



Whakatāne-Kawerau
SPATIAL PLAN
FOUNDATION PAPER
Housing and Land

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1 Purpose of the Spatial Plan

Recent population growth in Whakatāne and Kawerau Districts was unexpected, with Statistics New Zealand forecasts prior to 2013 forecasting that the population in both Districts would decline. Instead, since 2016 the opposite has happened with both Districts experiencing population growth at a higher rate than many other locations in New Zealand.

In 2020, the Government released the National Policy Statement – Urban Development (NPS-UD) which requires all Tier 1, 2 and 3 territorial authorities¹ to provide sufficient development capacity to meet expected demand for housing in the short (1-3 years), medium (3-10 years) and long (11-30 years) term. Recent analysis in Whakatāne and Kawerau shows there is sufficient land (infrastructure ready and plan-enabled) to meet population growth predictions in the short to medium term, but not in the long term.

The purpose of the Spatial Plan is to identify:

- how much land will be required for housing development over the next thirty years
- where housing development will take place
- the types of housing that will be delivered
- the infrastructure (transport, three waters, community, lifelines) requirements for the development that is proposed.

Five *Foundation Papers* have been prepared to set the scene for the Whakatāne Kawerau Spatial Plan. They have two purposes: to describe the current state; and to identify challenges facing the two Councils as they seek to provide sufficient land for the forecast levels of future growth. Each paper focuses on a different aspect of the current situation in the two Districts including:

- People and community
- Housing and Land
- Economy and jobs
- Infrastructure
- Natural Environment.

The Foundation Papers provide in-depth analysis of the status quo in both Districts. Together they form the starting point for understanding the needs of our communities now and going into the future. The Foundation papers also provides data that will be used to develop a business case(s) seeking support for and investment in the infrastructure and services required to enable the future development to occur.

¹ Whakatāne District is a Tier 3 Council.

2 Partnership with Tangata Whenua

Approximately half of the population in the Whakatāne and Kawerau Districts identify as Māori. Affiliated to the seven iwi of the two Districts (Ngāti Awa, Ngāi Tūhoe, Ngāti Rangitihi, Tūwharetoa ki Kawerau, Ngāti Manawa, Ngāti Whare and Ngāti Makino) are over 80 hapū and 69 marae.

The cultural landscape within the Whakatāne and Kawerau Districts is complex, with seven recognised iwi - Ngāti Awa, Ngāi Tūhoe, Ngāti Rangitihi, Ngāti Manawa, Ngāti Whare, Tūwharetoa ki Kawerau and Ngāti Mākinō – and many more hapū. Many iwi have rohe that overlap with each other. All iwi have settled treaty claims with the Crown, providing redress for Treaty breaches.

Preparing the five foundation papers has been a collaborative project undertaken jointly by Whakatāne District Council, Kawerau District Council and the Bay of Plenty Regional Council. The purpose of the Foundation papers was to collate and gather publicly available information and data in order to provide a ‘snapshot in time’ of life in Whakatāne and Kawerau from a range of perspectives.

The Councils recognise the importance of incorporating Mātauranga Māori values and principles into development of the Spatial Plan. Developing partnerships with local iwi and hapū will be intrinsic to the success of the Strategy going forwards. Planning for growth needs to provide options for co-design, co-management and co-governance.

3 Key Findings – Housing and Land

3.1 Current Dwelling stock

The current dwelling stock in Whakatāne and Kawerau Districts consists almost entirely (89%) of traditional single level standalone houses with a small number of attached dwellings and some apartments. In terms of living space, 80% of dwellings have three or more bedrooms, while 16% have two bedrooms and 5% have one bedroom. Since 2006, the average number of bedrooms has remained static at 3.1 per dwelling. However, since 2013, there has been a decline in household sizes in Whakatāne and Kawerau where over half of all households are one person (25%) or two person (29%) households. This indicates that future developments will need to provide a mix of housing typologies with a stronger emphasis on smaller dwellings suitable for one to two person households.

Approximately 80% of the dwelling stock is over 30 years old, while 15% of all stock was built in the 1990s or 2000s and only 5% was constructed in the last decade. This means that the majority of housing stock was built to meet the needs of households in the past, which may be different from the needs of some households in today’s population.

3.2 Household tenure

Approximately two thirds of households in Whakatāne and Kawerau own, partially own or indirectly own (via a trust) the dwelling they live in. The remaining third of households rent, with 82% of those renting from private landlords, 14% renting from government housing providers and 2% renting from other community groups. In contrast, only 30% of Māori households live in their own houses, while 43% board or live in rental housing which is typically of poorer quality than owner-occupied housing, as shown in the 2015 BRANZ House Condition Survey² which included an interview and a follow-up visit by an independent assessor.

3.3 Household affordability

Dwelling prices within Whakatāne and Kawerau Districts have increased substantially over the last five years with the average price of a dwelling in Whakatāne nearly trebling from \$310,000 in 2015 to \$878,000 in January 2022. The growth in house prices has been more extreme in Kawerau with the average price of a dwelling nearly quadrupling from \$110,000 in 2015 to \$450,000 in December 2021. While this level of price inflation is unprecedented for the Districts, it has not been as severe as in many high growth areas in New Zealand. Within a wider New Zealand context, most dwellings sales prices within Whakatāne and Kawerau remain 'affordable' and are priced below Kiwibuild/HomeStart grant price caps (\$500,000). However, the affordability of dwellings for the local community has worsened significantly.

Nearly half (44%) of all households across both Districts have an income of less than \$50,000 per annum. This is a much higher percentage than for New Zealand overall where one third have incomes of less than \$50,000 (34%). Households with a total income of less than \$50,000 (44% of households in Whakatāne and Kawerau) are unlikely to be able to meet mortgage lending requirements and therefore unable to be able to purchase a dwelling³.

Weekly rents have also increased within Whakatāne and Kawerau Districts by \$85 per week over the last five years. Whakatāne average rents increased from \$278 per week in 2015 to \$363 per week in 2020, while the average rent in Kawerau increased from \$187 per week in 2015 to \$272 per week in 2020. The average rent in Whakatāne is approximately 25% less per week than the mortgage repayment on an average dwelling in Whakatāne District while Kawerau average rent is approximately 10% less per week than the mortgage repayment on an average dwelling in Kawerau District. Households earning less than \$50,000 per annum are also likely struggle to afford to pay rent⁴.

The high percentage of low-income households in both Districts means that a different mix of housing types is needed. Future developments will need to provide more intensive, affordable housing such as terraced housing, duplexes and townhouses as well as traditional standalone three or four bedroom dwellings.

² https://d39d3mj7qio96p.cloudfront.net/media/documents/SR370_2015_House_Condition_Survey.pdf Downloaded 22 April 2022.

³ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

⁴ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

3.4 Māori housing experiences

A recent survey⁵ of Māori in the Eastern Bay of Plenty found that on average, Māori have very different housing experiences than the general population. The report notes that:

- The average number of people living in a Māori household is 4.7.
- EBOP Māori homes are overcrowded and on average have 2 additional people than the general New Zealand population.
- On average, 2.2 generations live within a Māori household.
- The majority of Māori in the Eastern Bay of Plenty rent or board (43.2%).
- 30.3% of Māori in the Eastern Bay own their own home compared to 64.5% of the general population.
- 25.2% of Māori live with whānau, at the whānau homestead or on whanau land.
- 0.7% of Māori are in emergency housing.
- Māori are 13 times more likely than the general population to experience racism when trying to rent or buy a home.

3.5 Household Dwelling Demand Projections

Population growth in the two Districts is projected to continue at least at a medium/ high growth rate until 2033 and could continue at a high growth rate out to 2048⁶. The combined population of both Whakatāne and Kawerau Districts could reach almost 55,000 by 2048 (on a high growth trend). Modelling undertaken in 2020 suggested that a high growth dwelling demand projection based on Statistics New Zealand’s high growth forecast for Whakatāne of 3,900 households by 2050⁷ (Figure 1).

Figure 1: Whakatāne Dwelling Demand and Land Projections to 2050

	Short term (2020-2023)		Medium Term (2024-2030)		Long Term (2031-2050)		Total by 2050	
	Houses	Land (Ha)	Houses	Land (Ha)	Houses	Land (Ha)	Houses	Land (Ha)
Per Year	150	11	150	11	120	9	3,900	279
Total	450	32	1,050	75	2,400	171	3,900	279

Over three quarters of households are projected to want standalone dwellings, with demand estimated at 370 new standalone dwellings in the period 2020 to 2023 with a further 840 dwellings required in the remainder of the decade (2023-2030). Between 2030 and 2050 an additional 1,840 standalone dwellings are likely to be needed. The projection suggests that between now and 2050, approximately 100 new standalone

⁵ TIROHANGA ORANGA O MATAATUA: Māori in the Eastern Bay of Plenty Covid-19 survey report by Melanie Cheung, 2020

⁶ RCG Consultants (2020). Whakatāne Demand Assessment

⁷ RCG Consultants (2020). Whakatāne Demand Assessment

dwellings may be demanded per annum⁸. Altogether, approximately 3,900 additional dwellings will be required by 2050.

Demand for attached dwellings and apartments is forecast to grow from 18% in the short term to 23% in the long term. This means that approximately 30 new attached and apartments dwellings per annum will be required over the next three decades. This is more than double what the market has developed over the last five years.

