BEYOND 2025
SOUTHLAND
Regional Long Term Plan

Murihiku Southland Housing Needs Assessment

Document Version: Final

May 2023

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People & Places

rationale IMPROVING INFRASTRUCTURE OUTCOMES

Document Title:

Murihiku Southland Housing Needs Assessment

Prepared for:

Beyond 2025 Southland

Quality Assurance Statement

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Document Control History

Rev No.	Date	Revision Details	Prepared by	Reviewed by	Approved by
1.0	Feb 2023	Client Draft	BG/HB	EW/TL	NJ/BP
2.0	May 2023	Final	BG/HB	BP/NJ	NJ

Current Version

Rev No.	Date	Revision Details	Prepared by	Reviewed by	Approved by
2.0	May 2023	Final	BG/HB	BP/NJ	NJ

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Key insights

The evidence presented highlights a misbalance between the existing housing stock and that required to meet the community needs. This presents a clear opportunity for the region to work towards replacement and rejuvenation of and old and poor-quality stock into one that provides an appropriate variety of housing typologies to match the demographics. A conservative level of population growth would enable this to happen under current build rates in the long term, but in the case of high growth the region will be strained to keep up with the required expansion, rebalancing and rejuvenation of the housing stock and will need to encourage a significant acceleration of new builds.

- Projections under a conservative outlook scenario provide for a future where the lack of population growth means the evolution of the housing stock can be focused on replacement of the existing stock rather than expansion. In most areas, rebalancing and rejuvenation of the stock under current build rates is achievable in the medium to long term.
- Projections under a visionary outlook reflect a level of migration that would exceed historical levels and would represent a step change in the desirability of Southland Region as a destination for migrants and New Zealanders to move to. This level of growth would present a challenging scenario for housing needs in the region where current build rates would struggle to cope with the required expansion of the stock, ignoring the need for appropriate rejuvenation of the existing stock. This issue would be particularly augmented in Invercargill City Council.
- Over the next 30 years an indicative 10,000 dwellings that are too old will need to be replaced – this is achievable without population growth (conservative outlook) under current build rates. However, in the case of a visionary outlook then we would need to not only replace these homes but build 8,200 additional to keep up with population growth. Under current build rates we would not be able to build the required 18,100 dwellings unless we can lift build rates from 380 to 600 dwellings per annum.
- Since 2013, population growth in Southland Murihiku has accelerated compared to the decline in the 1990s and stagnation of the 2000s. However, growth is still well below national trends and the last two years have seen no growth due to the impact of COVID-19. The housing stock has expanded at a slightly faster pace than the population over most of the region, with Invercargill City showing a slight strain on its housing stock.
- Areas of stronger growth have been observed over rural areas in Gore District and Invercargill, as well as multiple townships within the Southland District. Te Anau has stood out as the fastest growing town in relative terms.
- The region's population is ageing which is expected to have a big impact on the demand for certain housing typologies, with smaller homes closer to town often preferred by people over 65. This age group also expressed more interest in attached dwellings. Population projections forecast an increasing proportion of the community over 65, which will only increase pressure for smaller quality homes.
- The housing stock is very old with 72% of dwellings built prior to 1980. This is reflected in community feedback which highlights quality of home as a key housing issue for the region.
- Community feedback suggests there is large gaps between the current housing stock and the needs of different age groups in the community. The current gaps in the housing stock are for smaller and bigger homes (current stock is dominated by 3-bedroom homes), as well as attached units that provide more affordable options. Older age groups generally prefer smaller attached homes closer to town, while younger age groups prefer larger sections at the expense of location. Approximately 5,500 dwellings would have to be replaced to appropriately rebalance typologies of the existing stock.
- 10% of survey respondents highlighted quality as a key housing issue, which when translated into the oldest portion of the housing stock is approximately equivalent to the share of homes that are over 100 years old. By 2052, over 10,000 dwellings will be over 100 years in Southland Region.
- Economic indicators show a large worsening of affordability since 2013, mounting financial pressure on the community. This has created housing challenges, particularly in the rental

market. As more households are unable to buy a house, an already small rental market becomes overcrowded. The need for expansion of the rental market is evident and critical to mitigate the impacts of worsening affordability. Nevertheless, this is a national trend and Southland Region remains one of the most affordable areas in the country for housing and renting.

- The use of homes for short stay visitor accommodation has created further pressure on the rental market for some popular towns of the Southland District, Te Anau, Riverton and Stewart Island, where a large portion of their housing stock is utilised for visitor accommodation thus driving high unoccupancy rates. The popularity for holiday homes in these areas will need to be balanced against the growing pressure on housing impacting local people.
- Social housing has been highlighted as a growing issue, particularly in Invercargill City and Gore District but one that is still small in scale compared to the rest of the nation. Community feedback highlighted affordability and social housing as key issues that need to be addressed in the short-term. A proactive approach to tackle this issue is recommended while demand is still at manageable levels.

It is recommended that:

1. Further work is carried out to more accurately assess the condition and useful life of the existing housing stock in the region. Housing quality was highlighted by the community as a key existing issue in the region and the evidence presented shows that the stock is of very old age. This prompts the need for expertise to physically evaluate a representative portion of the stock and advise on what percentage of the stock is currently in critical need of replacement, and what that will look like in the next 30 years.
2. Annual checks are undertaken to assess the growth trajectory of the region against the two scenarios presented in this work. These should make use of annually released Statistics NZ population estimates to measure the scale of recent population growth and residential building consent data to understand how building activity is coping with it. Years where updated Census data is released will merit a more expansive update on the region’s growth patterns.

Executive summary

Introduction

Beyond 2025 Southland has engaged Rationale and Benje Patterson People and Places to complete a housing needs assessment to gain a better understanding of the housing demand and supply in the region. This will inform a Murihiku Southland Housing Strategy 2023-2050 which will aim to provide a coordinated regional approach to address the housing issues in the region.

The scope of this project involved:

- A desktop review of existing documentation as well as conversations and meetings held by various public organisations/agencies and iwi,
- Analysis of the housing demand and supply in the region,
- A community survey to understand the key housing issues, preferences and future desires/needs, and
- Workshops with key stakeholder groups to understand specific issues they are experiencing.

The geographic scope of the project is the Southland Region, which includes three territorial authorities: Gore District, Invercargill City and Southland District. Evidence and insights are also provided, where possible, at a more local level by township boundaries.

Current state

Southland region's population is characterised as ageing, with lower education levels and lower unemployment rates than the national averages. The region's key industries are agriculture and manufacturing.

Population growth has accelerated since 2013 in contrast to the decline in the late 1990s and the stagnation during the 2000s. However, the growth rate seen since 2013 is still less than half the national average growth rate over the same period. Within Gore District and Invercargill City, rural areas have grown faster, while in the Southland District multiple townships have shown stronger growth with Te Anau standing out as the fastest growing town.

The housing stock has expanded at a slightly faster pace than population, when looking at the region as a whole. This has been accompanied by a slight drop in the dwelling occupancy rate while average household size has remained fairly constant. Invercargill City appears to be the council area with the most strain in terms of dwelling numbers keeping up with population growth over the last 10 years. It is important to note though that the last two years of stall in population growth due to Covid have offered a buffer time for dwelling numbers to continue rising and reach appropriate levels.

Current homes in the region are characterised as being very old and do not offer much typology variety. The region has an abnormally high proportion of mid-sized three-bedroom homes and a deficit of options at either end of the size spectrum. There are also few options in terms of attached homes, which nationally have become more common and provide a possible solution to the affordability issues facing the region.

Home ownership is much more prevalent in the Southland region compared to the rest of the nation, and there are fewer long-term rental properties. The use of properties as short-term accommodation rentals (eg. in Airbnb and Bookabach) has become very popular in some townships within the Southland District, with Te Anau, Riverton and Stewart Island having a relatively large portion of their housing stock being used as short stay accommodation. This is further reflected by very low occupancy rates in these towns.

The economic context of rapidly worsening housing and rental affordability seen across New Zealand is impacting the Southland region. There is a larger cohort of low-income earning households in the region and given the limited rental supply this causes housing challenges. Nevertheless, house prices and rents are lower in the region compared to the national average in both absolute terms and relative to incomes, and Southland remains one of the most affordable regions in the country.

Social housing demand has quickly grown as a response to this context and is becoming an important issue in Invercargill City and Gore District. This issue is not yet critical compared to nationally, with 181 applicants on the waiting list in Invercargill and 23 in Gore representing 0.3% and 0.2% of their respective populations, whereas nationally this stands higher at 0.5%. Nevertheless, a proactive approach to address this is recommended to maintain manageable levels.

Insights and Issues

Housing preference information was gathered via a regional survey, which had 861 respondents. Housing preferences expressed by the respondents highlighted large gaps between the current housing stock and the needs of different age groups in the community. People over 65 generally wanted smaller homes, expressing interest in attached units, and prioritizing location over section size. Meanwhile younger people prefer larger sections that allow them to have backyard space and they also demand more variety in house sizes.

Modelling of these housing preferences suggest that 5,500 of current dwellings would have to be replaced to a different typology to rebalance the stock and match community needs. This would require a vast reduction of three-bedroom homes and them being replaced by a mix of smaller and larger homes, as well as more multi-unit developments.

Additionally, 10% of survey respondents highlighted quality as a key housing issue, which when translated into the oldest portion of the housing stock, is approximately equivalent to the share of homes that are over 100 years old. By 2052, over 10,000 dwellings will be over 100 years in Southland Region.

Overall, key issues and priorities highlighted in the survey were generally aligned to those identified in the desktop analysis, with poor affordability being by far the top issue followed by poor quality and availability. These key issues and priorities were reinforced at the workshops with community housing groups and housing developers.

Projections

Population growth projections prepared by Infometrics (2023) for Beyond 2025 Southland were used to inform future housing demand and sufficiency. Two scenarios were assessed: a conservative outlook and a visionary outlook. The conservative outlook scenario represents a future where population in the region experiences some short to medium term growth but eventually the ageing of the population becomes dominant and is reflected on long-term population decline. Meanwhile, the visionary outlook scenario represents a future where migration into the region intensifies and overcomes the effects of an ageing population, yielding long-term growth. This is conditional industry and other strategic investments and interventions being effective at making Southland Murihiku a much more attractive prospect for migrants relative to previous growth trends.

The proportion of residents over 65 is expected to increase in a similar way in both scenarios, making up 27% of the population in 2052, compared to 18% currently. Thus, provision of appropriate housing for older age groups will only become more crucial.

Modelling was carried out to assess how current rates of dwellings built per year would cope with future needs of the housing stock. New dwellings built in the future can be thought of as serving two purposes; either expand the stock (net addition) or to replace/transform an existing dwelling. Future sufficiency is thus discussed in two streams, firstly just in terms of the required expansion of the housing stock to match population growth, and secondly in terms of not only the expansion but also the rebalancing of the stock to match community needs.

The conservative outlook presents a future where the absence of population growth means efforts can be concentrated on replacement of existing dwellings, with a rebalanced stock achievable by 2037 and a rejuvenated stock achievable by 2043 under current build rates. By 2052, 11,400 builds would be possible while only 8,300 would be required to expand, rebalance and rejuvenate the stock. This picture is similar for Southland District and Gore District in this scenario, while Invercargill City Council's would need to slightly elevate building rates to achieve appropriate rejuvenation of its housing stock.

The visionary outlook would present a much more challenging future in terms of housing sufficiency, particularly for Invercargill City Council. Current build rates in this council area would struggle to accommodate this level of population growth. By 2052, 6,500 net additions would be required to cope with population growth, on top of an indicative 6,000 replacements of dwellings over 100 years old, yielding an indicative total of 12,500 builds required. Current build rates would only allow for 6,000 builds. Thus, the current build rate would be nowhere near enough to cope under this high growth scenario. The current build rate in ICC would have to be more than doubled, increasing from 200 to 420 dwellings per year, to yield 12,500 dwellings by 2052 and cater for the increased housing needs in this scenario.

Gore District and Southland District remain with modest growth in the visionary scenario, and so the outlook is similar to the conservative scenario. The exception to this is a few townships within Southland District which would face challenges alike those outlined for Invercargill City Council as their current build rates are low: Edendale, Wyndham, Riverton, Stewart Island and Wallacetown.

It is recommended that annual checks are undertaken to review growth of the region against the conservative and visionary outlooks. These should make use of annually released Statistics NZ population estimates to measure the scale of recent population growth and residential building consent data to understand how building activity is coping with it. Census dataset releases will provide an opportunity for a more expansive update on the region's growth patterns.

1 Introduction

1.1 Purpose

Murihiku Southland, like the rest of New Zealand, is facing significant housing challenges. The rapidly increasing house prices across the country, new home standards being introduced, and the impact of COVID-19 in our communities, has resulted in significant changes in the housing landscape.

The housing needs assessment will help Beyond Southland 2025 to get a better understanding of housing demand and supply in the region. This will inform their Strategy 2023-2050 to provide a coordinated regional approach to address the housing issues.

