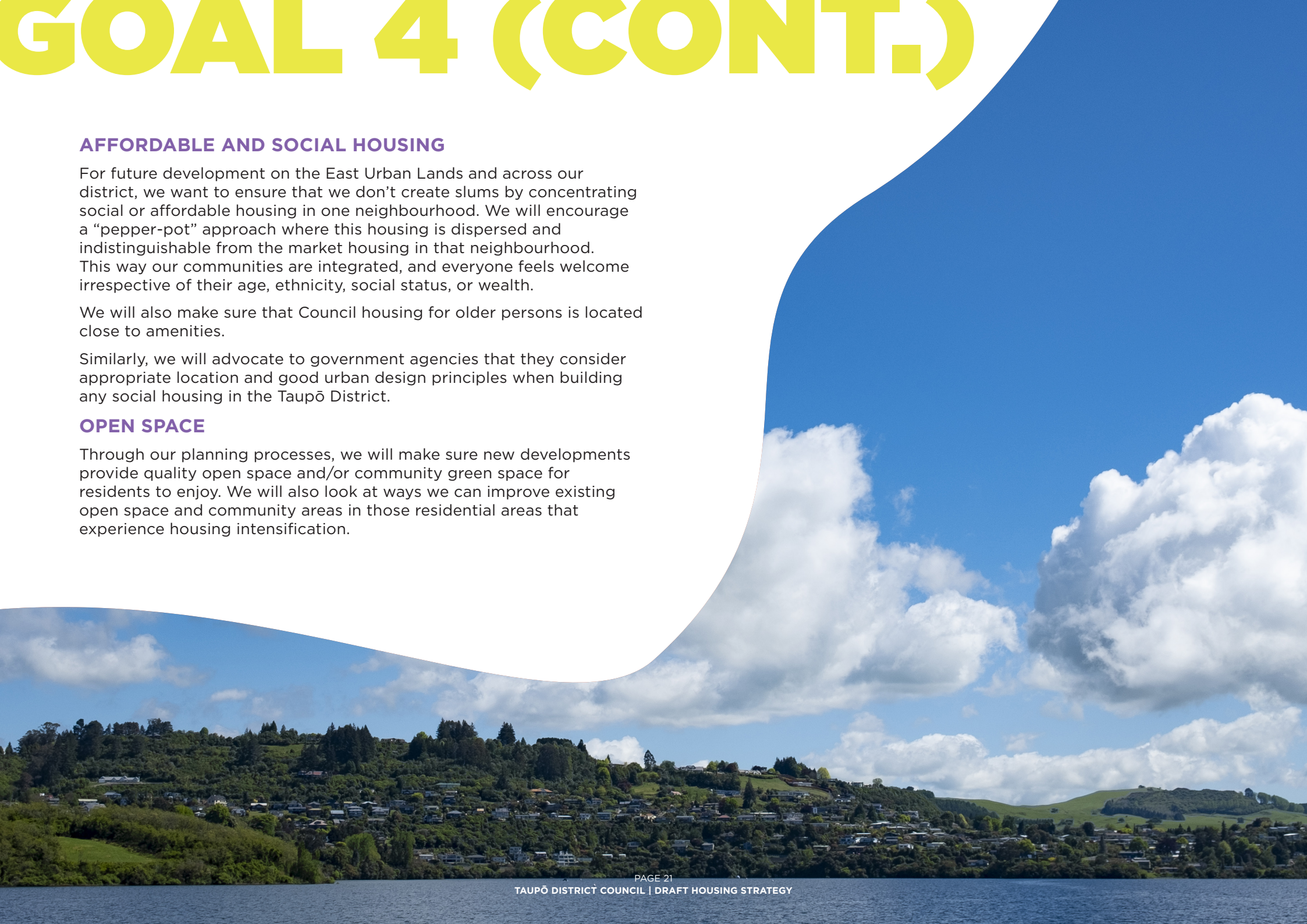
This way our communities are integrated, and everyone feels welcome irrespective of their age, ethnicity, social status, or wealth.

We will also make sure that Council housing for older persons is located close to amenities.