3.6 Future residential land demand

Based on an assumed density of 14 homes per hectare, 279 hectares of land will be required in Whakatāne and Kawerau by 2050 to meet the forecast levels of population growth (see Figure 1 above)⁹. Recent analysis shows that Whakatāne District Council has approximately 49 hectares of land zoned residential or deferred residential currently available, while Kawerau District has 3 hectares. This means that across both Districts at a housing density of 14 houses per hectare, an additional **227 hectares** of plan-enabled and infrastructure-ready land will be required by 2050 to provide for the additional 3,900 houses that will be needed. Less land would be required for higher density housing.

3.7 Māori Land

The cultural landscape within the Whakatāne and Kawerau Districts is complex, with seven recognised iwi - Ngāti Awa, Ngāi Tūhoe, Ngāti Rangitahi, Ngāti Manawa, Ngāti Whare, Tūwharetoa ki Kawerau and Ngāti Mākino – and many more hapū. Many iwi have rohe that overlap with each other. All iwi have settled treaty claims with the Crown, providing redress for Treaty breaches.

Approximately 38% of the land area in the Bay of Plenty is Māori owned. A range of barriers make it challenging to develop Māori owned land. These include collective ownership, absentee ownership, difficulties accessing finance, governance/management issues, access to information and rating of Māori land. These barriers preclude private sector development taking place on Māori land. However, there is potential that Iwi-led development such as Papakāinga could meet some housing demand. The ability to produce wellbeing from land is currently constrained as many Māori are prevented from realising the full potential wellbeing that land can provide.

⁸ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

⁹ RCG Consultants (2020). Whakatāne Demand Assessment

4 Dwellings and households

As at June 2021, Whakatāne District was home to an estimated 38,400 people and 12,468 dwellings, while Kawerau was home to an estimated 7,670 people and 2,502 dwellings (Statistics New Zealand).

There is a difference between how Statistics New Zealand counts Households and Dwellings. In the Census, Statistics New Zealand counts all dwellings whether or not they are occupied or completed. This leads to a higher dwelling count than the household count. Households are made up of people in different living arrangements. This is an important distinction in places such as Whakatāne where there is a higher share of holiday homes. In 2018, the Census counted around 12% of the dwellings in Whakatāne District to be Unoccupied (either residents away, or empty) while in Kawerau, the figure is 8%. The count of occupied dwellings (15,159 for Whakatāne and Kawerau combined) is reasonably consistent with household count of 14,967 for the combined Districts (Figure 2 and

Figure 3).

Figure 2: Census 2018 Count of Dwellings by Occupation, Whakatāne and Kawerau District¹⁰

Territorial authority	2018 Census, Dwelling occupancy status for all dwellings					
	Occupied dwelling	Unoccupied dwelling – residents away	Unoccupied dwelling – empty dwelling	Total unoccupied private dwellings	Dwelling under construction	Total dwellings
Whakatāne District	12,645	840	930	1,626	93	14,505
Kawerau District	2,514	132	90	222	12	2,745
Total	15,159	972	1,020	1,848	105	17,750

Figure 3: Census 2018 Household Count, Whakatāne and Kawerau District

Territorial authority	Total households, in occupied private dwellings		
	2006	2013	2018
Whakatāne District	11,706	12,048	12,468
Kawerau District	2,394	2,376	2,499
Total	14,100	14,424	14,967

¹⁰ Statistics New Zealand Census 2018.

5 Current dwelling stock

5.1 Typology

Census 2018 shows that there were 13,734 dwellings in the Whakatāne District¹¹ and 2,502 dwellings in Kawerau¹², which gives a total of 16,245 dwellings in both Districts on Census Day. Most of these dwellings are standalone houses (89%), with a small number of attached dwellings and some apartments. In terms of living space, 80% of dwellings have three or more bedrooms while 16% have two bedrooms and 5% have one bedroom. Since 2006, the average number of bedrooms has remained static at 3.1 per dwelling, The distribution of dwelling stock by bedroom numbers in Whakatāne and Kawerau Districts is shown below (Figure 4)¹³.

Figure 4: Dwellings by number of bedrooms, Whakatāne and Kawerau Districts Census 2006 - 2018



5.2 Average age of dwellings

A key characteristic of housing is that it is generally inhabited for multiple decades. Although the current building code requires durability for 50 years, dwellings can and do remain in use for much longer – especially given New Zealand’s DIY and home maintenance culture. Using Census and Building Consents data, it is estimated that 80% of the dwelling stock in Whakatāne and Kawerau Districts is aged 30 years and older¹⁴. The remaining 20% of dwellings were built in the last three decades, with the largest shares in 1990s (8% of stock) and 2000s (7% of stock) while only 5% of the dwelling stock was constructed in the last decade.

Dwellings are built to match the market conditions and demands of the community when they are built. As dwellings age and household preferences change over time, the characteristics of a dwelling may no longer

¹¹ Census recorded dwellings as being occupied (12,645), resident away (840) and unoccupied (930).

¹² Census recorded dwellings as being occupied (2,514), resident away (132) and unoccupied (90).

¹³ M.E. Consulting (2021) Whakatāne District Housing Demand – Economic Assessment

¹⁴ M.E. Consulting (2021) Whakatāne District Housing Demand - Economic Assessment.

match what is required. The old age of the dwelling stock in Whakatāne and Kawerau Districts is different to most high growth areas in New Zealand where more than half of the housing stock is aged 30 years or younger.

Some of Whakatāne's housing stock is of very poor quality. Recent research¹⁵ based on the 2018 Census data and updated with 2020 information shows that:

- Approximately 1,125 people in the District (3% of the population) are living in uninhabitable housing which lacks one of six basic amenities: tap water that is safe to drink, electricity, cooking facilities, a kitchen sink, a bath or shower or a toilet.
- A further 7,800 people (20.8% of the population) living in dwellings that are often damp.
- 5,325 people (14.2% of the population) live in dwellings that have severe mould. New Zealand based research shows that there are strong linkages between cold, damp and mouldy houses with adverse health outcomes, particularly for illnesses such as asthma and cardiovascular conditions.

Finally, while much of the dwelling stock is relatively old, the relative value between new dwellings and old dwellings suggests there is limited potential for redevelopment under current market conditions. That is because the relative costs of removing old dwellings to construct new dwellings may not be currently feasible¹⁶. However, as the sales prices of new dwelling increases and the existing dwelling stock depreciates, feasibility may change in the future (for more discussion see Section 11 *Dwelling Sales Prices and Rentals*).

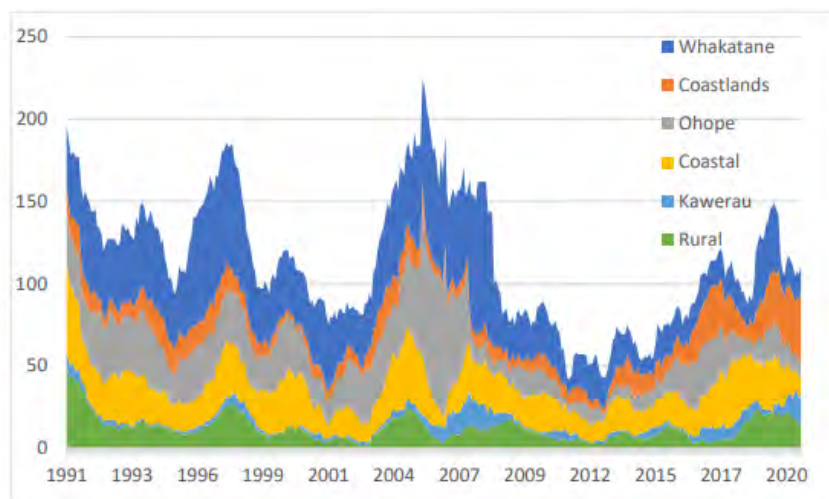
¹⁵ Greenaway R. (July 2022) Homelessness in the Whakatāne District – A Situational Overview.

¹⁶ There have been few building consents for this type of brownfield developments, which indicates that it is not yet financially feasible to undertake in the District.

6 Development Activity

The average number of building consents issued for new dwellings between 1990 and 2021 is 115 per annum in Whakatāne and Kawerau Districts¹⁷ (Figure 5). Approximately a third of consents were located in Whakatāne town, one fifth in Ōhope and a tenth in Coastlands. The remaining consents were located in the coastal and rural parts of the Districts with a small share in Kawerau.

Figure 5: Building consents of new dwellings - Whakatāne and Kawerau Districts 1996-2020



As noted earlier, the building consents data showed strong periods of residential activity in the 1990s with upwards of 150 new dwelling consented per annum. This peaked in 2005 with just over 220 new dwelling building consents that year. This was followed by a slump in activity with new dwelling consents bottoming out in 2011 and 2013 when there were less than 50 applications per annum. The collapse in activity in Whakatāne District was most likely driven by the Global Financial Crisis, which resulted in the reduction in residential development activity across New Zealand and around the world as second tier lenders disappeared.

This pattern of housing development has meant that the changes in population have not matched the share of dwellings built by time period. There was little or no population growth in the Whakatāne and Kawerau Districts in the 1990s and 2000s, yet the largest share of dwelling stock was built during these two decades. Conversely there was rapid population growth in the 2010s (mostly since 2013), yet a lower proportion of dwellings was built during that decade. The comparatively low level of dwelling construction relative to population growth over the last decade may be explained by the small decrease in the number of unoccupied dwellings since 2013 (by approximately 500) and increasing household sizes. Increased utilisation of the existing dwelling stock may have reduced the need for new dwellings or alternatively, it may represent households making choices in the face of a limited supply of new dwellings.