A key consideration of the project was to understand the regional perspective, and to ensure a detailed understanding at a localised level, where possible. Accompanying this report is a Power BI dashboard which provides detailed information at a sub-regional and sub-district level.

This report draws on information from the dashboard, as well as problem identification from the desktop analysis, community survey and stakeholder workshops, which is summarised in the key insights at the beginning of the report.

1.2 Scope

The project involves:

- **Current State**
  A snapshot of housing demand and supply in the region including analysis of recent trends related to population demographics, dwelling supply, and tenure and affordability.
- **Insights and issues**
  Engagement with the community and iwi, to understand their issues and views in relation to housing in Murihiku Southland.
  Problem identification from a desktop analysis of relevant documents.
  Stakeholder workshops to highlight key issues.
- **Projections**
  Understanding the overall housing need in the short-term (3 years), medium-term (10 years) and long-term (30 years), as informed by growth projections.

Evidence was gathered from various government sources including Stats NZ, Ministry of Social Development, Reserve Bank of New Zealand, and Ministry of Business, Innovation & Employment. Further property valuation data was procured from CoreLogic to obtain a more detailed understanding on housing typologies and densities. The dataset procured covers about 80% of the housing stock in the region. Datasets on Airbnb activity were also incorporated to analyse the impact of short stay visitor accommodation in the communities. A detailed list of data sources and their limitations can be found in the bibliography at the end of the report.

Since Census data was used to analyse population, dwelling and economic variables, we have used data from the 2013 Census as a baseline to measure growth rates over the last 10 years.

Census statistics on population and household characteristics discussed in this report are based off the latest 2018 dataset. It is important to note that the pandemic has caused significant changes in the way our communities live, thus the Census 2023 will be crucial to provide an updated view of what has happened in the last 5 years.

The geographic scope of the project is the Southland Region, as defined by the three territorial authority areas: Gore District, Southland District and Invercargill City. Evidence and insights are also provided at a more local level by township boundaries. The geographical hierarchy is shown below.

Table 1: Geographic scope

Territorial Authority	Sub-district areas
Gore District	• Urban Gore • Mataura • Rural Gore (all areas outside the townships above)

Invercargill City	• Bluff • Urban Invercargill • Kennington • Rural Invercargill (all areas outside the townships above)
Southland District	• Edendale/Wyndham • Lumsden • Manapouri • Otautau • Riversdale • Riverton • Other towns (includes Balfour, Mossburn, Nightcaps, Ohai, Waikaia, Woodlands) • Stewart Island • Te Anau • Tuatapere • Wallacetown • Winton • Rural Southland District (all areas outside the townships above)

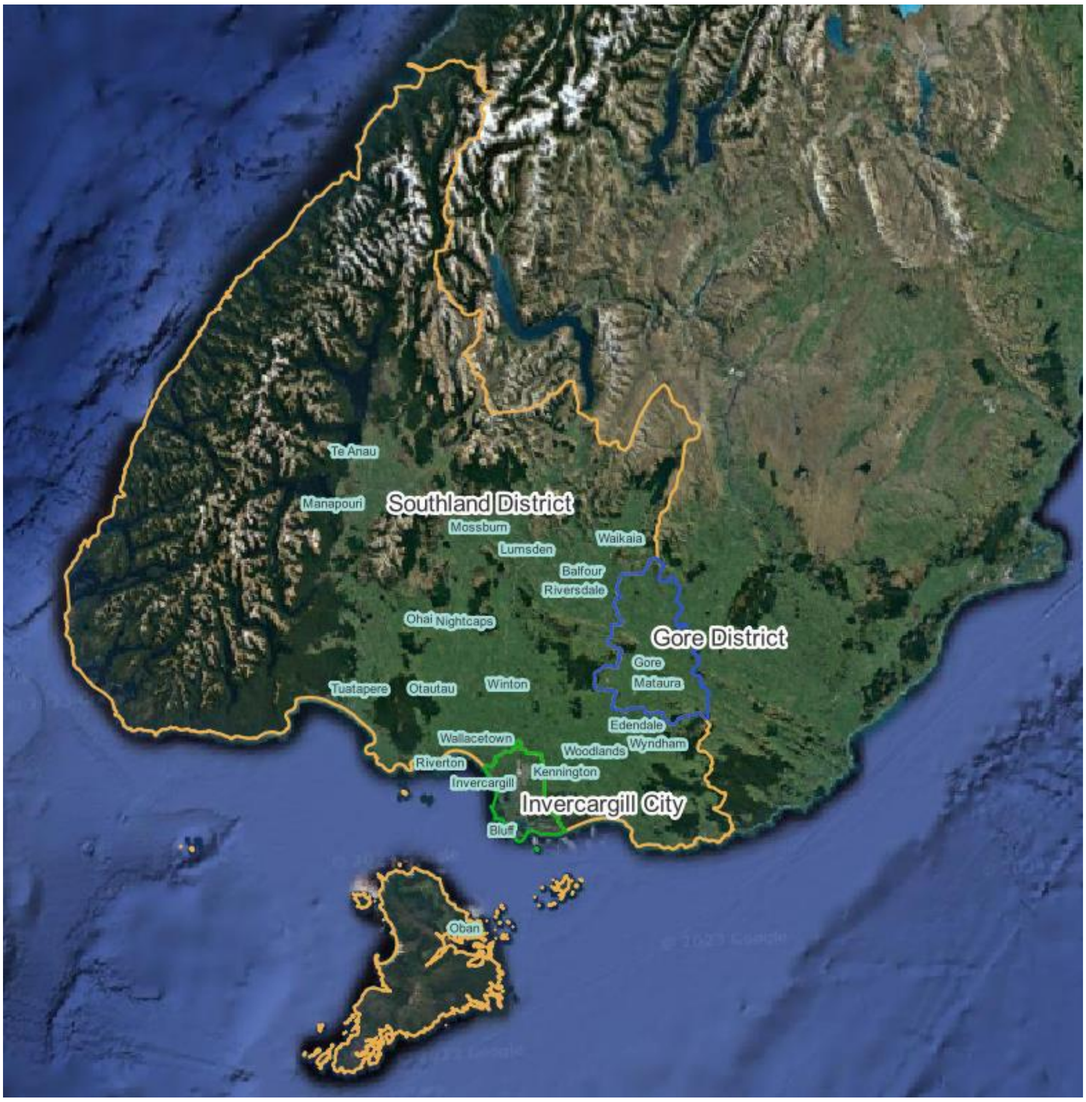


Figure 1: Geographic scope

2 Current state

2.1 Demand (Population)

2.1.1 REGIONAL

Figure 2: Regional demand profile (against national baseline). Note: Area of focus = Southland Region

Southland Murihiku's population is estimated to be 102,400, which corresponds to 2% of NZ's total population of 5,122,700 (see Figure 3). Southland experienced a population decline between 1996 to 2001, followed by a period of modest growth from 2001 to 2013. Since 2013 the region's population has grown steadily, averaging 0.7% pa. Yet, since 2013 Southland has been the second slowest region in NZ in terms of population growth (see Figure 4), at about half the average national growth. The last two years have seen a slight decline in the population, attributable to the impacts of COVID-19.

Southland Murihiku's current population is older than the national average. The region currently has a lower proportion of young adults between 15-39 years compared to the national average. Gore District Council has the higher proportion of adults over 65 years old.

The region's population is predominantly NZ European (over 85%) with the Māori proportion similar to the national average. The remaining ethnicities are mainly Pacifica and Asian people which make a up a relatively small proportion of the population compared to the national average.

The education levels of the population are lower than the rest of the country. This is attributable to a lack of tertiary education institutions in the region, as well as the type of job industries that are predominant in the region, agriculture and manufacturing.

A low unemployment rate as of the latest Census is a positive economic indicator for the region, sitting at 3% which is almost 1% lower than the national average.

Home ownership is very common in the region, approximately 70% of households are owned by their residents. This is complemented by a low rental rate, with only 30% of households corresponding to rentals, which is 5% lower than the national average.

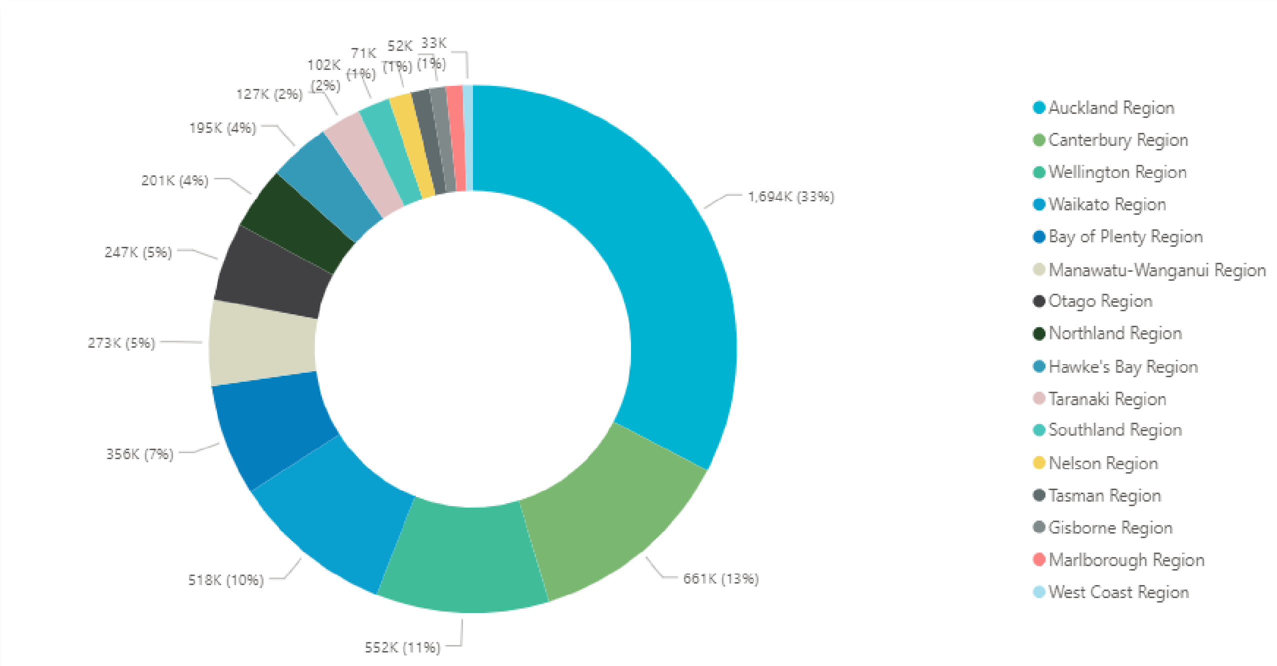


Figure 3: Breakdown of population in NZ by region (as of 2022)

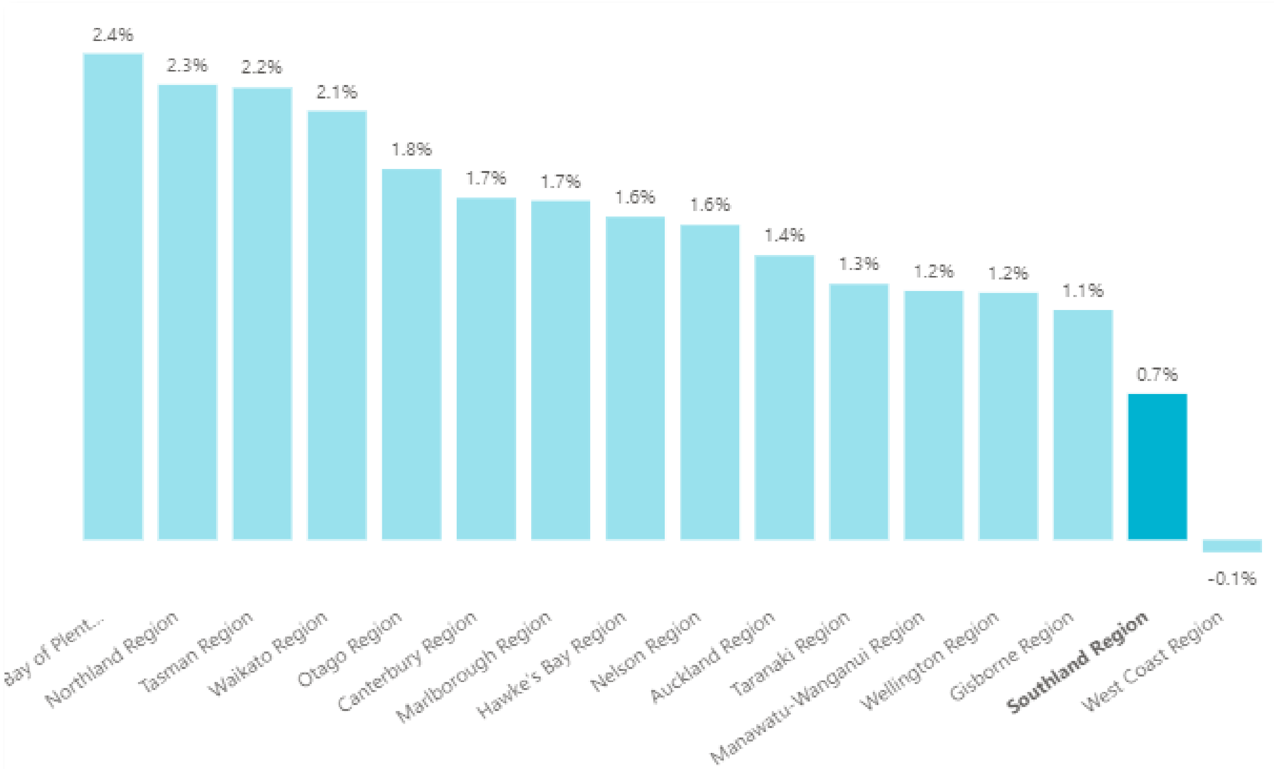


Figure 4: Comparison of average annual growth in population in NZ by region (2013 to 2022)