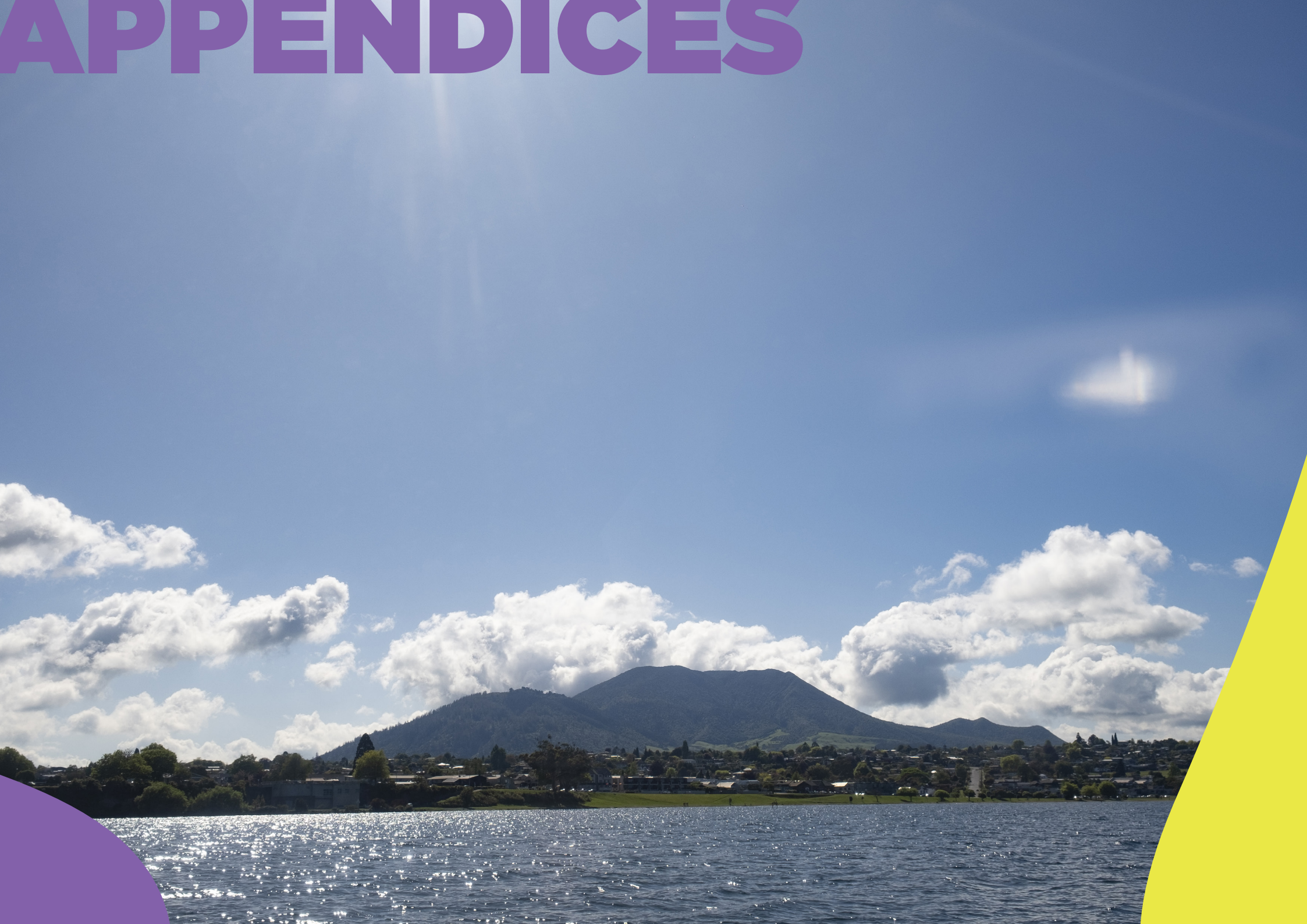
Similarly, we will advocate to government agencies that they consider appropriate location and good urban design principles when building any social housing in the Taupō District.

OPEN SPACE

Through our planning processes, we will make sure new developments provide quality open space and/or community green space for residents to enjoy. We will also look at ways we can improve existing open space and community areas in those residential areas that experience housing intensification.



APPENDICES



APPENDIX 1

GLOSSARY

Affordable housing is usually targeted at low to middle income households. Affordable housing could be a subsidised rental or a home to purchase. Affordable homes may be built at higher densities with smaller floor areas and efficient layouts to maximise space utilisation.

Community housing providers (CHPs) provide an alternative to the social housing provided by Kāinga Ora and local authority housing. Typically CHPs are not-for-profit groups meeting housing need through a range of affordable rental and home ownership options. CHPs need to register to the Community Housing Regulatory Authority, which is part of the Ministry of Housing and Urban Development (HUD).