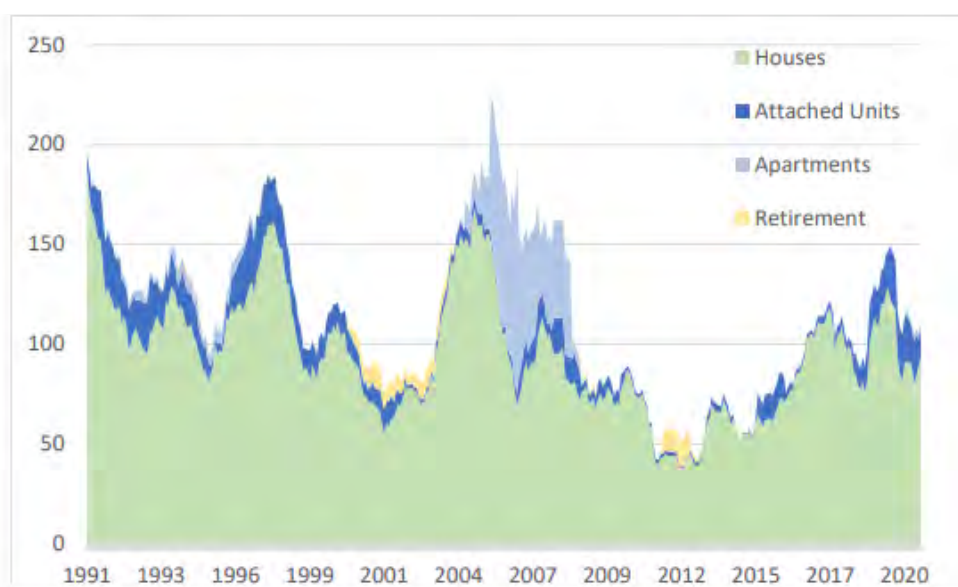
¹⁷ Statistics NZ (2020) Building Consents – Residential Units

Over the last five years, residential dwelling activity has recovered to levels just below the long run average. The most recently available data shows that over the last year (2020), 107 new dwellings were consented in both Districts, with 88 in Whakatāne District and 19 in Kawerau.

6.1 Housing Typology – New Dwellings

In terms of dwelling types, approximately 80% of all new consented buildings since the early 1990s have been traditional standalone houses, while attached dwellings and apartments account for approximately 20% of new consented buildings. Consents for higher density dwelling typologies were more prevalent in the early 1990s and early 2000s (Figure 6).

Figure 6: Building consents by housing typology - Whakatāne and Kawerau Districts 1996-2020.



In terms of dwelling size (floorspace), the building consents data shows that the average new dwelling in Whakatāne District increased from 170m² in 2000 to almost 250m² in 2011, and then decreased to 190m² in 2020. This trend was similar in many other areas in New Zealand with dwelling size increasing over the 1990s and 2000s, followed by slow reduction in size over the last decade.

7 Demand for Household Types

Household type influences the nature of dwellings demanded by the community. Generally, households with more people will want larger dwellings to accommodate the members of the household while smaller households will want smaller dwellings. Up until 2013 there had been a consistent trend of declining household size across New Zealand, primarily driven by decreasing birth rates and mortality rates. This has resulted in smaller family households and more retired households. Over the same time period, Whakatāne and Kawerau Districts also followed this trend with the household size decreasing from more than three people in the early 1990s to a low of 2.7 people. However, in 2018 this trend reversed for much of the country and in Whakatāne and Kawerau Districts where the household size increased to 2.9 persons per household. Currently, over 25% of households in the two Districts comprise one person, while 29% comprise a couple¹⁸. Overall, the proportion of smaller households in Whakatāne and Kawerau is slightly higher than in the rest of New Zealand (Figure 7).

Figure 7: Household types - Whakatāne and Kawerau Districts, 2018

Household types	Whakatāne & Kawerau		New Zealand
	Number	Percentage	Percentage
One person	3,740	25%	23%
Couple only	4,38-	29%	28%
2 Parents, 1-2 children	2,300	15%	19%
2 Parents, 3+ children	1,460	10%	11%
! Parent, children	1,970	13%	11%
Multiple families	540	4%	4%
Non-family	560	4%	5%

Single-family households with children represent 38% of the households, most of whom are two parent households with two or fewer children (15%). Single parent households with children make up 13% while multiple families in a household make up 4% of all households. Compared to the rest of New Zealand this share of larger families is relatively low. Finally, there is a small number of non-family households (4%). This reflects the nature of the area, with limited tertiary education provides and a relatively small temporary working immigrant population. In contrast to the overall population, the average size of a Māori household in Whakatāne is 4.7 people with 28.4% of Māori households comprising six or more people¹⁹. This is partly due to the much younger age profile for Māori.

The number of households in Whakatāne and Kawerau Districts experiencing over-crowding issues has remained relatively stable over the last three Census (at around 7%)²⁰. In 2018, 6.5% of households in Whakatāne District and 8.2% of households in Kawerau experienced crowding. Conversely, the share of households with one or more bedrooms spare has increased over the last three census. In 2018 it reached almost three quarters of households, with 75% in Whakatāne District and 74% in Kawerau having one or more spare bedrooms. This trend is not surprising, given that current dwelling stock and new dwellings being

¹⁸ Statistics New Zealand, Census 2018.

¹⁹ Statistics New Zealand 2022

²⁰ Statistics New Zealand (2020) Census 2006, 2013 and 2018, Household Crowding - Canadian National Occupancy Standard.

constructed tend to have three or more bedrooms, while the average size of a household is less than three people.

These findings indicate that any future development will need to provide a mix of housing typologies with a greater emphasis on smaller dwellings suitable for one to two person households, as well as the provision of some larger homes to meet the needs of Māori families.

8 Māori Housing

Housing is closely linked to well-being. *Te Pā Harakeke: Māori housing and wellbeing 2021* is a supplementary report to the *Housing in Aotearoa: 2020* report produced by Statistics NZ²¹. It provides an overview of the intersections between housing and wellbeing for the Māori population of Aotearoa New Zealand. The report states:

For Māori, housing is about more than economic outcomes and material security. Housing cuts across many aspects of Māori wellbeing, such as whānau health, acquisition, the use of te reo Māori, care of whenua and the environment, the ability to provide sustenance and hospitality for themselves and others, and many other aspects of wellbeing unique to Māori culture.

A recent survey²² of Māori in the Eastern Bay of Plenty found that on average, Māori have very different housing experiences than the general population. The report shows that:

- The average number of people living in Māori households is 4.7
- Māori homes in the Eastern Bay of Plenty are overcrowded and on average have 2 additional people than the general New Zealand population
- On average, 2.2 generations live within a Māori household
- 43.2% of Māori in the Eastern Bay of Plenty rent or board
- 30.3% of Māori own their own home compared to 64.5% of the general population.
- 25.2% of Māori live with whānau, at the whānau homestead or on whanau land.
- 0.7% of Māori are in emergency housing.
- Māori are 13 times more likely the general population to experience racism when trying to rent or buy a home.

Many rural and remote communities in Whakatāne District are predominantly Māori, based around whānau, hapū and marae. Many Māori households need larger houses or multiple houses in close proximity to each other. A recent survey²³ of housing demands in the Whakatāne District, showed that 28% of the Māori population desired larger homes of 5 to 6 bedrooms.

²¹ Refer to: <https://www.stats.govt.nz/reports/housing-in-aotearoa-2020> <https://www.stats.govt.nz/reports/te-pa-harakeke-maori-housing-and-wellbeing-2021>.

²² TIROHANGA ORANGA O MATAATUA: Māori in the Eastern Bay of Plenty Covid-19 survey report by Melanie Cheung, 2020

²³ Greenaway R. (July 2022): Homelessness in the Whakatāne District – a Situational Overview

8.1 Local Papakāinga Development

A report by Te Puni Kokiri²⁴ states:

Whānau viewed Papakāinga development to be a platform for increasing intergenerational home ownership. These developments show whānau that there is an affordable way to achieve quality and secure housing.

A recent research paper²⁵ has provided the following up-to-date information on Papakāinga in Whakatāne District. It is known that Tūhoe have a 40-year housing strategy which includes a range of housing for hapū, and housing repairs to existing housing stock and Papakāinga (one developed in Waimana in 2018). Currently Tūhoe Village is also being built in Tāneatua, resulting in 15 new dwellings. While urban based, the concept is intended to be a pilot for up to 38 other villages across the Tūhoe rohe.

Kōkōhinau Papakainga Trust (Ngāti Awa hapū, Pahipoto) is building a mixed housing community development for kaumatua (elders) and whānau (families), with shared facilities, wraparound services, and connection with the Kōkōhinau marae next door. Five houses were already built to house whānau whose houses had suffered irreparable damages after Cyclone Debra flooded the town of Edgecumbe in 2017, this development is now being extended. Whakatāne District Council is also working alongside Māori landowners to facilitate the consent for 15 Papakāinga units on a rural site near Whakatāne.

8.2 Challenges affecting Papakāinga development

A range of issues that affect Papakāinga development have been identified:

- For many years, Māori have faced barriers obtaining finance to build because of the perceived risk around lending to applicants for land with multiple owners
- When the whenua is owned by multiple people or whānau it takes time to confirm title and create a collective housing plan.
- Not all whānau/ hapū have the capital necessary to contribute to the development of a papakāinga on their own land.
- Whānau can't easily access a mortgage for papakāinga. Under the Te Ture Whenua Act 1993, Māori freehold land is protected from being removed from Māori ownership and can't be sold. That means banks can't use the land as security²⁶.
- The Kāinga Whenua loan scheme, implemented by Kāinga Ora, Kiwibank and the Māori Land Court, requires applicants to build on removable piles. They can also only be one storey high and no smaller than 50 square metres.
- Once financing has been obtained, Papakāinga requires considerable time to develop and build. For many whānau/hapū, the process can take over two years.