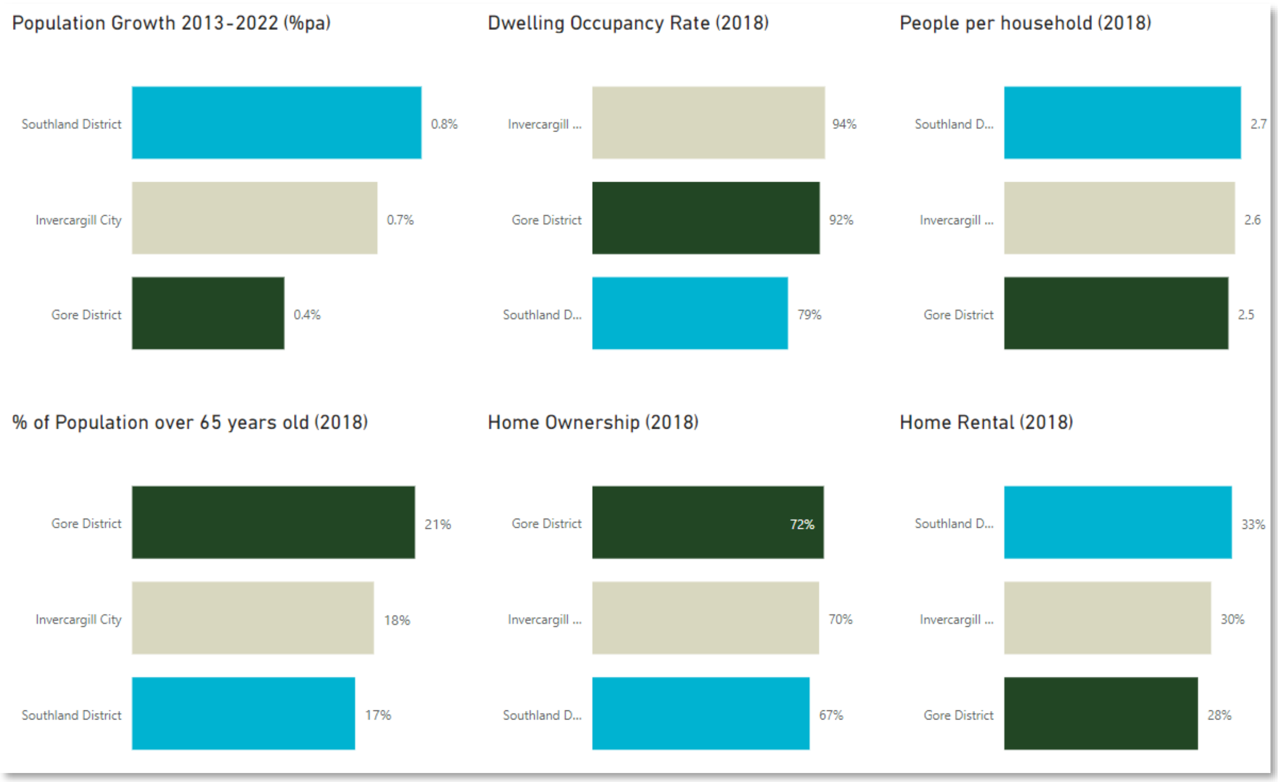


Figure 5: Demand profile comparison by council area in Southland District

2.1.2 GORE DISTRICT COUNCIL

Figure 6: Gore District Council demand profile (against regional baseline). Area of focus = Gore District Council

The historic population growth of the Gore District follows a similar pattern to that of the wider region. Significant population decline occurred from 1996 to 2006 in the district followed by slow growth. The district has only grown by about 500 people over the past nine years, the current population is ~13,000 which is lower than the 1996 population of ~13,500.

Growth in the district has been slow throughout the last 10 years, at 0.4%pa which is about half the growth rate seen in the other council areas. Within the district, Mataura stands out as an area of higher relative growth, outpacing Gore and rural areas since 2013. The growth is partly driven by an influx of people into the community employed in growing industries.

Employment levels in the district are alike the regional average. The labour market is centred around the agriculture and manufacturing sectors followed by retail trade.

Home ownership is even more common in the district, with 72% of households being owned by its residents.

There are some key demographic differences between the populations in Gore township, Mataura and the rural areas.

- **Gore township** is home to a high proportion of adults over 65 years (24% of the town's population) which is 1.5 times higher than the national average.
- **Mataura** age demographics are consistent with the region, although slightly younger than urban Gore township. There is a much higher proportion of Māori people (over double the district's average) and a lower proportion of NZ European people. Education levels in the township are particularly low and unemployment rates are higher, reflecting a lower socio-economic community. Mataura's household sizes have increased from 2.4 in 2006 to 2.6 in 2021.
- **Rural areas** have a higher proportion of people between 40-64 years old. The average household size in 2006 was higher than the district average, with 3.0 people per household, but since then this has reduced closer to the district average. There are a higher proportion of NZ European people and less Māori people. Education levels are slightly higher than the regional average and the unemployment rate is very low.

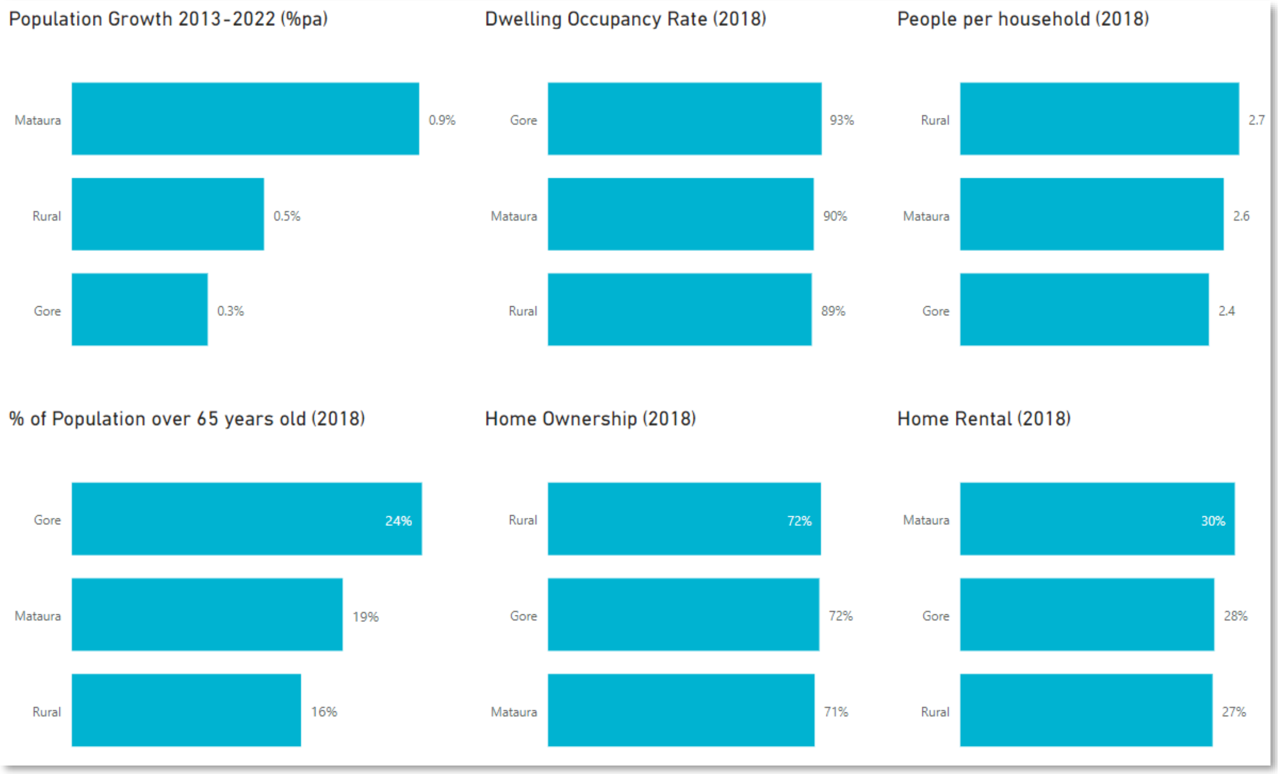


Figure 7: Demand profile comparison by township in Gore District Council

2.1.3 INVERCARGILL CITY COUNCIL

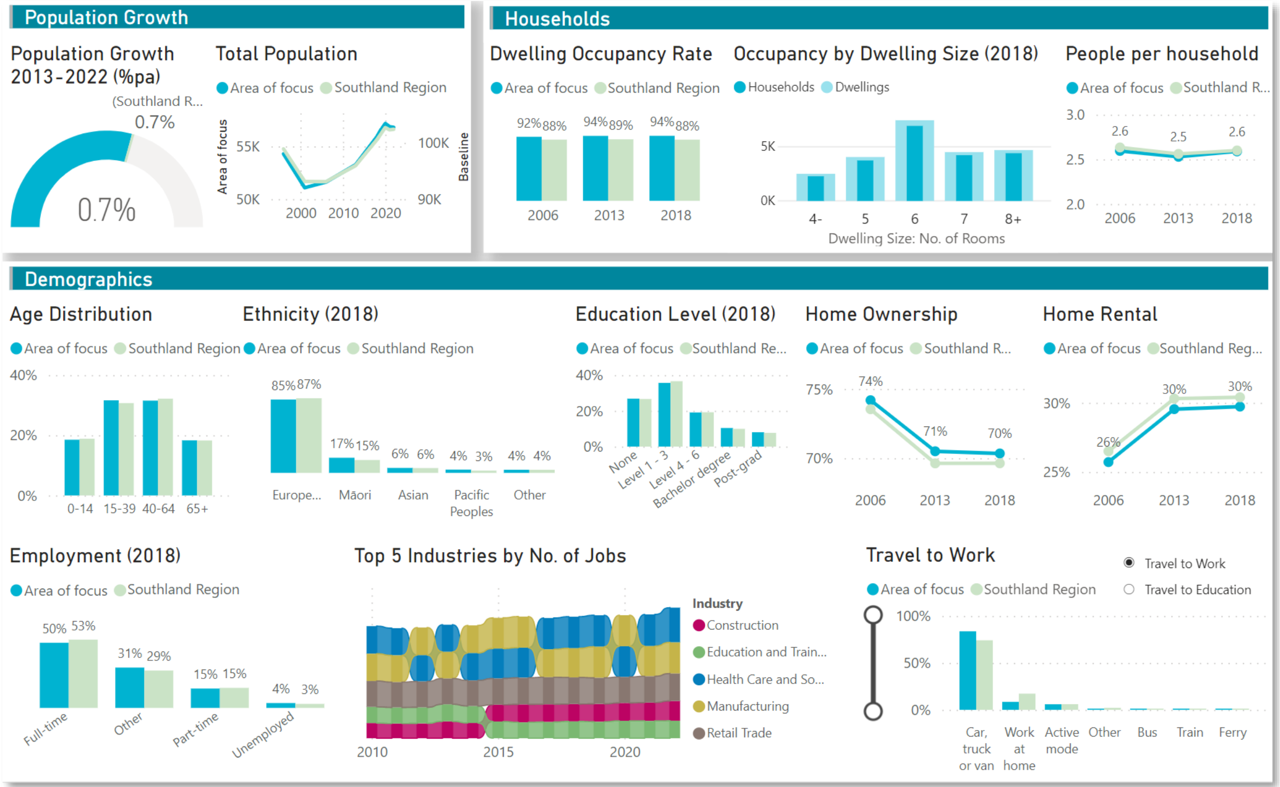


Figure 8: Invercargill City Council demand profile (against regional baseline). Area of focus = Invercargill City Council

Population growth in Invercargill City Council (ICC) is consistent with the regional average. ICC has been growing at a steady pace since 2006, which has slightly accelerated since 2013. The current population is ~56,800.