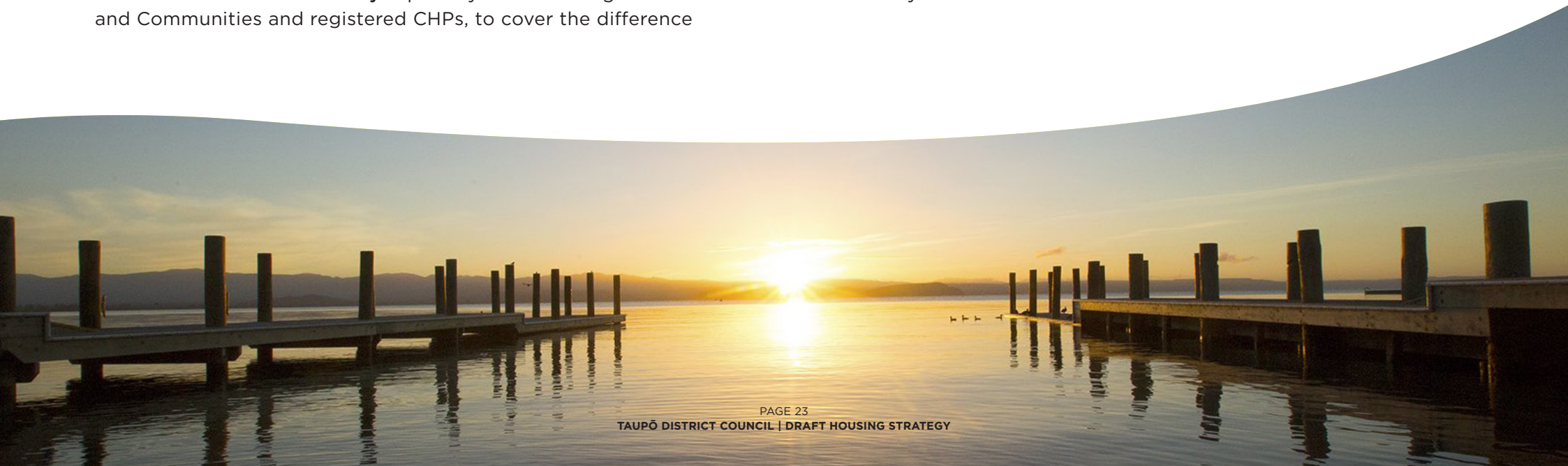
Income Related Rent Subsidy is paid by HUD to Kāinga Ora - Homes and Communities and registered CHPs, to cover the difference

between rent paid by their public housing tenants and the market rent for the property.

Social housing is subsidised rental housing for people who are on the lowest incomes, unable to pay private market rates and unlikely to be able to own their home; or people who are vulnerable and / or have special needs.

Papakāinga refers to any dwelling or dwellings and associated social (including health), cultural and economic activities on Māori land which is owned by the whanau, hapū or iwi, that enables the occupation of that land by members of the same whanau, hapū or iwi.

- Māori land is within the meaning of Section 129 (1) (a, b or c) of the Te Ture Whenua Māori Land Act 1993, and
- Is consistent with any licence to occupy Māori land that has been issued by the Māori Land Court.



APPENDIX 2

UNDERSTANDING HOUSING ROLES ACROSS CENTRAL AND LOCAL GOVERNMENT

THE ROLE OF CENTRAL GOVERNMENT

The housing challenge cannot solely be addressed through local action. Central government has a formal role in setting policy which impacts housing affordability, building quality, and enables change in the community housing and development sectors. It also sets policy that influences market behaviour such as taxation, healthy homes standards, and tenancy regulations.

The Government also plays a critical role building and managing public housing to support those in our community who cannot afford market rentals or to purchase their own home.

Identifying and creating opportunities for strategic alignment and partnerships with central government will maximise the housing outcomes that can be achieved in the district.

Key central government agencies relevant to housing, and their role, are described below.

MINISTRY FOR HOUSING AND URBAN DEVELOPMENT

The Ministry of Housing and Urban Development (MHUD) is the policy arm for the government in urban planning, housing development, delivery, and public housing. MHUD administers the Government Policy Statement on Housing and Urban Development (GPS-HUD), which outlines the Government's direction and priorities to inform and guide decisions and actions of agencies involved in housing and urban development. It was developed alongside MAIHI Ka Ora – the national Māori housing strategy. Supporting implementation tools include the National Policy Statement on Urban Development.

MHUD is also responsible for administering the income related rent subsidy (IRRS), which is paid to Kāinga Ora and registered Community Housing Providers (CHPs), and contracts providers who offer emergency and transitional housing.

KĀINGA ORA

Kāinga Ora is the government's primary housing and urban development delivery arm, focused on providing and maintaining public housing for those most in need and initiating and facilitating the delivery of affordable homes at pace and scale. Kāinga Ora has several home ownership support options and also work with KiwiSaver to assist with home ownership. In 2019 KiwiBuild became part of Kāinga Ora. This scheme targets first home buyers.