²⁴ *Impact evaluation of the Māori Housing Network*, Prepared for Te Puni Kōkiri, January 2018.

²⁵ Greenaway R. (July 2022): Homelessness in the Whakatāne District – a Situational Overview

²⁶ Accessed 3 May 2022. <https://www.legislation.govt.nz/act/public/1993/0004/latest/DLM289882.html>

9 Household tenure

Household tenure in Whakatāne and Kawerau Districts has remained relatively stable with approximately two-thirds of households (64.5%) owning or indirectly owning via a trust, the dwelling they live in (Figure 8)²⁷. In contrast, Māori home ownership rates are significantly lower with only 30.3% of Māori living in their own homes²⁸.

The remaining 35.5% of households live in dwellings that they do not own. Most of these households rent from private landlords (82%), government housing providers (14%) and other community groups (2%). This structure of rental market is similar to the nation overall, which has most rentals being provided by private landlords and government housing providers (98%). However, iwi (1%) and other community groups (2%) play a more significant role in Whakatāne and Kawerau Districts than nationally in providing rentals.

Figure 8: Household Tenure - Whakatāne and Kawerau Districts

Tenure	2006		2013		2018	
Owned or partly owned	7,407	56%	6,627	50%	8,103	54%
Held in family trust	1,353	10%	1,653	13%	1,770	12%
Not owned	4,395	33%	4,884	37%	5,073	34%
Total	13,155	100%	13,164	100%	14,946	100%

10 Household incomes

A key factor influencing housing preference is the financial resources (income and wealth) available to households to purchase or rent a dwelling. Broadly, households with higher incomes and greater wealth will be able to afford a wider range of dwelling options, while households with fewer resources will be able to afford only a few options. While wealth is an important factor in household preferences for dwellings, there is no data available from which an assessment can be conducted regarding how much wealth is in the two Districts.

Approximately 12% of households in Whakatāne and Kawerau Districts have incomes of less than \$20,000 per annum, 13% have incomes of between \$20,001-\$30,000 per annum, while 19% have an income of between \$30,001-\$50,000 (Figure 9)²⁹. Household incomes in Whakatāne and Kawerau differ the most from the national income levels of households for the lower and higher income groups. A quarter of Whakatāne and Kawerau households have incomes under \$30,000 per annum, compared to one-fifth at the national level while a quarter of Whakatāne and Kawerau households have incomes over \$100,000 per annum, compared to two-fifths at the national level. Overall, median household incomes are much lower in Whakatāne (\$62,200) and Kawerau (\$42,800) than nationally (\$75,700)³⁰.

²⁷ ME Consultants (2021) Whakatāne District Housing Demand – Economic Assessment

²⁸ Greenaway R (2022). Homelessness in the Whakatāne District – A Situational Overview.

²⁹ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

³⁰ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

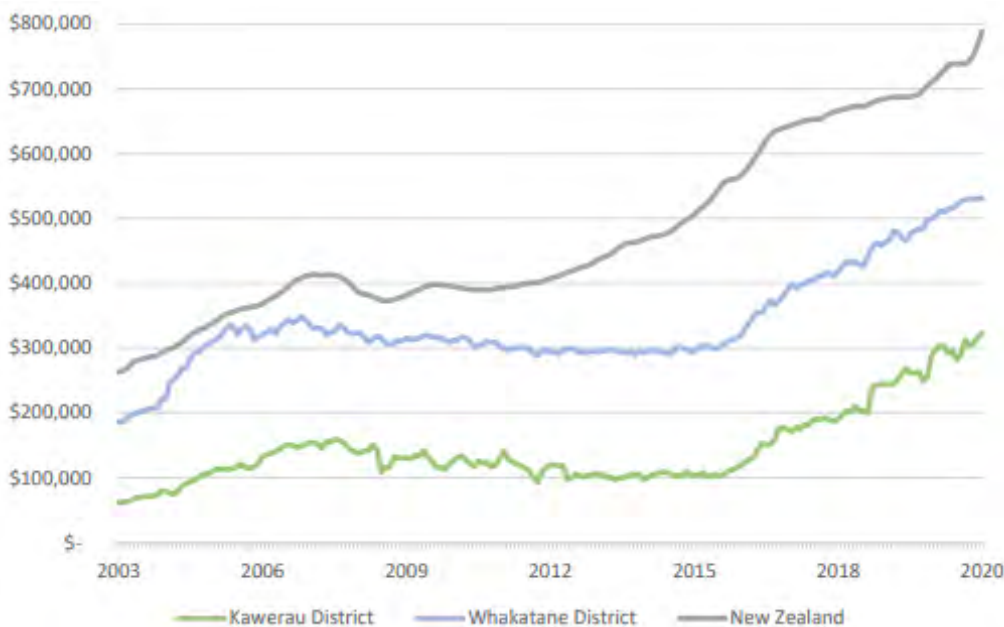
Figure 9: Household income group (Statistics NZ Census 2018)

Income groups	Whakatāne and Kawerau		New Zealand
\$20,000 or less	1,730	12%	9%
\$20,001-\$30,000	1,950	13%	10%
\$30,001 - \$50,000	2,770	19%	15%
\$50,001 - \$70,000	2,210	15%	13%
\$70,001 - \$100,000	2,350	16%	16%
\$100,001-150,000	2,420	16%	19%
\$150,001 or more	1,540	10%	18%

11 Dwelling Sales, Prices and Rentals

Dwelling prices and rents within Whakatāne and Kawerau Districts have both increased substantially over the last five years. During this time, the average price of a dwelling in Whakatāne nearly trebled from \$310,000 in 2015 to \$878,000 in January 2022³¹. The growth in house prices has been more extreme in Kawerau with the average price of a dwelling nearly quadrupling from \$110,000 in 2015 to \$450,000 in December 2021³². Most of the inflation has occurred in the last five years with the average dwelling in Whakatāne increasing in price by over 11% per annum and in Kawerau by 24% per annum. This level of price inflation is unprecedented for the Districts. However, this level of recent inflation has been less severe than in many high growth areas in New Zealand (Figure 10).

Figure 10 Average Dwelling Sale Price - Whakatāne , Kawerau and New Zealand 2003-2020

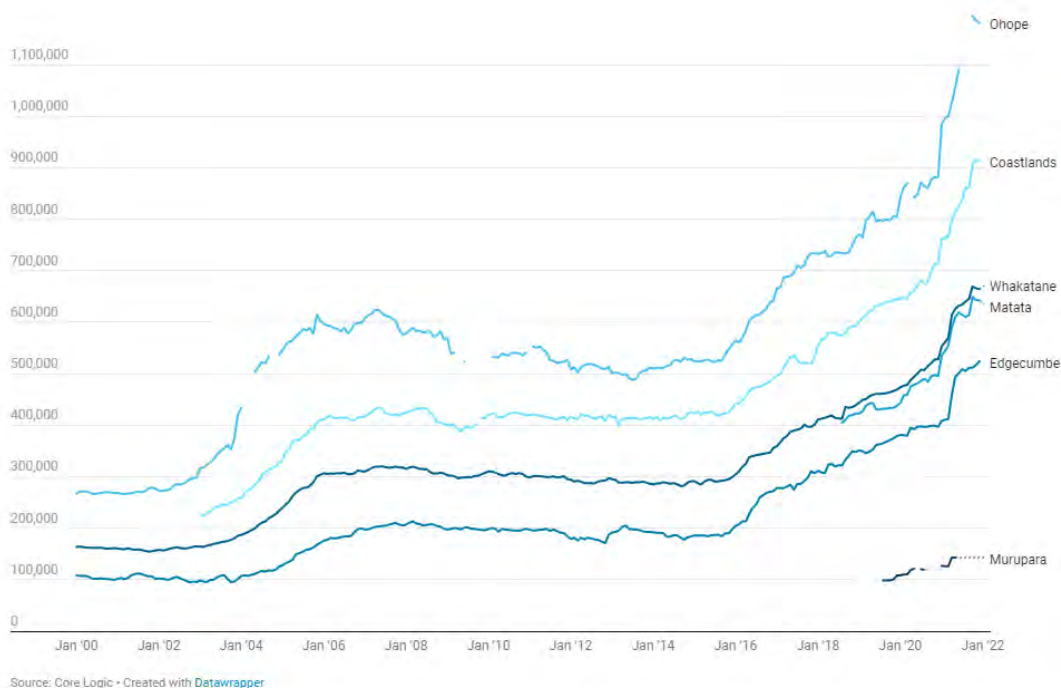


³¹ REINZ Monthly Property Report – 15 February 2022. Downloaded 5 May 2022.

³² REINZ Monthly Property Report – December 2021.

CoreLogic’s analysis of house prices in the Whakatāne urban area and surrounding areas showed that the most expensive area is Ohope which had a median house price of \$1,181,50 in December 2021, while the most affordable area is Edgcumbe which had a median house price of \$523,850 (Figure 11). Over the last 22 years (January 2000 to December 2021), Edgcumbe has had the fastest-growing house price at 7.44% per year while the suburb that grew the slowest was Whakatāne, which grew at a rate of 6.58% per year. That’s 10.41% slower than the median Bay of Plenty house price³³.

Figure 11: Whakatāne Median House Price by Suburb (January 2000 - December 2021)³⁴



In Kawerau District, the growth in house prices has been even more extreme with the average price of a dwelling nearly quadrupling from \$110,000 in 2015 to \$450,000 in December 2021³⁵. The median house price in Kawerau District is \$399,350. Over the last 22 years (January 2000 to December 2021) the median Kawerau house value grew by 8.98%, which is 22.31% faster than the median Bay of Plenty house price over the same period (Figure 12)³⁶.