Growth in ICC has been higher than Gore District, but similar to Southland District. Within the council area, rural areas have been growing faster at double the rate of urban Invercargill, with an additional 570 people since 2013. Bluff and Kennington's populations have slightly declined during this period.

Employment levels in the council area are slightly lower than the regional average. Jobs are centred within health care, manufacturing and retail trade industries. The potential closure of the Tiwai smelter would have a significant impact on employment.

Alike the regional average, home ownership is common, with 70% of households owning the home they live in, compared to 64% nationally. Rentals are less common in ICC than in Southland District.

Commuting patterns are slightly different to the rest of the region, due to people travelling from other areas to the city for work.

There are some key demographical differences between the populations in Bluff, Kennington, urban Invercargill and the rural areas.

- **Bluff** has an older and declining population. This township has a high proportion of Māori people, over double the regional average. Education levels are particularly low compared to the regionally average. Home ownership is very high at approximately 75% and rentals are uncommon. The average household size is smaller than the district average as is to be expected from an older community.
- **Kennington** also has a declining population. Demographics here show a young population. The home ownership rate is very high.
- **Urban Invercargill** population is slightly younger compared to the rest of the region. The unemployment rate is slightly higher. Home ownership levels are slightly lower than the regional average, and rentals slightly more common.

- **Rural areas** have a high proportion of people between 40-64 years old. The level of children under 14 years old is as per the rest of the district. The average household size is higher than the regional average. Employment levels are very high.

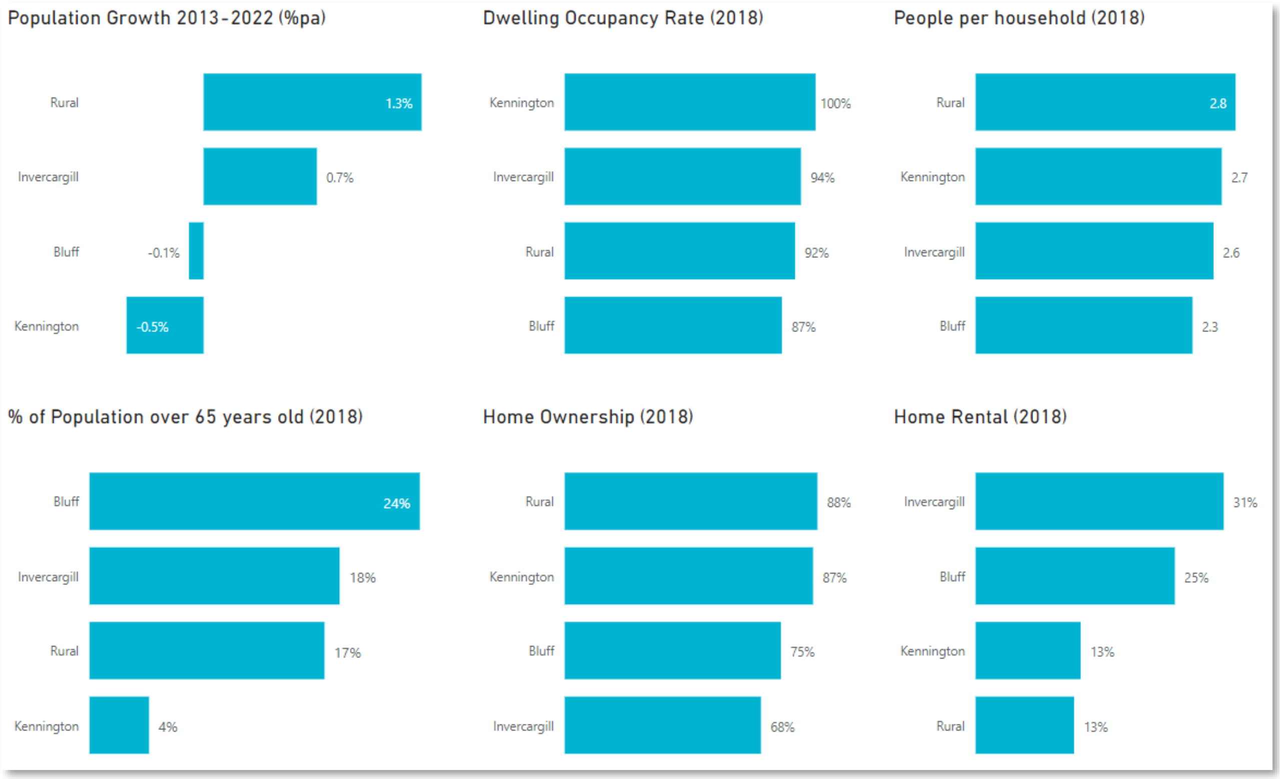


Figure 9: Demand profile comparison by township in Invercargill City Council

2.1.4 SOUTHLAND DISTRICT COUNCIL

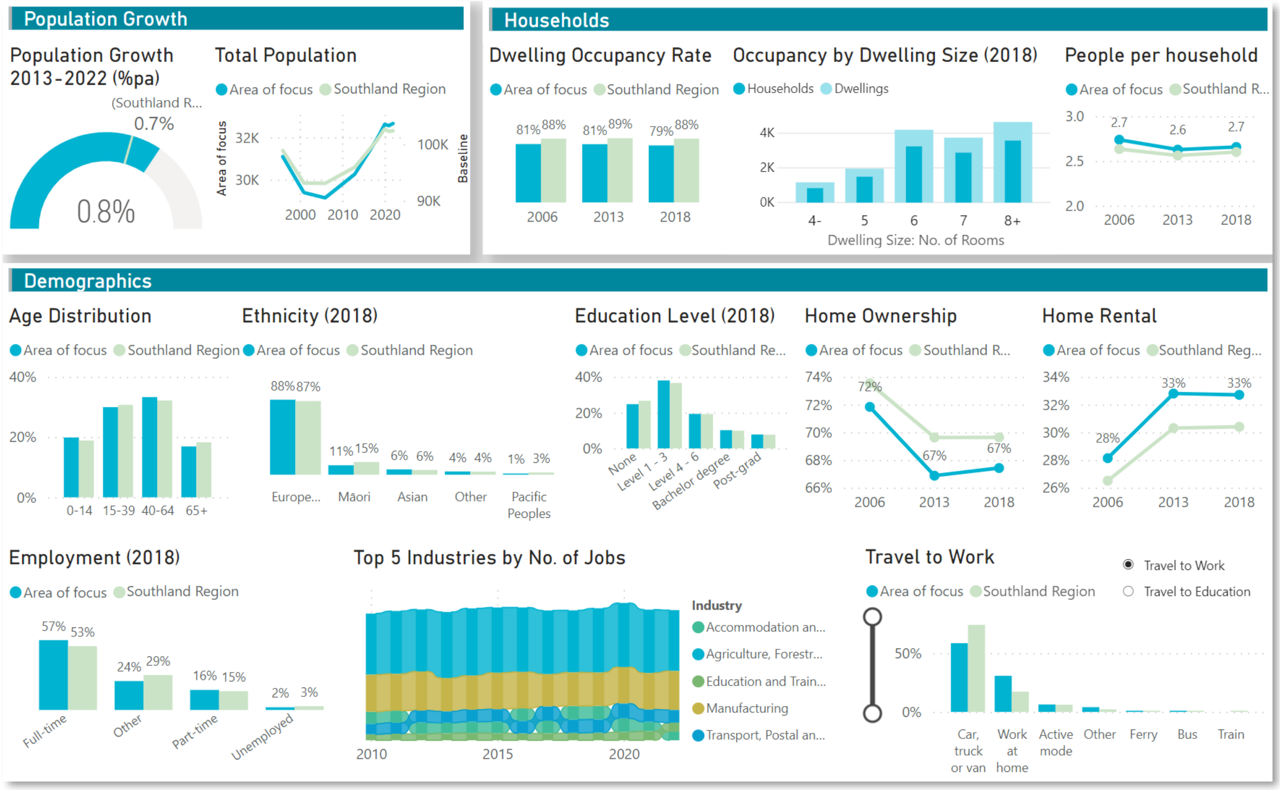


Figure 10: Southland District Council demand profile (against regional baseline). Area of focus = Southland District Council

The Southland District's population has grown by 0.8% pa since 2013, which is slightly faster than the regional average but still well below national levels. Growth has stalled over the past two years as per the rest of the country. The current population is ~32,700.

Growth in Southland District has been higher than Gore District Council, but similar to Invercargill City Council. Te Anau has been a fast growing town in the district, growing by 4.4% pa since 2013, increasing its population from 2,000 to almost 3,000. The townships of Edendale, Wyndham, Lumsden, Riverton and Stewart Island have also had relatively strong growth. All other townships have grown at a slower rate, except for Tuatapere whose population has declined. The rural population in the district has grown slowly at half the district average.

Unemployment levels are particularly low in the Southland District, at 2.2% compared to the regional average of 3.1%. Education levels in the Southland District are consistent with the Southland Region.

Not as many people in the Southland District commute for work compared to the regional average which is reflective of the agriculture roles a large portion of people work in.

Home ownership in Southland District is slightly lower than the regional average. Household sizes are aligned with the regional average. Occupancy rates have slightly dropped since 2013, partly because of the housing stock expanding at a faster rate than population growth since 2013 (1.5% vs 0.8%).

There are some key demographical differences between the urban and rural areas:

- **Edendale/Wyndham** have slightly older populations, with slightly higher unemployment rates. This may be as a result of farmers in rural areas retiring to this town. Unlike the district average, home ownership increased from 2013 to 2018 reaching 76% - significantly higher than the rest of the district.
- **Lumsden's** population age is relatively consistent with the district average. There are higher unemployment rates, but home ownership rates improved in the 2018 Census to align with the district average.

- **Manapouri** have a high proportion of adults over 65 years old. Over the last four years the number of children under 14 years old has increased and the number middle-aged people has decreased. The average household size has declined from 3.1 in 2006 to 2.1 in 2021. Home ownership rate have remained high at 71%, while dwelling occupancy rates are extremely low at 48%, reflective of the high number of holiday homes in the area.
- **Otautau** has a slightly older population than the district's average, with lower education levels and higher unemployment rates. Ownership and household size levels are in line with the district.
- **Riversdale** has a slightly older population than the district average; however, all other statistics are otherwise in line with district levels. The town had a much younger population in 2006 but has been getting consistently older since then. The home ownership rate is high at 73%.
- **Riverton** has an aging population, with almost double the proportion of adults over 65 years old compared to the district average. There is a very low proportion of fulltime workers. Home ownership rates remain high at 77%, and household sizes are smaller, indicative of an older population.
- **Stewart Island** population over the last 20 years has been predominantly 40-64 year olds. There is a low proportion of children and slightly higher proportion of adults over 65 than the district average. This casts a future for the island where support will be needed for senior housing, as the 40-64 year old cohort transition into the over 65 year old group. Education levels are higher and the unemployment rate is very low. There is a much higher proportion of people that walk to work, 1 in 4 compared to 1 in 20 at the district level. Contrary to the district trend, home ownership levels have improved from 66% in 2006 to 73% in 2018. This area has a very small average household size.
- **Te Anau** has a population aged similar to the district average. There is high presence of Asian people in this town, over 11% of the population. Education levels are slightly higher, and unemployment is very low compared to the district average. More people walk or bike to work as means of commuting. Home ownership rates and average household sizes are similar to the district averages.
- **Tuatapere's** population has not grown in the last 10 years and has been steadily ageing. There is a very high proportion of residents over 65. The Māori population is higher than the districts average. Education levels are lower, and unemployment is higher. Home ownership rates are higher than the district average. The average household size is lower than the district average.
- **Wallacetown's** demographic is similar to the regional average. Unemployment levels are relatively high in this township, at 4.4%. Home ownership rate have remained very high in this area, sitting at 87%.
- **Winton** has a high proportion of people over 65 and a significant gap in adults aged 40-64. Education levels are slightly lower than the district average. The unemployment rate is in line with the district but there is a lower percentage of fulltime workers. Home ownership rates are high at 76%, whilst the average household size is low. These features align with an older, retired population.