MINISTRY OF SOCIAL DEVELOPMENT

The Ministry for Social Development (MSD) is the government's main social support delivery arm. MSD provides a variety of community services targeting people who need assistance finding work, accessing government funds for superannuation, student loans, and social housing assistance, and provides funds to community service providers.

MINISTRY FOR THE ENVIRONMENT

The Ministry for the Environment (MfE) is the primary advisor to the government on the environment. MfE is the lead agency undertaking the evaluation of New Zealand's approach to environmental management and how we use and develop houses and our land.

APPENDIX 2 (CONT.)

THE ROLE OF TAUPŌ DISTRICT COUNCIL

The Council has a number of important roles in planning for future housing through:

- Ensuring there is enough land zoned (supply) for residential development.
- Promoting future development that is not vulnerable to natural hazards.
- Enabling the intensification of our urban areas to support affordability, connected communities, and long-term emissions reduction.
- Enabling a range of housing options that can support affordability outcomes.
- Providing infrastructure, reserves and community facilities in a timely manner to support residential development in multiple locations.

While many other councils have sold off their social housing assets, we retained our social housing portfolio of older persons' housing units in Taupō, Tūrangi and Mangakino. We would like to see this stock increased over time to meet a growing demand.

We also hold a substantial amount of land on the eastern edge of Taupō town known as the East Urban Lands (EUL). It sits between the existing residential area and the East Taupō Arterial. It was purchased many years ago to provide land for the East Taupō Arterial to be built, with the intention that the gradual sale of the land would help pay off the Council's debt. Some of that land has already been developed directly by Council for housing, while other parts have been sold to developers to encourage a mix of housing providers. We expect to keep developing this land, however we want to ensure that in the future it includes more affordable rental and owner-occupied housing.

LEGISLATIVE RESPONSIBILITIES

There are legislative requirements that Council must meet, driven through the:

- Resource Management Act 1991
- Local Government Act 2002
- Building Act 2004
- National Policy Statement on Urban Development.

ACTING TO PROMOTE COMMUNITY WELLBEING

The Local Government Act 2002 directs local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

2021-31 LONG TERM PLAN COMMITMENT

Through our Long-term Plan 2021-31 consultation process, the community told us they want Council to take a larger role in housing. As part of our commitment to take more of a role, developing a housing strategy and delivering better outcomes to address housing issues became one of Council's 12 strategic priorities.

FACILITATOR/CONNECTOR/ADVOCATE

Finally, Council has a critical role as advocate, on behalf of the district, to central government. It also has a role in connecting the various agencies, local housing providers, iwi, investors and developers, to help facilitate improved housing outcomes in the region. This role could extend to bringing potential partners together to incentivise or encourage innovative solutions, or to support others to navigate the system.

APPENDIX 3

THE DIFFERENCE BETWEEN AFFORDABLE HOUSING & SOCIAL HOUSING

It is important to define what we mean by the terms affordable housing and social housing because there are a range of views about what is affordable for different groups, and what is considered social housing.

SOCIAL HOUSING

Social housing is subsidised rental housing for people who are on the lowest incomes, unable to pay private market rates and unlikely to be able to own their home; or people who are vulnerable and/or have special needs.

The government provides subsidised rental housing through state-owned housing managed by Kāinga Ora and through community housing organisations such as churches, iwi and housing trusts.

Council provides some housing for the elderly units across the district, which is also a form of social housing.

AFFORDABLE HOUSING

New Zealand has no legislative or regulatory definition of affordable housing, but the term is generally used to refer to low-to-moderate income households requiring some form of assistance, generally in the form of a subsidy or an intervention. Affordable housing is usually targeted at people who are not eligible for social housing, but who still need assistance to either secure home ownership or a long-term rental in the market.

Candidates for affordable housing will generally have sufficient

income to service a mortgage and save for a deposit on a subsidised property but cannot afford to purchase a market-priced home. This form of housing is important to support our workforce, with many households, who contribute to the social and economic wellbeing of this district, genuinely struggling to commit to the area because of the housing affordability issue.

KiwiBuild, established by the Government in 2018, is a good example of an affordable homes scheme. To be eligible for a Kiwibuild home, individual income must be no more than \$120,000 or \$200,000 for those buying a home with two or more people. KiwiBuild homes are price capped according to house prices in a region.

Council's current approach is that affordable housing will fall within a range that is four to five times the average household income for the Taupō District.





GREAT LAKE TAUPŌ
Taupō District Council