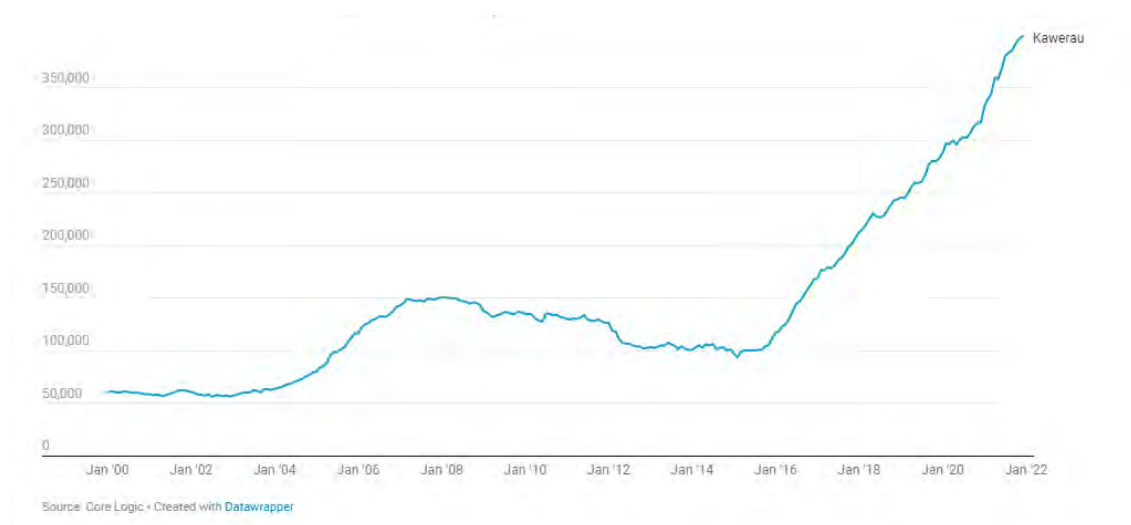
³³ [https://www.opespartners.co.nz/property-markets/bay-of-plenty#:~:text=Kawerau%20Property%20Market,-The%20Kawerau%20district&text=Over%20the%20last%2022%20years%20\(Jan%202000%20%2D%20Dec%202021\),price%20over%20the%20same%20period](https://www.opespartners.co.nz/property-markets/bay-of-plenty#:~:text=Kawerau%20Property%20Market,-The%20Kawerau%20district&text=Over%20the%20last%2022%20years%20(Jan%202000%20%2D%20Dec%202021),price%20over%20the%20same%20period). Downloaded 21 April 2022.

³⁴ Source: CoreLogic 2022.

³⁵ REINZ Monthly Property Report – December 2021.

³⁶ [https://www.opespartners.co.nz/property-markets/bay-of-plenty#:~:text=Kawerau%20Property%20Market,-The%20Kawerau%20district&text=Over%20the%20last%2022%20years%20\(Jan%202000%20%2D%20Dec%202021\),price%20over%20the%20same%20period](https://www.opespartners.co.nz/property-markets/bay-of-plenty#:~:text=Kawerau%20Property%20Market,-The%20Kawerau%20district&text=Over%20the%20last%2022%20years%20(Jan%202000%20%2D%20Dec%202021),price%20over%20the%20same%20period). Downloaded 22 April 2022.

Figure 12: Kawerau Median House Price - January 2000 - December 2021



12 Household Affordability

12.1 House price affordability

While the sales prices of most dwellings within Whakatāne and Kawerau remain ‘affordable’ within the wider New Zealand context where average prices are often in the million dollar range and are priced below Kiwibuild/HomeStart grant price caps (\$500,000), it is clear that the affordability of dwellings for the local community has worsened significantly. This is both in terms of the increased deposit required (at least triple what was required in early 2000s) and the ongoing repayments (which have doubled since the early 2000s). In order to afford an average dwelling in Whakatāne District, a buyer would need a deposit of at least \$50,000 and be able to afford weekly repayments of almost \$500. In Kawerau a buyer would need at least \$30,000 deposit and be able to afford weekly repayments of \$300³⁷.

Infometrics calculates housing affordability by comparing average current house values with mean household income³⁸. A higher number on the housing affordability index means less affordability. The housing affordability index for the District and New Zealand has declined rapidly since 2020 due to increasing house values. When compared to the national figures for housing affordability, the District is more affordable (Figure 13).

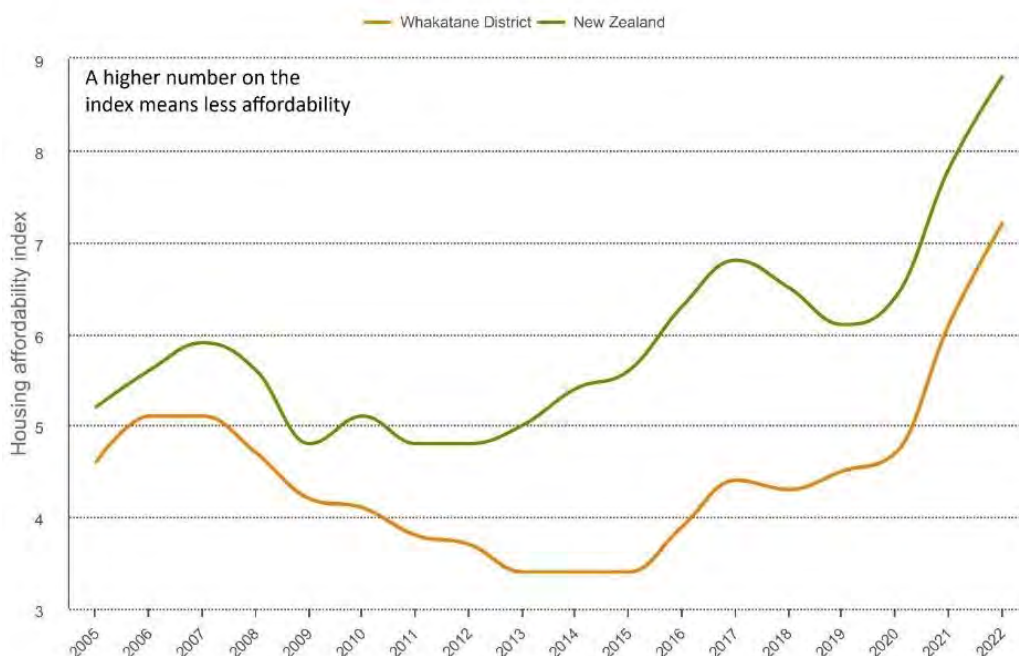
Although Whakatāne and Kawerau are more affordable compared to New Zealand as a whole, lower household incomes within Whakatāne and Kawerau compared to New Zealand as a whole, make housing

³⁷ ME Consultants (2021). Whakatāne District Housing Demand – Economic Assessment

³⁸ Infometrics household income estimate captures labour market earnings (wages, salaries and self-employment) as well as allowances (e.g. Disability Allowance), benefits (e.g. Jobseeker Support) and New Zealand Superannuation. Investment income is excluded.

less affordable for many. Households with a total income of less than \$50,000 (43% households) would be unable to meet mortgage lending requirements and therefore unable to support a mortgage to purchase a dwelling in Whakatāne and Kawerau Districts³⁹.

Figure 13: Housing affordability 2005-2022 (Source: Infometrics)



12.2 Rental affordability

Weekly rents have also increased in Whakatāne and Kawerau Districts. Whakatāne average rents increased from \$278 per week in 2015 to \$363 per week in 2020, while Kawerau average rent increased from \$187 per week in 2015 to \$272 per week in 2020.

Infometrics calculates rental affordability by comparing average weekly rents with average weekly household income. Rental affordability is expressed as a percentage and a higher number means less affordability as households are having to spend more of their weekly income on rent⁴⁰ (Figure 14). Rental affordability for the District in 2022 has declined, with average rents increasing from 18.9% of average income in 2020 to 20.8% in 2022. Rental affordability for New Zealand has also declined with average rents increasing from 21% of average income in 2020 to 22.1% in 2022. When compared to the national figures for rental affordability, the District is more affordable.

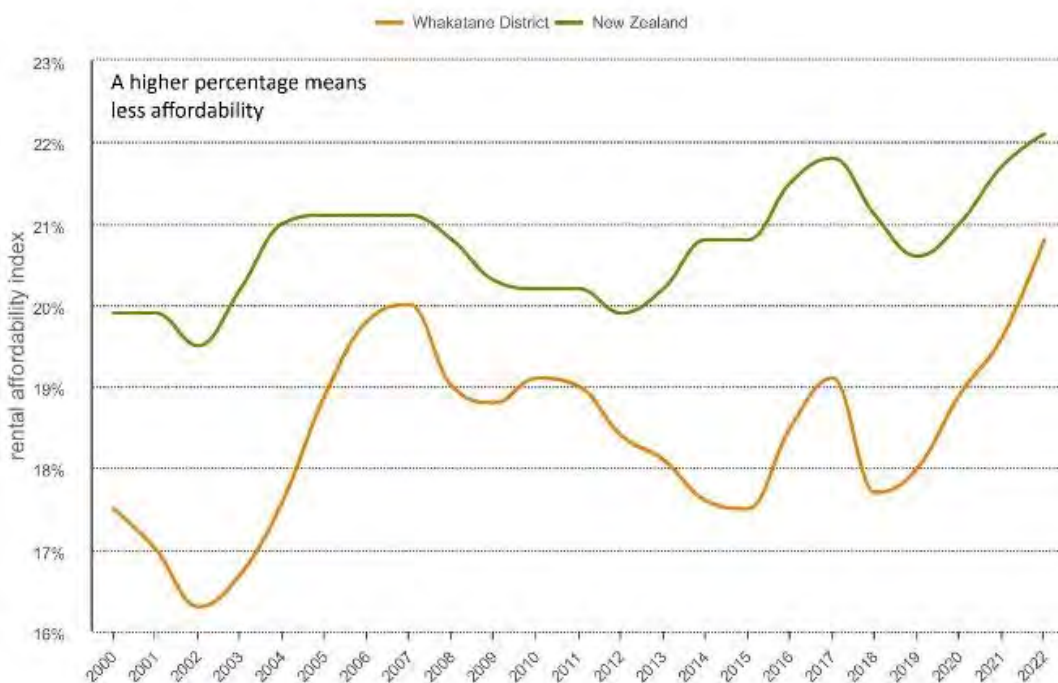
³⁹ Corelogic (2022) Housing Affordability Report New Zealand Quarter 4, 2021. Downloaded 22 April 2022.