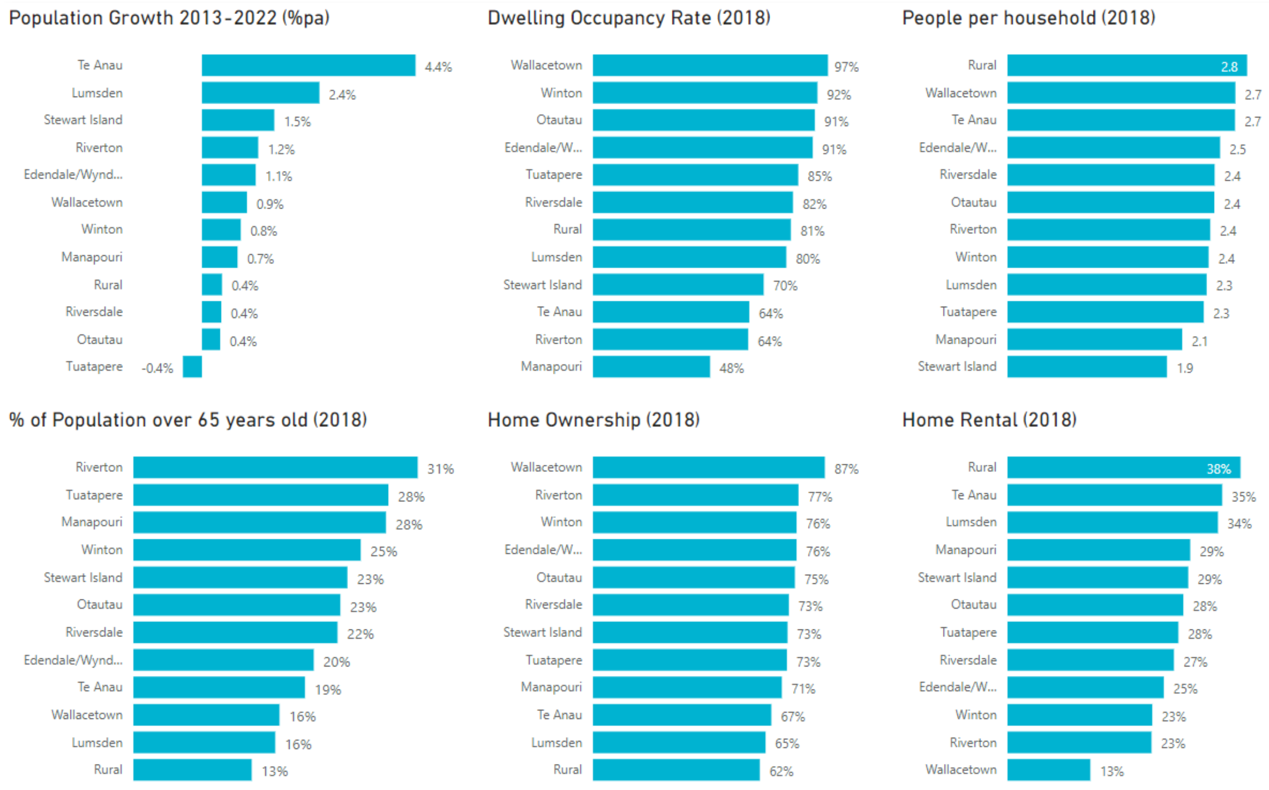


Figure 11: Demand profile by township in Southland District Council

2.2 Supply (Housing Stock)

2.2.1 REGIONAL

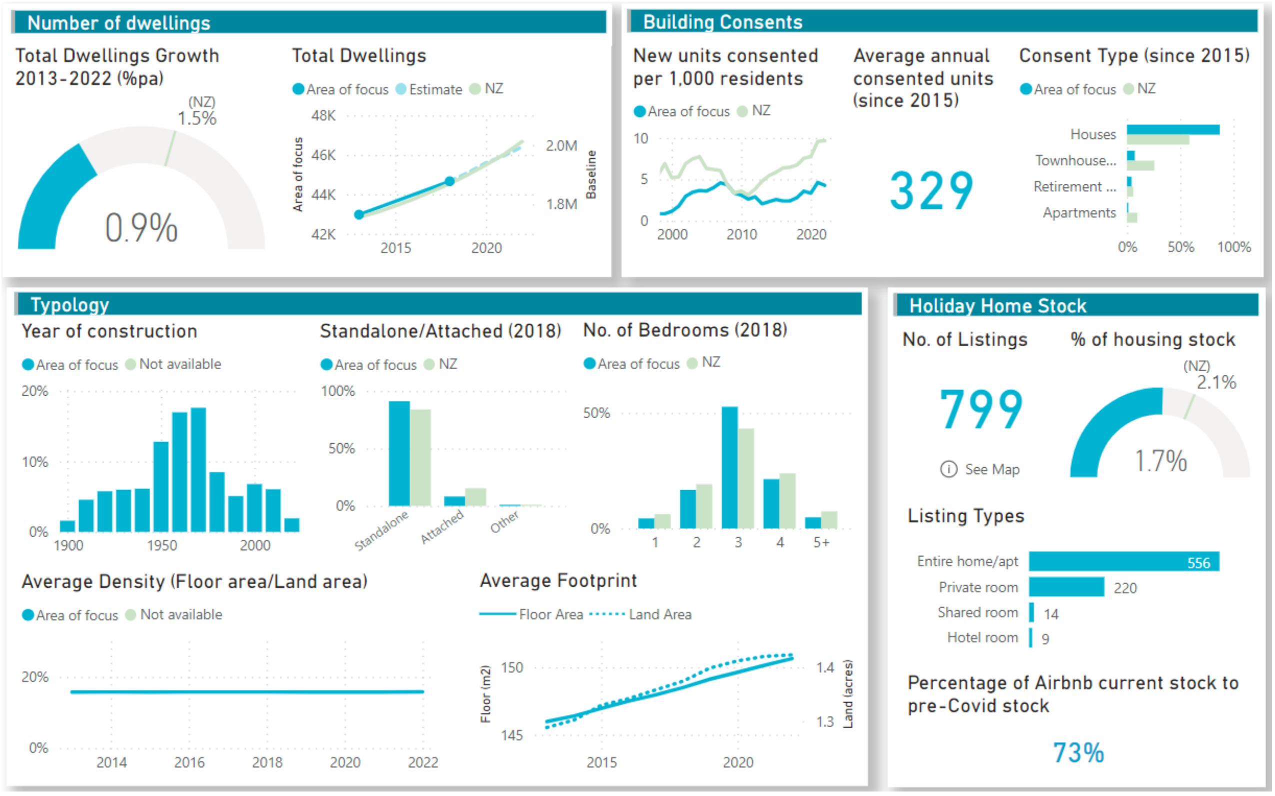


Figure 12: Regional supply profile (against national baseline)

Southland Murihiku has approximately 46,400 dwellings of NZ's total 2 million dwellings, equivalent to 2.4% (see Figure 13). Since 2013 Murihiku Southland has expanded its housing stock at 0.9% pa, equivalent to a net increase of approximately 3,400 dwellings in total. The housing stock in the region has been expanding slower than most other regions in the nation (see Figure 14).

Nationally the number of annual consented residential units per 1,000 residents has almost doubled from five consents per 1,000 residents in 2013 to ten consents per 1,000 residents in 2022. Note that this figure includes new constructions as well as alterations to existing buildings. Parallel to the slower growth in population, the number of consents per year in Murihiku Southland has remained much lower compared to national rates but has also doubled increasing from two to four consents per 1,000 residents over the same nine-year period.

The typologies of new houses built in the region is vastly different to the national trend. Since 2015, nationally 36% of building consents have been for townhouses and apartments compared to only 8% in Murihiku Southland. Since 2015 standalone homes accounted for 87% of consents in the region but only 59% of consents nationally.

Southland's housing stock is very old, with 72% of houses built prior to 1980. In comparison to this, only 37% of houses in the Central Otago region were built prior to 1980, while nationally this metric is around 47%.

The size and typology of houses in the region reflects an older housing stock with not much variety. This is an issue that was highlighted in the community survey results. The housing stock is dominated by medium-sized three-bedroom houses making up 53% of the stock compared to only 43% nationally. There is less availability of both smaller and larger houses. There are very few attached townhouses, which nationally have become much more common and provide a possible solution to address housing affordability in Murihiku Southland.

Average housing density, defined as floor area over land area, has remained constant at 15.8%, but the is a trend for larger houses and sections, with both growing by 10% since 2013.

Short stay visitor accommodation properties accounted for 2% of the total housing stock, which is similar to the national average. The current number of properties listed on short stay accommodation websites (eg. Airbnb and Bookabach) represents about 73% of the number of listings pre-Covid. We can expect short-term accommodation listings to continue rising as the tourism industry recovers.

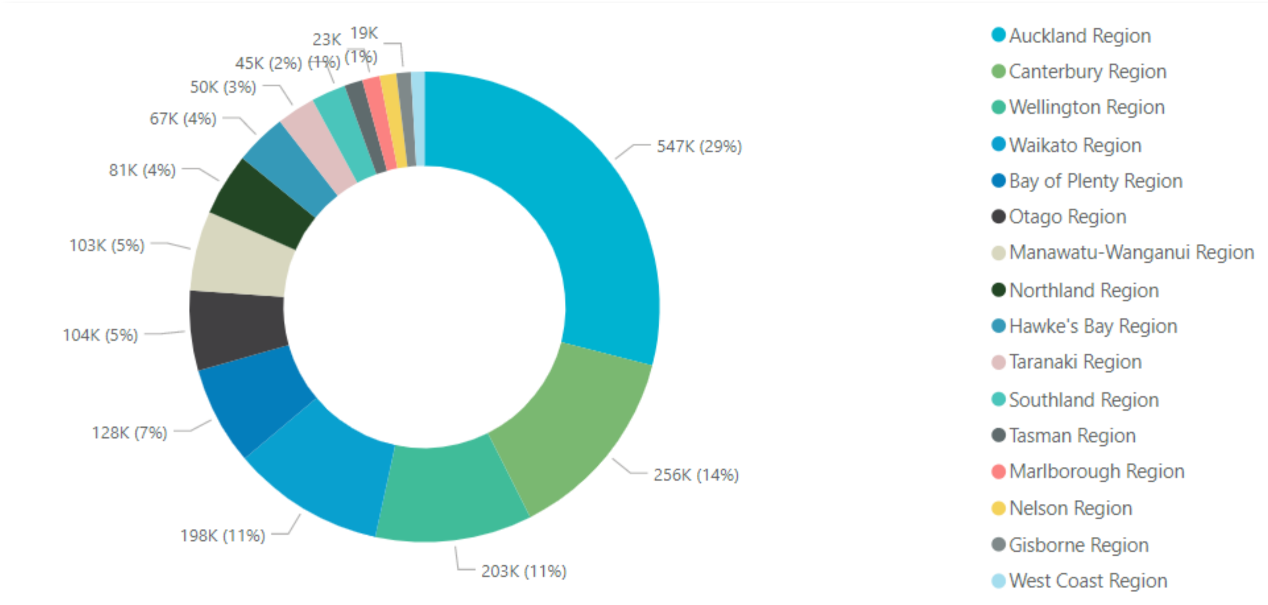


Figure 13: Breakdown of dwellings in NZ by region (as of Census 2018)

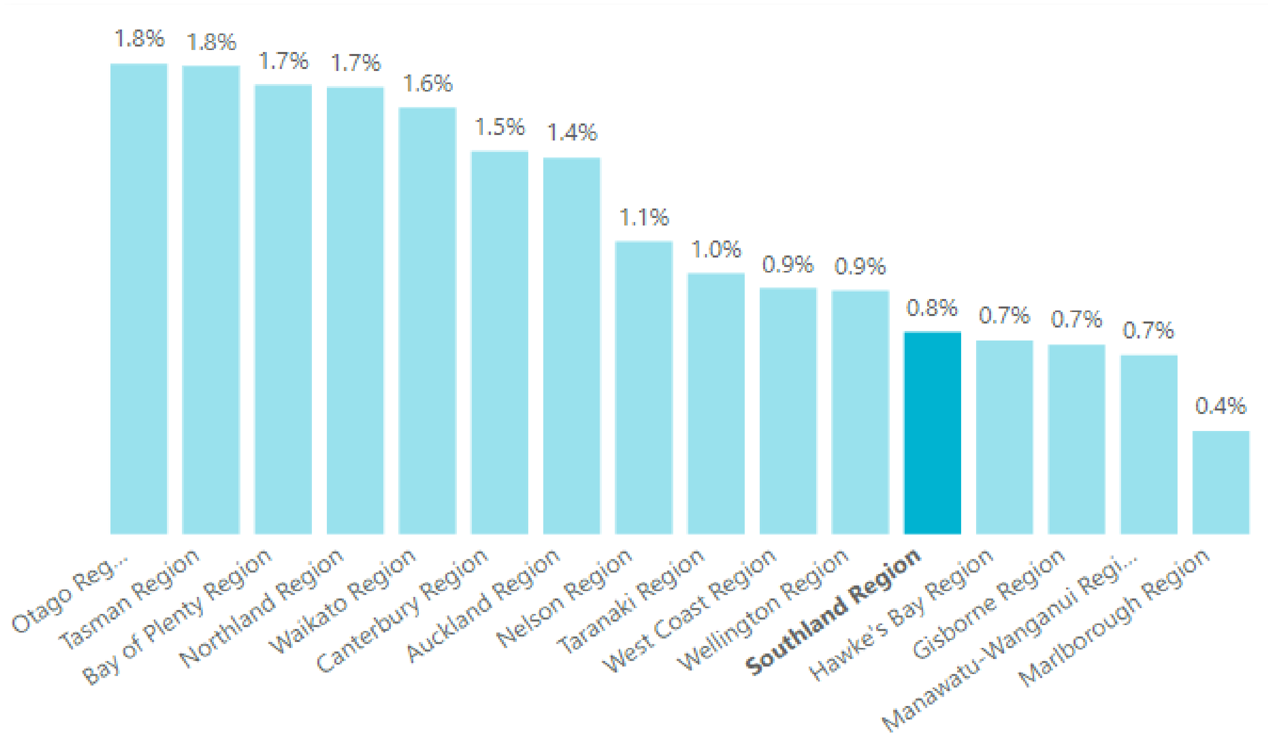


Figure 14: Comparison of average annual growth in number of dwellings in NZ by region (Census 2013 to Census 2018)