⁴⁰ <https://ecoprofile.infometrics.co.nz/Whakatane%20District/StandardOfLiving/RentalAffordability> Downloaded 21 April 2022.

The average rent in Whakatāne District is approximately 25% less per week than the mortgage repayment on an average dwelling. In Kawerau, the average rent is approximately 10% less per week than the mortgage repayment on an average dwelling. In most high growth areas in New Zealand the difference between mortgage repayments and rents are much larger due to the higher house prices. Overall, given the low incomes of nearly half of all households, many would also struggle to afford to pay rent within Whakatāne and Kawerau Districts⁴¹.

Recent research⁴² shows that 43.2% of Māori in the Eastern Bay of Plenty board or live in rental housing which is generally of poorer quality than owner-occupied houses as shown in the 2015 BRANZ House Condition Survey⁴³ which included an interview and a follow-up visit by an independent assessor. Māori households spend about 20% of their expenditure on rent, compared to about 14% for the average household.

Figure 14: Rental affordability index, 2000-2022 (Source: Infometrics)



⁴¹ Based on ASB mortgage calculator and average value of dwellings in Whakatāne and Kawerau Districts (2020).

⁴² Greenaway R (2022). Homelessness in the Whakatāne District – A Situational Overview.

⁴³ https://d39d3mj7qio96p.cloudfront.net/media/documents/SR370_2015_House_Condition_Survey.pdf Downloaded 22 April 2022.

12.3 Impact of COVID-19: Emergency Housing Special Needs Grant

The Emergency Housing Special Needs Grant (EH SNG) is an indicator of the level of financial housing stress in a community. If households are unable to access one of the Ministry of Housing and Urban Development’s (MHUD) contracted transitional housing places, this grant pays for short-term accommodation provided by commercial and community providers who are not contracted by MHUD to deliver accommodation services, for up to seven days at a time.

The Bay of Plenty fared better than most regions during COVID because the region’s primary industries which were classified as essential services and Whakatāne’s international tourism industry had already been significantly impacted by the eruption of Whakaari (White) Island in December 2019. However many households were still significantly impacted by the lockdowns and job losses that have occurred as a result of COVID-19 pandemic. A comparison of the number of grants and their value in March 2020 with the number and value of grants provided just three months later in June 2020 (Figure 15) is an indicator of the stress caused by COVID-19. Although the number of grants given out in Kawerau fell slightly, the number given out in Whakatāne increased by 240%. The value of grants provided during this time increased by 35% in Kawerau and more than trebled in Whakatāne by 355%.

Figure 15: Emergency Housing Special Needs Grants - Whakatāne & Kawerau

District	March 2020		June 2020	
	No. of EN SNG approved	Total value (\$)	No. of EN SNG approved	Total value (\$)
Whakatāne	88	\$89,377	218	\$317,450
Kawerau	123	\$103,680	114	\$140,237

13 Public Housing

13.1 Kāinga Ora

Kāinga Ora owns and manages 459 dwellings in Whakatāne District and 39 in Kawerau District. These properties house 1,374 customers in Whakatāne and 108 customers in Kawerau⁴⁴. In April 2022, there were 300 applicants on the Kāinga Ora Housing Register in Whakatāne and 94 on the Housing Register for Kawerau District. This number per capita is very high compared to other territorial authorities and has grown significantly over the past few years. The Housing Register continues to show minor month on month increases. Kainga Ora has a number of projects identified in Whakatāne District that will deliver approximately 100 new units by 2024. Redevelopment in Kawerau District is currently being investigated and could result in up to 20 new units.

⁴⁴ Source: Kāinga Ora May (May 2022).

13.2 Transitional housing

Transitional housing provides warm, dry, safe short-term accommodation for people in need, along with tailored housing related support while they are there. Transitional housing is managed by providers, who are skilled in supporting tenants with a range of social and tenancy-related services and are also responsible for maintaining the properties. The transitional housing programme is led by the Ministry of Housing and Urban Development (MHUD) in collaboration with Kāinga Ora, transitional housing providers, the Ministry of Social Development and the wider housing sector. People living in transitional housing pay rent of up to 25% of their income, which is in line with income-related rents for public housing. The balance is subsidised to providers by MHUD. Whakatāne has 33 transitional housing places, while there are currently no transitional housing places in Kawerau.

14 Homelessness

A joint research project⁴⁵ to identify the current situation of homelessness and inadequate housing in the Whakatāne District was recently undertaken by a range of agencies. This research which was based on 2018 Census data updated in 2020 showed that in Whakatāne District:

- 48 people were living without shelter (on the streets, improvised dwellings including cars, and in mobile dwellings). The same year the community did a head count of 53 rough sleepers in Whakatāne township.
- 61 people were living in temporary accommodation (night shelters, women's refuges, transitional housing, camping grounds, boarding houses, hotels, motels, vessels, and marae)
- 333 people were living in severely crowded dwellings
- Approximately 1,125 people lived in uninhabitable housing lacking one of the six basic amenities (tap water that is safe to drink, electricity, cooking facilities, a kitchen sink, a bath or shower, a toilet)
- Approximately 7,800 people (20% of the population) lived in dwellings that were often damp and 5,325 people (14.2% of the population) lived in dwellings that had severe mould.

15 Household Dwelling Future Demand Projections

15.1 Population Growth

Modelling undertaken by Statistics New Zealand prior to 2013 indicated that the populations of Whakatāne and Kawerau Districts would decline over the medium term, which meant that little additional housing would be required over the longer term. However, since 2013 the opposite has happened with approximately 600 new residents living in Whakatāne District each year. This equates to an average growth rate of 1.6% per

⁴⁵ Greenaway R (2022). Homelessness in the Whakatāne District – A Situational Overview

annum⁴⁶ with the highest level of growth (1.95%) taking place in 2017. It is estimated that as at December 2021, Whakatāne District had a total population of 38,400⁴⁷, which equates to 2,700 more people living in the District than in 2018.

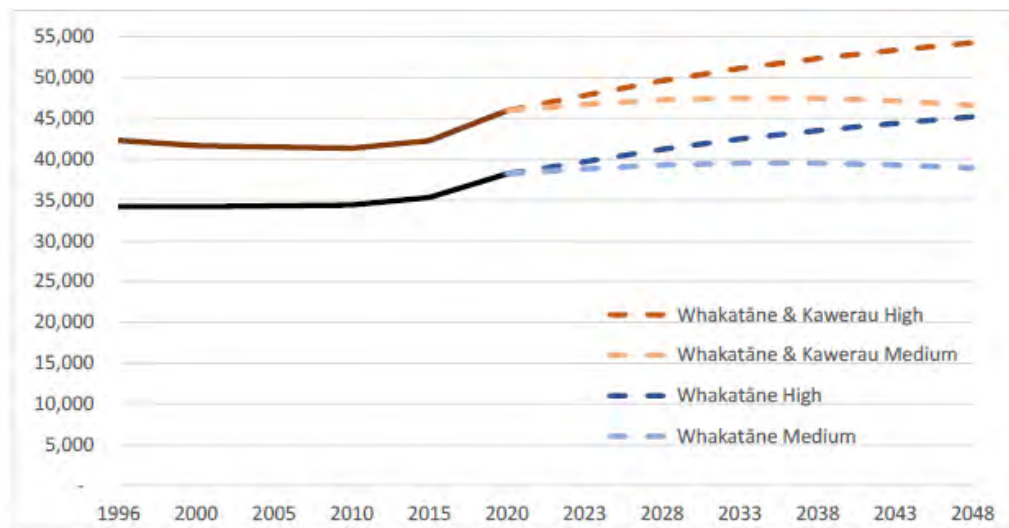
Kawerau’s population declined between 2006 and 2013 before growing again between 2013 and 2018. During those five years, there were approximately 150 new residents in the District each year. In the 2018 Census, Kawerau District had a population of 7,146 people, which equates to nearly 11% total growth since 2013. Statistics New Zealand estimates that Kawerau had a total population of 7,670 as at December 2021.

It is estimated that altogether, the population of both Districts totalled 46,070 as at December 2021. Since 2020 with the impact of COVID-19, the population of the two Districts has continued to grow, albeit at a slower rate than in the previous five years. This slower growth rate is not expected to affect the projected growth rate over the longer term.