2.2.2 GORE DISTRICT COUNCIL

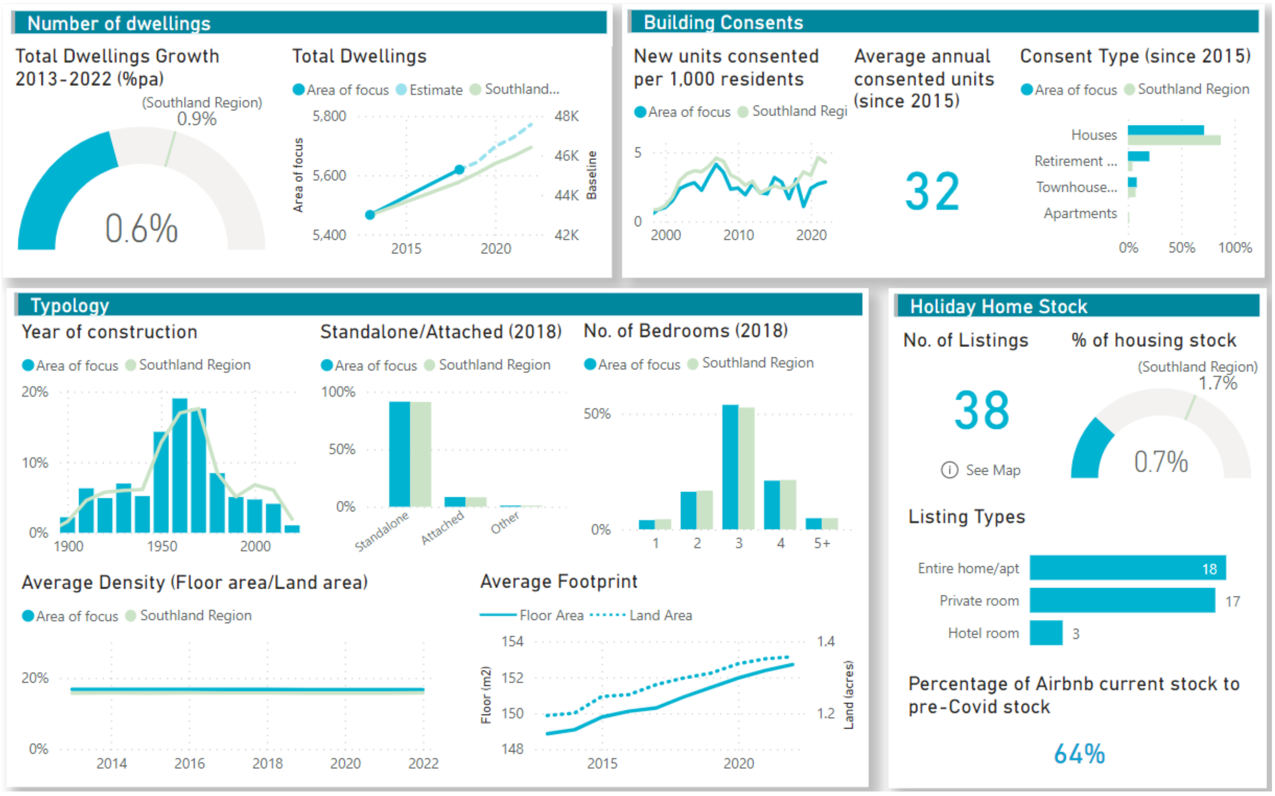


Figure 15: Gore District Council supply profile (against regional baseline)

The supply of housing in the Gore District is similar to Murihiku Southland as a whole.

Since 2013 the Gore District has had dwelling growth of 0.6% pa, equivalent to an increase of approximately 300 dwellings, which is lower than the regional average growth rate. Housing stock in rural areas has grown faster, at 1.6%pa, compared to 0.5% in Gore and 0.3% in Mataura.

The rate of consents per 1,000 residents has fallen behind the regional average since 2018. Since 2015, 20% of building consents in the Gore District have been for retirement units compared to 4% regionally. This is in agreement with the ageing demographics in this area. Townhouses/flat consents have been in line with the regional levels.

Gore District has a slightly older house stock compared to the regional average with less houses being built in the 2000s and 2010s and more built in the 1950s and 1960s. Apart from this the typologies of the houses are consistent with the region.

Short stay visitor accommodation is not as common in this district compared to the region, only making up 1% of the total stock with most of these listings located in rural areas.

There are some key differences between Gore township, rural Gore and Mataura:

- **Gore township** has higher density dwellings, otherwise it aligned with district trends.
- **Mataura's** housing stock is much older compared to the district's average with a large portion of houses built between the 1910s and 1930s. The housing stock is comprised of mostly smaller dwellings. Rentals in the area have halved since 2015.
- **Rural Gore's** housing stock here is newer compared to the district's average with more houses being built in the 1990s to 2010s compared to the district's average which had more houses built during the 1950s to 1970s. Houses here tend to be significantly larger as expected in a rural setting. Rentals are much less common.

2.2.3 INVERCARGILL CITY COUNCIL

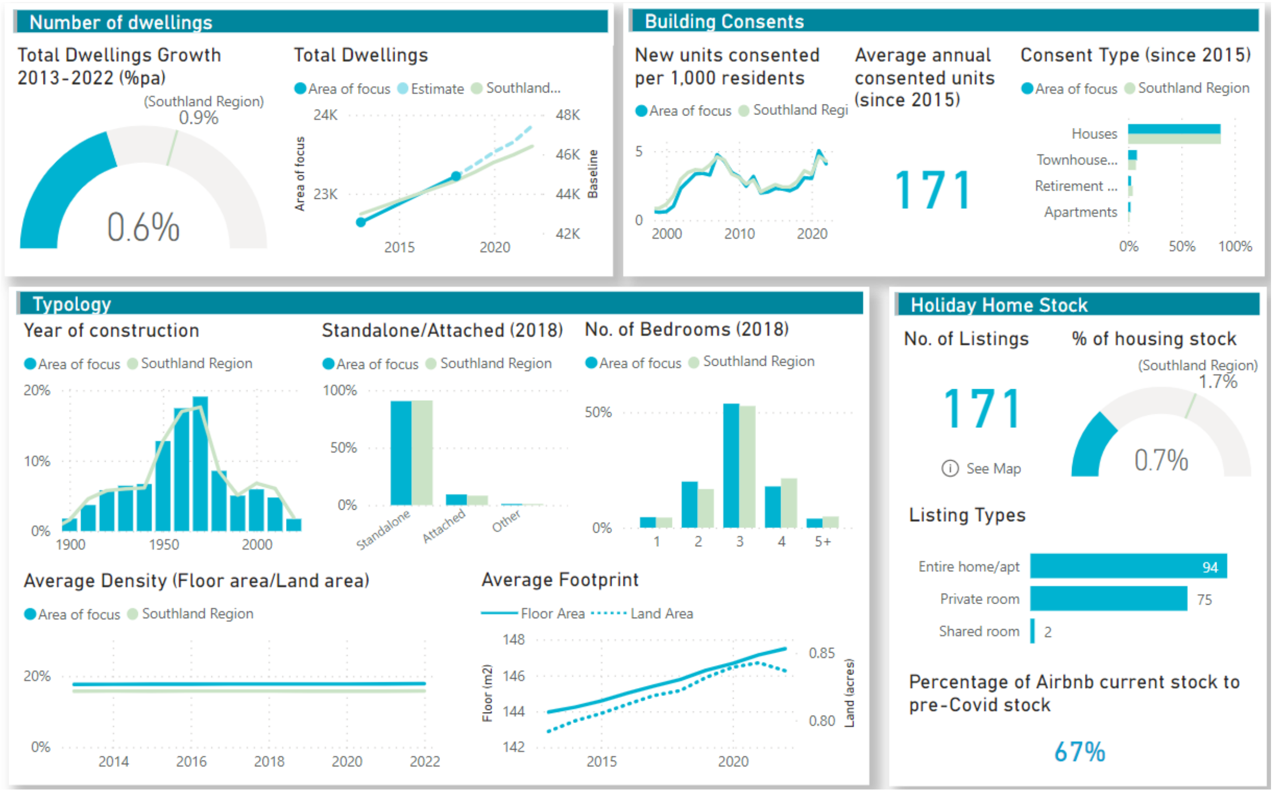


Figure 16: Invercargill City Council supply profile (against regional baseline)

Invercargill City Council has had slower dwelling growth compared to the regional average, at 0.6% pa since 2013, equivalent to a total increase of 1,200 dwellings. Again, rural areas have shown faster growth than urban areas.

Recent consent types are similar to the regional levels, with most being for standalone houses.

The housing stock is similar in age, but of a slightly smaller size compared to the regional average as expected from a more urban setting.

Airbnb is not as common in ICC compared to the regional level, only making up 1% of the total housing stock.

There are some differences between Bluff, Invercargill, Kennington, and rural Invercargill:

- **Urban Invercargill's** typologies include higher densities and slightly smaller homes than the district average. Dwelling growth has been slow at 0.5%pa.
- **Bluff's** dwelling growth has been very slow at 0.1%pa, with a total increase of just 6 dwellings since 2013. The housing stock is much older compared to the district average with more houses built between the 1900s and 1950s. Houses are less dense and smaller in size. Over a quarter of consents since 2015 have been for multi-unit homes, although current levels of attached dwellings are much lower than the rest of the district.
- **Kennington's** housing stock is older than the district average with a large proportion of houses built in the 1910s. Bigger houses are more common.
- **Rural Invercargill's** dwelling growth has been much faster than the district average at 2.0% pa. This is in line with and driven by demand trends expressed in the community survey (Section 3.1). The housing stock is newer compared to the district average with more houses built between the 1990s and 2020s. These houses also tend to be much larger.

2.2.4 SOUTHLAND DISTRICT COUNCIL

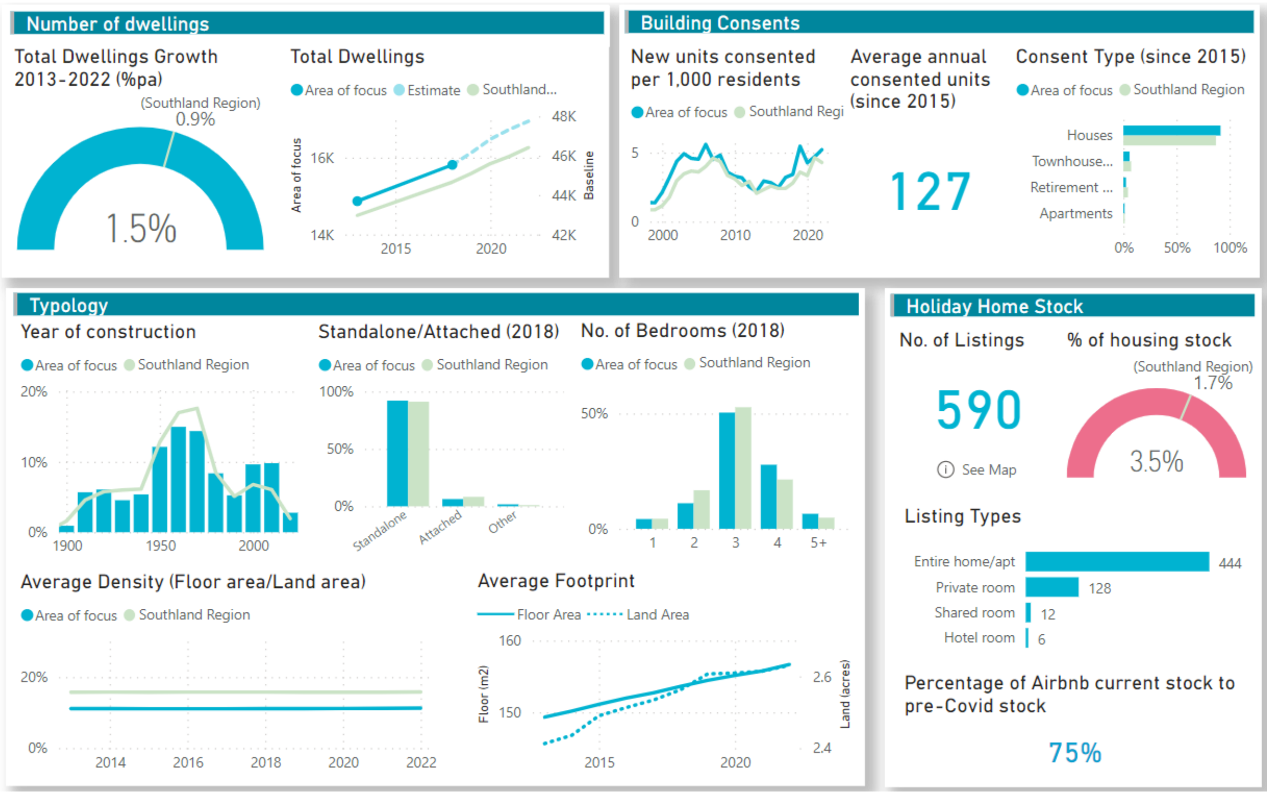


Figure 17: Southland District Council supply profile (against regional baseline)

Since 2013 dwelling growth in the Southland District has been relative fast at 1.5% pa, equivalent to a total of 2,100 new dwellings. This is higher than the regional and national averages.