15.2 Projected Population Growth

The recently released Statistics New Zealand sub-national population projections⁴⁸ show that growth in the two Districts is now projected to continue at least at a medium/high growth rate until 2033 and could continue at a high growth rate out to 2048 (Figure 16). This means that the population in Whakatāne District could reach 45,000 by 2048 with almost 55,000 in the combined Whakatāne / Kawerau Districts area. This is equivalent to an average of 250 new residents per annum in Whakatāne District and 50 per annum in Kawerau District. Note that in-depth discussion on population growth is provided in the **Foundation Paper: People and Communities**.

Figure 16: Population projections Whakatāne and Kawerau Districts



⁴⁶ Infometrics (2021). Whakatāne Economic Profile 2021

⁴⁷ Infometrics (2021). Whakatāne Economic Profile 2021

⁴⁸ Statistics New Zealand (2021) Subnational population projections by age and sex 2018 (base) – 2048.

15.3 Household Projections – Whakatāne and Kawerau Districts

Modelling undertaken in 2020⁴⁹ suggested that a high growth dwelling demand projection based on Statistics New Zealand’s high growth forecast for Whakatāne of 3,900 households by 2050 (Figure 17).

Figure 17: Whakatāne Dwelling Demand Projections to 2050

	Short term (2020-2023)	Medium Term (2024-2030)	Long Term (2031-2050)	Total by 2050
Houses per year	150	150	120	3,900
Total Houses	450	1,050	2,400	3,900

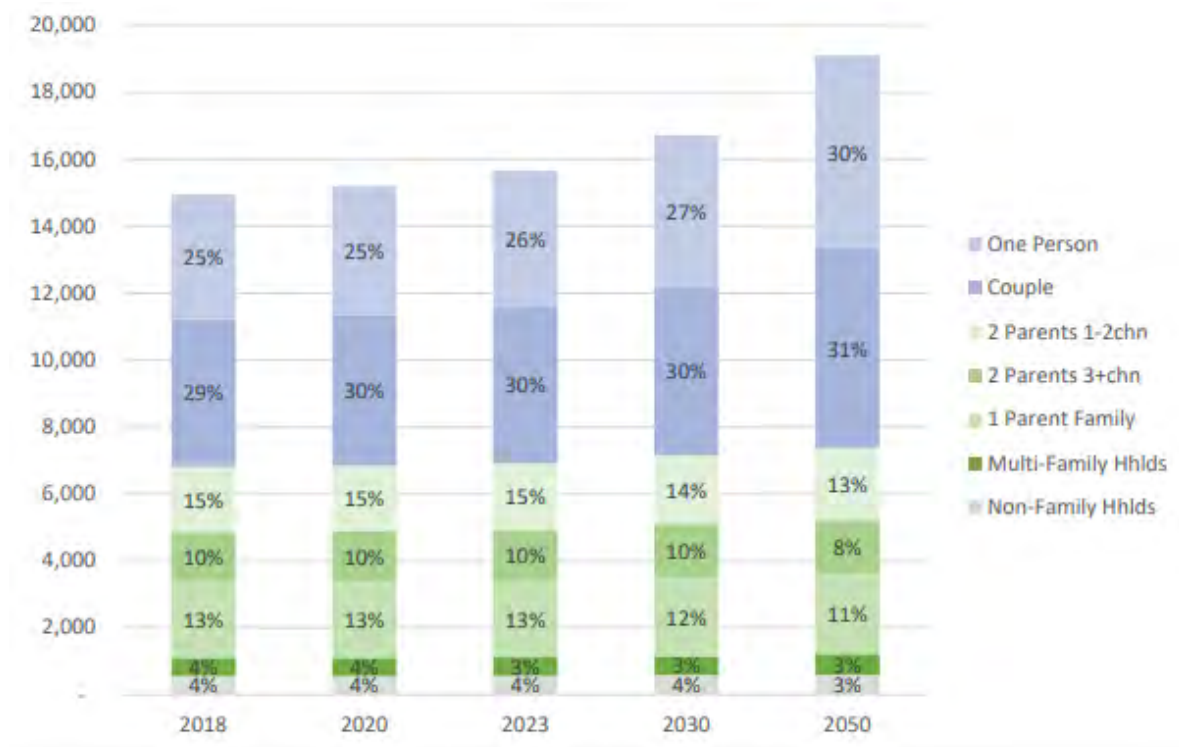
15.4 Projected Household Types

Housing demand is driven by population growth and by the shift to smaller household size (the number of people living together as a household). Across New Zealand, most households have one to four people, with the average close to 2.7 people⁵⁰. Households are getting smaller partly because people are having fewer children, but mainly because people are living longer and spending more of their lives in an ‘empty nester’ or retired life stage. One-person households are the fastest growing group. Over the long term, these shifts have also been observed across most parts of New Zealand, including Whakatāne and Kawerau. The household projections for Whakatāne and Kawerau Districts by type of household are shown below (Figure 18) with over 85% of the growth projected to be in one person and one couple households, with limited growth expected to occur in households with children or multi-families.

⁴⁹ RCG (2020). Whakatāne Demand Assessment

⁵⁰ Statistics New Zealand 2021. <https://www.stats.govt.nz/news/new-data-shows-1-in-9-children-under-the-age-of-five-lives-in-a-multi-family-household/> Downloaded 22 April 2022

Figure 18: Household Projections by Type - Whakatāne and Kawerau Districts, 2020 - 2050⁵¹



15.5 Projected dwelling demand by typology

Modelling to identify the projected dwelling demand by typology was undertaken by inputting Whakatāne and Kawerau’s projected household numbers by type into the Household Dwelling Demand Model, which establishes the demand by dwelling type in the future⁵². The projected dwelling demand by typology shows that:

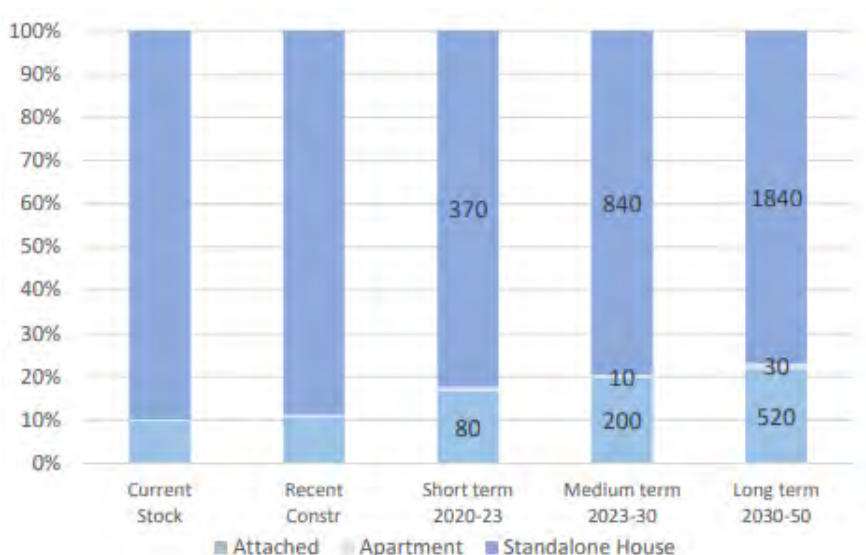
- Over three quarters of households are projected to demand standalone dwellings, with demand estimated at 370 new standalone dwellings in the period 2020-23 and a further 840 in the remainder of the decade (2023-2030). Between 2030 and 2050, an additional 1,840 standalone dwellings may be demanded. The projection suggests that between now and 2050 approximately 100 new standalone dwellings may be demanded per annum.
- A growing share of households are projected to demand attached dwellings and apartments, growing from 18% in the short term to 23% in the long term. This is a sizable shift compared to what the market is currently supplying. The projection suggests that in the next three decades approximately 30 new attached dwellings and apartments would be demanded per annum. This is more than double what the market has developed over the last five years.

⁵¹ ME Consulting (2020) Whakatāne District Housing Demand – Economic Assessment.

⁵² ME Consulting (2020): Whakatāne District Housing Demand – Economic Assessment

The resulting projected dwelling demand in Whakatāne and Kawerau by typology, both in terms of share and number, and for the short, medium and long term, is shown below (Figure 19)⁵³. For comparative purposes, the figure also includes the share of current dwelling stock and recently consented dwellings (last five years) by typology.

Figure 19: Dwelling Typology Projections - Whakatāne and Kawerau Districts. 2020-2050



Note that the current preferences reflect the choices made within the bounds of the existing sales prices and rents, which have obvious implications for household decision making which housing option to select. In recent times sales prices (and rents) of dwellings in Whakatāne and Kawerau Districts have increased substantially. These changes are likely to influence household preferences for dwellings. Factors likely to affect dwelling choice include:

- The demographic structure in Whakatāne and Kawerau Districts is expected to follow a similar path as what has been seen over the last two decades, with the population aging and significant growth in the number of single and couple household types.
- A sizable share of households in Whakatāne and Kawerau have incomes that suggest that they may struggle to afford to recent sales prices or in some cases rentals. Also, two thirds of households own their dwelling.
- The household dwelling demand projections suggests that the types of dwellings being built may change slowly over the coming decades, with small shifts in typology and number of bedrooms. Based on current revealed preference there is expected to be a shift from traditional dwelling types (large standalone houses) to higher density dwellings (smaller attached or apartment dwellings).

⁵³ Source: ME Consultants (June 2021). Whakatāne District Housing Demand – Economic Assessment.

15.6 Projected demand by bedroom size

The projected dwelling demand by bedroom number shows that:

- Over two thirds of households are projected to demand dwellings with three or more bedrooms, with new larger dwelling demand of 320 in the period 2020-23, a further 740 in the remainder of the decade (2023-2030) and following two decades an additional 1,580 large dwellings may be demanded. The projection suggests that over the coming three decades approximately 90 new standalone dwellings may be demanded per annum.
- A growing share of households are projected to demand smaller dwellings, growing from 29% in the short term to 34% in the long term. This is a sizable shift compared to what the market is currently supplying. The projection suggests that there may be demand for 50 one-bedroom dwellings in the period 2020-23, a further 120 in the remainder of the decade (2023-2030) and an additional 360 may be demanded.
- Also, there may be demand for 80 two-bedroom dwellings in the period 2020-23, a further 190 in the remainder of the decade (2023-2030) and following two decades an additional 460 may be demanded. In total over the next three decades approximately 530 one-bedroom and 730 two-bedroom dwellings will be demanded. This is equivalent to approximately 40 new smaller dwellings demanded per annum.

It is likely that if new primary research was to be undertaken for Whakatāne and Kawerau Districts, the results could show a larger mismatch between the supply of dwellings (both existing stock and recently built) and household demand. This means that the household dwelling demand projections shown above (Figure 19) may understate the potential shift between traditional dwellings types (large standalone houses) and higher density dwellings (smaller attached or apartment dwellings). Overall however, it is clear that future development should be looking to provide a different mix of dwelling types than has traditionally been delivered⁵⁴.

⁵⁴ ME Consulting (2021). Whakatāne District Housing Demand Economic Assessment.

16 Future residential land demand

16.1 Whakatāne

Analysis undertaken in 2020 by RCG Consultants⁵⁵ identified the amount of land that would be required to provide sufficient housing for the high growth population growth forecast by Statistics New Zealand. The modelling assumed that future development on greenfields land would be based on 14 houses per hectare. This is equivalent to:

- Assuming that 15% of new houses would come from intensification/infill with the remainder at 12 homes per hectare
- Assuming that 30% of new houses comes from intensification / infill with the remainder at 10 houses per hectare.

Note that the assumption of 14 houses per hectare depends entirely on the type of housing that is delivered and levels of intensification that can be achieved. Based on these assumptions of 14 homes per hectare, residential land demand in Whakatāne is expected to total 279 hectares between now and 2050 (Figure 20).

Figure 20: Whakatāne Recommended Residential Land Assessment (in hectares)⁵⁶

	Hectares required Short term (2020-2023)	Hectares required Medium Term (2024-2030)	Hectares required Long Term (2031-2050)	Total Hectares required
Per year	11	11	9	
Total	32	75	171	279

Recent analysis estimates that Whakatāne District currently has sufficient land zoned that is infrastructure ready to enable the construction of approximately 687 dwellings. This comprises land that is already zoned residential and includes the Huna / Shaw Rd Deferred Residential Zone, which is expected to rezoned to residential in the short term (Figure 21).

⁵⁵ RCG: (April 2020) Whakatāne Demand Assessment

⁵⁶ RCG Consultants (2020). Whakatāne Demand Assessment

Figure 21: Whakatāne Residential Land Assessment

Location	Estimated number of dwellings – short term (1-3 years), medium term (3-10 years)		
	Residential Zone	Deferred Residential Zone	Total
Whakatāne infill (incl. Urban Living Zone)	100		100
Ōhope infill	50		50
Bunyan Rd and Coastlands	80		80
Opihi	242		242
Opihi (Retirement village land)	105		105
Huna / Shaw Rd - Greenfield		110	
Total Dwellings	577	110	687
Available Zoned Land (14 houses / hectare)	41 ha	8 ha	49 ha

This amount of land is sufficient to meet demand in the short term (450 houses required) and part way into the medium term (an additional 1,500 houses required). Using the assumption of 14 houses per hectare, this means that approximately 49 hectares zoned residential or deferred residential is currently available for residential development. Note that approximately 27 hectares of the 49 hectares available in Whakatāne District is for the proposed Opihi development which is currently under appeal in the High Court.

16.2 Kawerau

Kawerau District has limited land available for residential development. Currently, there are 37 residential sections which are undeveloped. One of the sections is 6152 sqm, while the remaining 36 sections average 659sqm. The total land area available for residential development is approximately 3 hectares of land. Kawerau District Council is also looking at the possibility of swapping some fee simple land that is currently being used as a stock pound, with passive reserve land, so this land can be made available for residential housing.

16.3 Total Land Shortfall

As shown in Figure 20 above, the total amount of land that will be needed to provide sufficient housing for an additional 3,900 houses (assuming 14 houses per hectare) is 279 hectares. Whakatāne District has approximately 49 hectares available while Kawerau District has 3 hectares. However, given the current uncertainty around the outcome of the Opihi development, an additional **217 to 244 hectares** of plan-enabled, infrastructure-ready land will be required across both Districts by 2050 to provide for the additional 3,900 houses needed.

The development of more intensive housing such as townhouses, apartments or terraced housing on smaller lots could significantly reduce the amount of land required. However, although the planning rules enabling intensification in both Whakatāne and Kawerau Towns are generally permissive, interest by developers has remained limited.

16.4 Retirement villages

There are currently four retirement villages in Whakatāne and Kawerau:

- Mary Shapley Retirement Village – 9 villas and 22 apartments.
- Golden Pond Lifecare Village – 18 homes and 11 studios
- Porritt Glade Lifestyle Village – a partnership between Generation Homes and Kawerau District Council. Currently 12 units, with a total of 29 dwellings planned.
- Mountain View Retirement Village, Rest home and Pensioner Units

There is a shortage of retirement villages in Whakatāne and Kawerau and this shortage is expected to grow as the population ages. Retirement village densities can range substantially, but many of those in towns of a similar size to Whakatāne have 20 homes per hectare⁵⁷. This is for villages with mainly ‘villas’ or duplex style homes, but no apartments. Villages developed by the larger companies tend to include apartments and can have much higher density, such as the proposed Summerset village in Rangiora (33 homes per hectare) or Ryman’s village in Rangiora (38 homes per hectare).

Retirement villages could play an important role in enabling new housing supply (as they are in many regional towns and cities). The village companies often claim that, by building new homes for their elderly residents, they are ‘freeing up’ the old homes that will typically be 2-3 bedrooms and could be occupied by a whole family. Enabling the development of new retirement villages could reduce the total amount of plan-enabled and infrastructure-ready land required to meet future housing demand.

⁵⁷ Landsdowne Park extension in Masterton; Summerset by the Ranges in Levin; Lochlea Lifestyle Resort in Ashburton.

17 Māori land

Land sales and confiscations following the New Zealand Wars resulted in considerable loss of legal ownership of land. The result was that as at June 2018, 5.7% of New Zealand was Māori land, almost all of which was freehold. Today Māori land is collectively owned by means of a 'shares system' in which whānau with officially recognised interests in a block of land have 'shares' in the whenua. No one person owns the land. When a shareholder dies, their shares are divided between their descendants, which means that over time there are more and more shareholders in a block of land. Some blocks have hundreds of shareholders. This fragmented ownership can make it difficult to make decisions about the whenua.

There are several categories of Māori land defined in Te Ture Whenua Maori Act 1993. These are:

- Māori Customary Land – land held by Māori in accordance with tikanga Māori. There is very little of this land compared to the other two categories.
- Māori Freehold Land – land of which the beneficial ownership has been determined by the Māori Land Court by freehold order. Most Māori Land falls in this category.
- Māori Reservations – land (often Māori Freehold Land or occasionally General Land) that has been officially set apart for:
 - The purposes of a village site, marae, meeting place, burial ground or a range of other specific purposes.
 - Wahi Tapu – a place of special significance according to tikanga Māori.

Over a third (37%) of land in the Bay of Plenty is Māori owned land compared to 5.7% nationally. A number of barriers make it very difficult for Māori to use the land for housing, growing kai or generating a financial return. Barriers that make it challenging to undertake large scale development on Māori land include:

- Collective ownership
- Absentee ownership
- Difficulties in accessing finance
- Governance/management issues
- Access to information
- Rating of Māori land.

17.1 Māori land in Whakatāne and Kawerau

The cultural landscape within the Whakatāne and Kawerau Districts is complex, with seven recognised iwi - Ngāti Awa, Ngāi Tūhoe, Ngāti Rangitahi, Ngāti Manawa, Ngāti Whare, Tūwharetoa ki Kawerau and Ngāti Mākino – and many more hapū. Many iwi have rohe that overlap with each other, as a result of land confiscations and resettlements in the Districts. All iwi have settled treaty claims with the Crown, providing redress for Treaty breaches.

Whenua Māori or Māori freehold land remaining in mana whenua ownership after colonisation and significant and profound confiscations is approximately 203,000 hectares (of 463,000 hectares in total or 43%) including Te Urewera.

While 50% of the population of the two Districts is of Māori descent, nearly half of the rural land area is in Māori ownership, including land adjacent to urban populations. The use of Māori land varies considerably from agricultural, horticultural, forestry and industrial developments, to little productive use. This is often a reflection of whether an adequate governance structure is in place (Trustees or other authority to act), the ability to raise finance and the location of the land. An assumption is that Māori land will not be alienated, so options for investment rely on legal arrangements that the “market” may not ordinarily favour, such as occupation orders, a license to occupy, partition orders and lease arrangements, authorised through the Māori Land Court. These arrangements have been seen as an impediment for a bank to lend finance, although this is changing.

Many Trusts are starting to explore options to develop land and invest in other commercial enterprises, with funding avenues becoming more available. Iwi and Māori Trusts have commercial aspirations, with most iwi having commercial boards running multi-million-dollar investment portfolios.