The number of consents per 1,000 residents in the Southland District has been tracking slightly above the regional average since 2017. Consents in this district are even more predominant around standalone houses.

Short stay visitor accommodation properties are popular, making up 4% of the total housing stock compared to the regional average of 2%. There are currently 590 properties listed on short stay accommodation websites in the Southland District compared to over 650 at the peak pre-COVID.

The Southland District has a slightly newer house stock with more houses built in the 2000s and 2010s compared to the regional average. Densities are lower and home sizes are bigger, reflective of a more sparsely distributed population.

There are some differences between the towns, and rural areas in the Southland District:

- **Edendale/Wyndham** has experienced slow dwelling growth over the last 10 years. The housing stock is older with a big portion of homes built in the 1910s. There is no short stay visitor accommodation activity in the area.
- **Lumsden** has had high dwelling growth at 3.0% pa since 2013. Long-term rentals and Airbnb of individual rooms are more common in this area. The housing stock is slightly older, with limited new homes built since 1980.
- **Manapouri** has had dwelling growth below the district average since 2013. Short stay visitor accommodation is much more common in this area accounting for 9% of the housing stock. The housing stock is newer with higher densities and smaller houses.
- **Otautau** has an older housing stock, with much smaller houses.
- **Riversdale's** stock is of similar age to the district average. There is slightly less variety in house sizes with 3-bedroom houses making up 59% of homes. Short stay visitor accommodation is uncommon and so too are long term rentals.

- **Riverton** has a slightly older housing stock made up of higher density smaller homes. Short stay visitor accommodation is popular, making up 7% of the stock.
- **Stewart Island** has relatively small homes, with lots of one- and two-bedroom houses. Short stay visitor accommodation is very prevalent, making up 8% the housing stock.
- **Te Anau** has seen high growth in its housing stock over the last 20 years, with high building activity during this period. The housing stock in this area is much newer and denser, with smaller homes being more common. Short stay visitor accommodation is very popular in this township making up 13% of the housing stock. This figure is expected to continue increasing as the tourism industry recovers from COVID-19.
- **Tuatapere** showed a decline in the number dwellings over the last decade, driven by a declining population. The housing stock here is significantly older than the district average.
- **Wallacetown's** housing stock has less variety and is dominated by medium sized 3-bedroom homes which make up 67% of homes.
- **Winton's** stock is much denser, with smaller homes being more common.

2.3 Supply and Demand Balance

2.3.1 REGIONAL

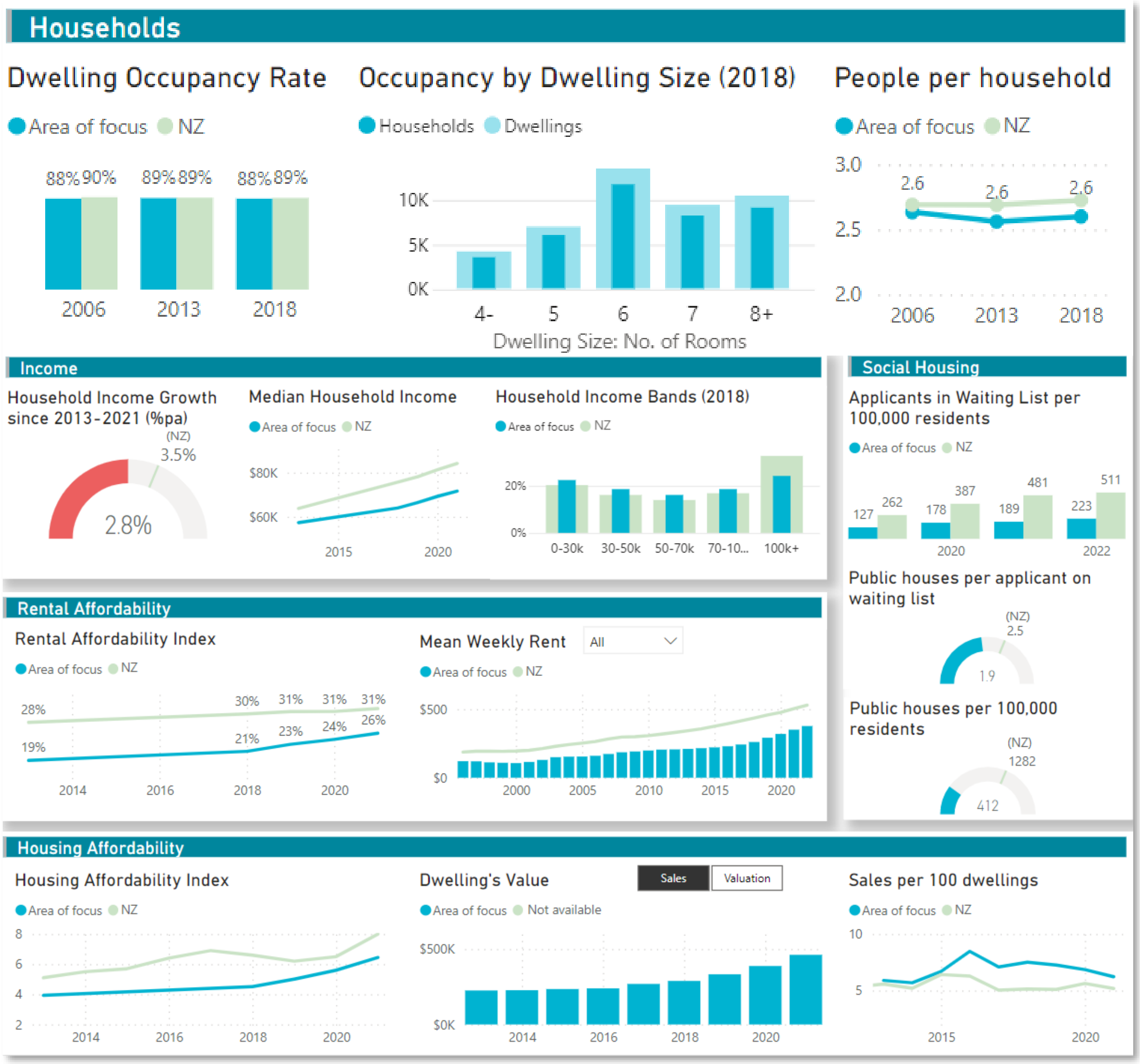


Figure 18: Regional affordability/market availability profile (against national baseline)

The number of dwellings in Southland has grown faster than population growth since 2013 (0.9% pa vs 0.7% pa). The dwelling occupancy rate and average household size have both remained stable at 88% and 2.6 respectively. This suggests that volumetrically, without consideration to typology, enough additional supply has been added to the stock in proportion to the additional demand.

Economic indicators, which are in part a response to the supply and demand balance of housing, are of more concern for the region. Nationally, over the past 10 years household income has grown but has not kept pace with the increases in rent and house prices. As a result, affordability for renters and owners has worsened significantly, with housing ownership affordability deteriorating faster given the surge in house prices.

In the Southland region, median annual household income has grown slower than the national average, climbing at 2.8% pa on average since 2013, and currently sits at $72,000 compared to the national average of $84,000. Household income bands suggest high-earning jobs are uncommon in this region, and there is a higher proportion of households living on very low incomes compared to the rest of NZ.

The rental affordability index is a measure of average weekly rent over the median weekly household income, as such it can be interpreted as the percentage of income that goes towards paying rent with a higher index indicating worsening affordability.

The housing affordability index is a function of average house price over median yearly household income, and again a higher index indicates worsening affordability.

Average weekly rent is significantly lower in the Southland region compared to the national average, as a result rental affordability is much better in the region. Nevertheless, rental affordability in the region has been worsening much faster than nationally. 10 years ago, rents were 19% of median household income, while now that figure is 26%, totalling a 7% uplift. By comparison, nationally this metric has lifted by only 3% from 28% to 31% of household income.

Even though the current rental affordability index is still better in Southland compared to the national average, it is catching up.

The current housing affordability index is still well below the national average as house prices are much lower in the region. Nonetheless, affordability in the region has worsened in a similar manner to the national average. Where in 2013 the average house price was equivalent to 3.9 times the median household income, it now is 6.4. Nationally the index has increased from 5.1 to 8.0. In addition to this, recent hikes in mortgage rates mean that household owners are also spending a higher percentage of their income in housing.

Sales per 100 dwellings has been substantially higher than the national average from 2016 onwards suggesting high levels of activity in the sale market. This is part of a national trend that saw house sales increasing and peaking in 2016. Evidence from the housing desktop analysis suggests that this may be partly attributable to rental properties being sold to avoid costs of compliance with Healthy Homes legislation.

Both renting and buying homes has become much more challenging for people living in New Zealand and Southland Region has been no exception. Due to sharp increases in house prices since 2016 and the high proportion of low-income households in Southland home ownership is becoming more unachievable. Rental options appear to be scarcer in the region compared to the national average. Increasing demand for rentals due to worsening housing affordability is putting pressure on this segment of the market. However, when put into national context, Southland Region still stands out as one of the most affordable regions in the country in terms of housing and rental affordability.

Table 2: Average house sale price and weekly rent in Southland Region from 2010 to 2022

Year	Average House Sale Price	Year-on-year increase	Average Weekly Rent	Year-on-year increase
2010	$221,914		$198	
2011	$223,740	$1,826	$205	$7
2012	$219,462	-$4,278	$207	$2
2013	$225,642	$6,180	$211	$4
2014	$227,473	$1,831	$216	$5
2015	$235,136	$7,663	$221	$5
2016	$239,576	$4,440	$229	$8
2017	$269,033	$29,457	$243	$14
2018	$288,943	$19,910	$261	$18
2019	$332,931	$43,988	$292	$31
2020	$388,049	$55,118	$320	$28

2021	$462,248	$74,199	$351	$31
2022	$529,884	$67,636	$377	$26

Social housing is a growing issue in the region, although still small in scale compared to other parts of the country. The social housing waiting list in Murihiku Southland has increased from 74 to 228 applicants between 2018 and 2022, a 200% increase compared to the 170% increase nationally. This reflects growing unaffordability of housing in the region. Although actual social housing demand numbers are not as strong as the national average the drastic increase over the past four years is of concern. Also concerning is that the number of public houses per applicants on the waiting list is lower in Southland compared to the national average.

2.3.2 GORE DISTRICT COUNCIL

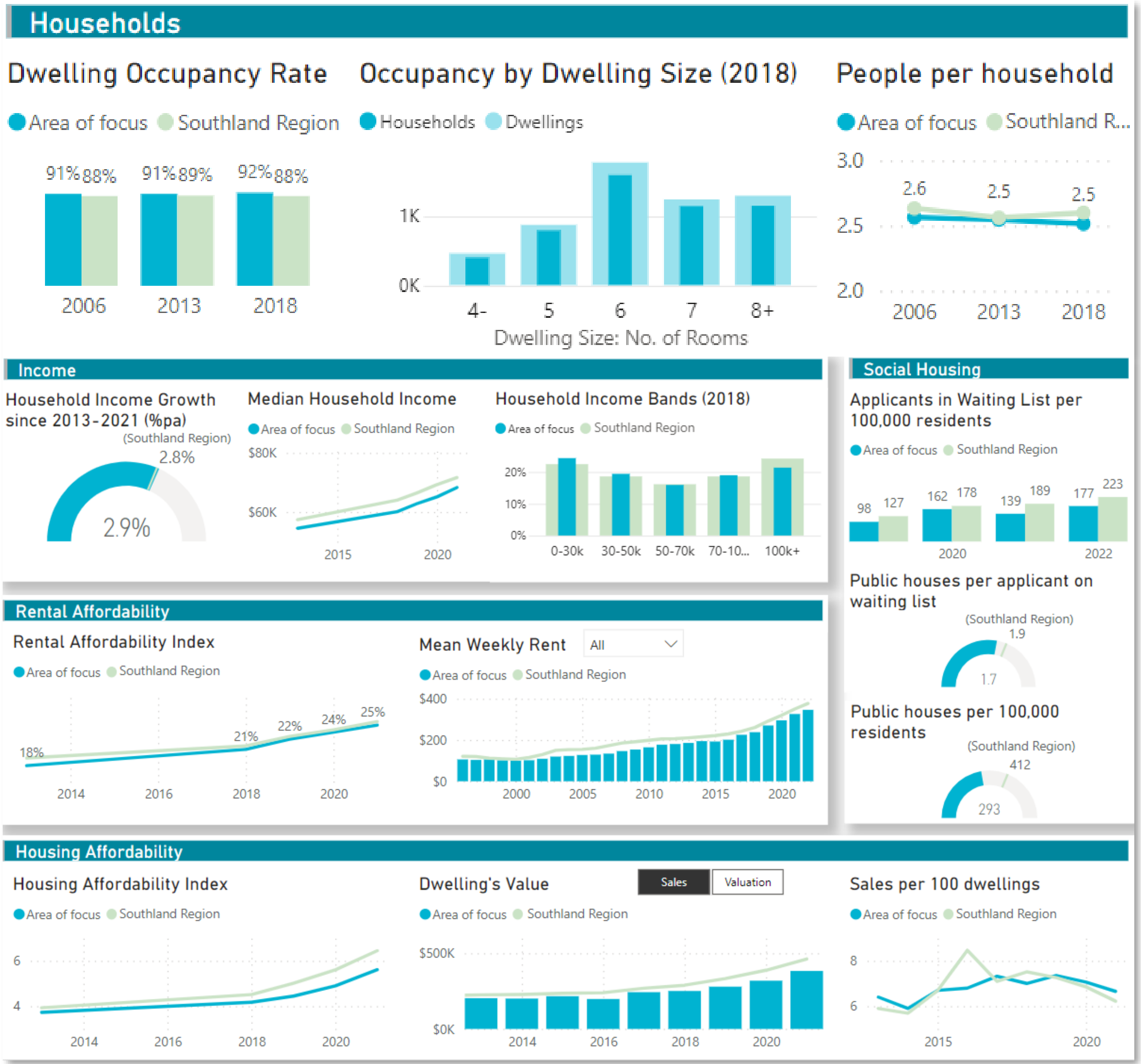


Figure 19: Gore District Council affordability/market availability profile (against region baseline)

The number of new dwellings in the Gore District has grown faster than the population since 2013 (0.6% pa vs 0.4% pa), with dwelling occupancy rates and average household sizes remaining fairly stable. This suggests that volumetrically, without considering typologies, the number of dwellings added to the stock has kept up with population growth. Occupancies in the district are higher than the regional average, reflective of less holiday homes.

Household income has grown at a similar rate to the regional average, but there is more variance in income bands, with a higher proportion of very low-income households, particularly in Mataura.

The rental affordability index is a measure of average weekly rent over the median weekly household income, as such it can be interpreted as the percentage of income that goes towards paying rent with higher figures indicating worse affordability. Meanwhile the housing affordability index is a function of average house price over median yearly household income, and again a higher value indicates worse affordability.

Rental affordability in the district has been similar to the regional level for the past 10 years, with the index increasing from 18% in 2013 to 25% in 2021. Meanwhile, housing affordability is slightly better than the regional level, having not seen as big of a rise in house prices since 2017. Mataura rental affordability has worsened much faster since 2018 due to a large surge on rents.

The average dwelling sale price is significantly lower in the Gore District, averaging $464,000 in 2022 compared to the regionally average of $529,000. The high sales activity seen in 2016 across the region was not observed in this district.

Overall, housing pressure experienced in the Gore District is similar to what the region as a whole is facing, with increasing rental demand competing for a low number of rental properties.

Social housing is an issue that affects only a few people in this district but has increased in the last 5 years with the waiting list increasing from 5 applicants in 2018 to 23 applicants in 2022.

2.3.3 INVERCARGILL CITY COUNCIL

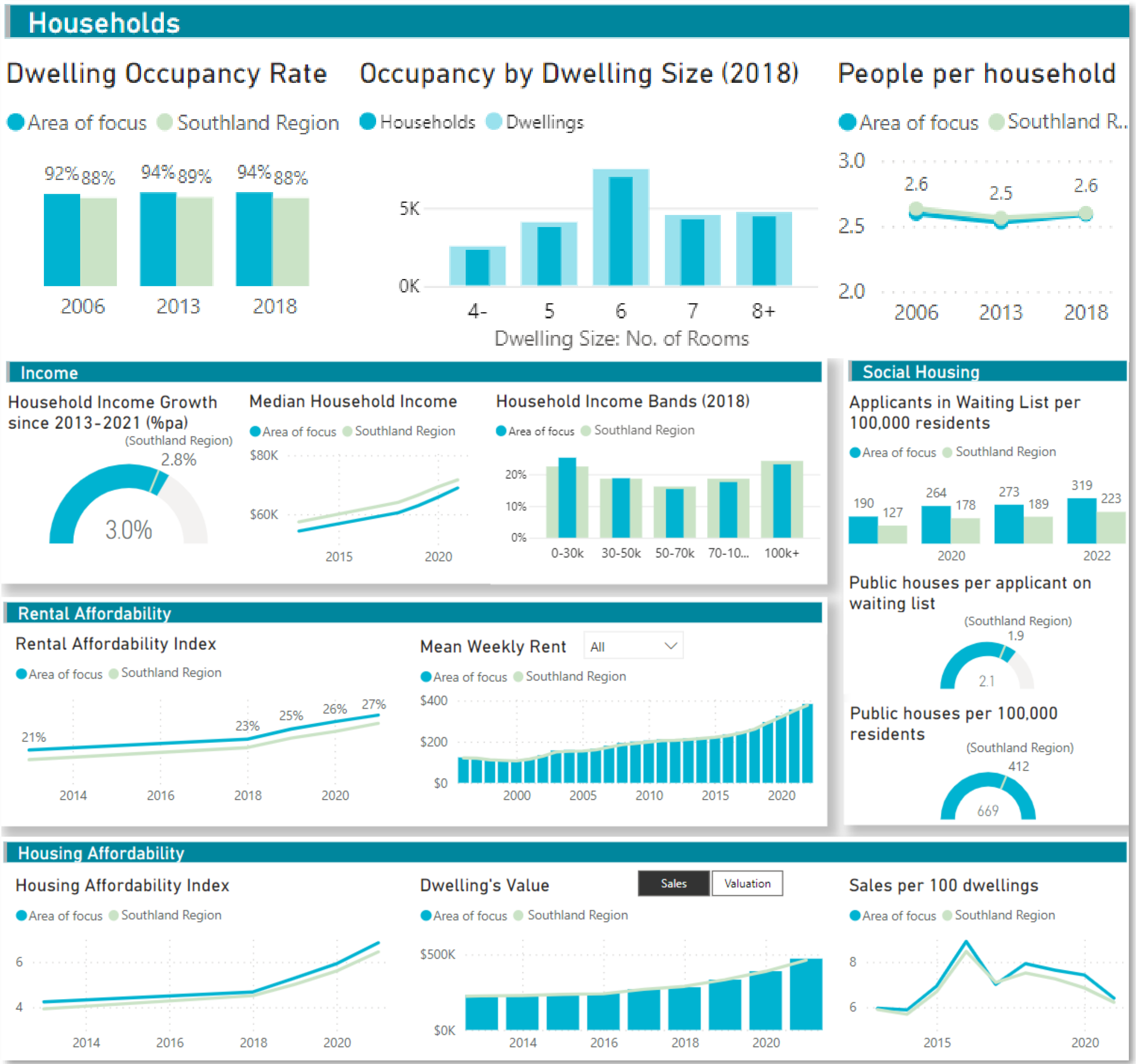


Figure 20: Invercargill City Council affordability/market availability profile (against region baseline)

The number of new dwellings in Invercargill City has in total grown in line with the population since 2013 (0.6% pa vs 0.7% pa), however dwelling growth has only caught up the last two years with the stalling of population growth due to the pandemic. Prior to this, from 2013 to 2018, population had grown at 1.0%pa while dwelling growth had been lagging at 0.5%pa, thus creating some pressure on the housing stock. Occupancy rates have remained very high in this district, at 94% in 2018. The average household size has remained constant.

Household income has grown at relatively the same rate as the regional average, with a similar distribution in income bands. Bluff has particularly low incomes compared to the regional average.

The rental affordability index is a measure of average weekly rent over the median weekly household income, as such it can be interpreted as the percentage of income that goes towards paying rent with higher figures indicating worsening affordability. The housing affordability index is a function of average house price over median yearly household income, and again a higher value indicates worse affordability.

The district's housing and rental affordability index have worsened significantly in the last 10 years, like the regional average. Bluff's housing affordability has worsened twice as fast as the district's average, with the average house price increasing from an average of $107k in 2013 to $328k in 2021.

ICC saw a spike in house sales in 2016, in line with the regional average. Since then, the number of house sales has remained fairly high.

Invercargill City has the highest number of people on the social housing wait list per 100,000 residents in the Southland Region. The social housing waiting list has increased from 65 applicants in 2018 to 181 applicants in 2022, equivalent to a total growth of 173%.

2.3.4 SOUTHLAND DISTRICT COUNCIL

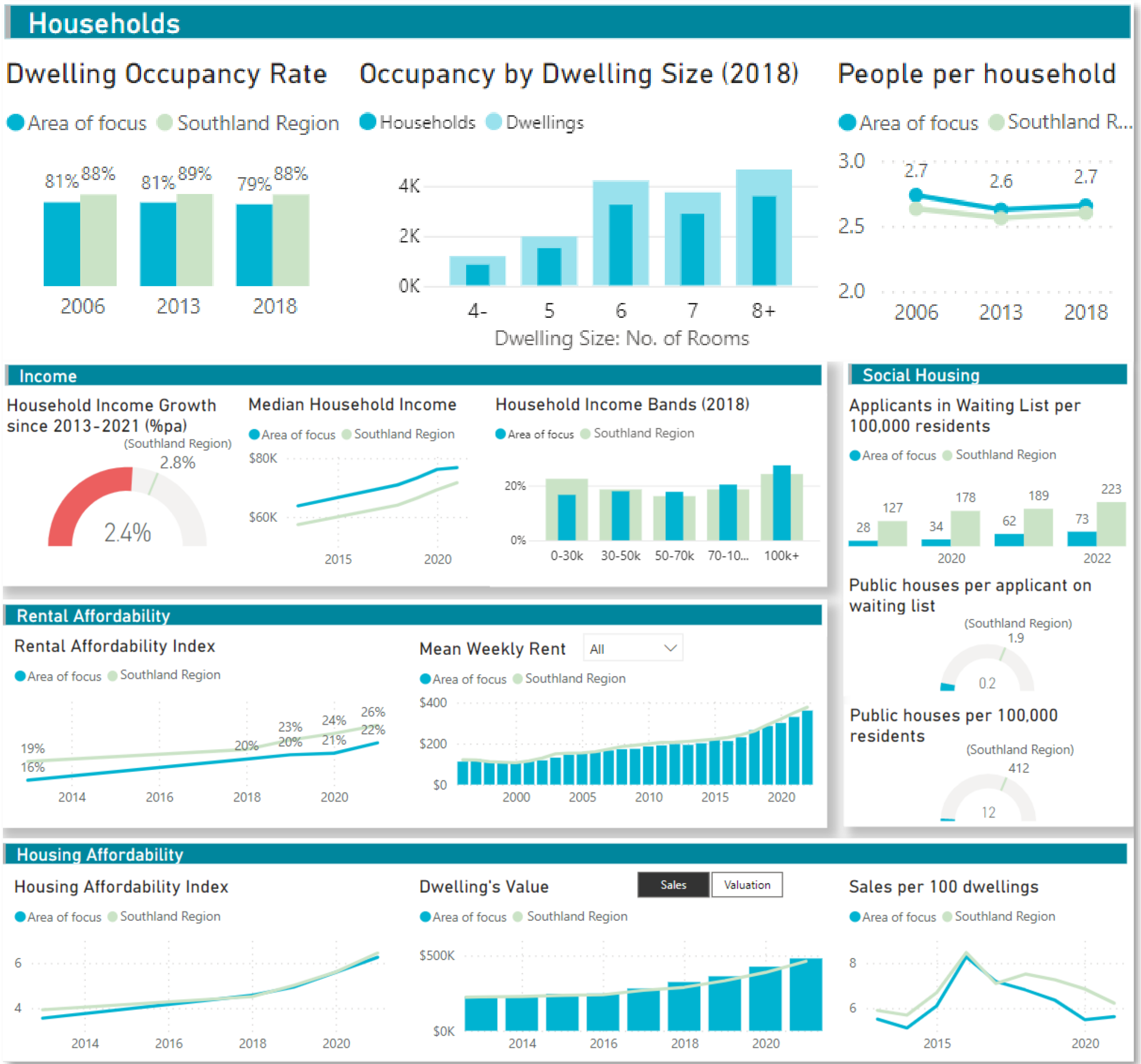


Figure 21: Southland District Council affordability/market availability profile (against region baseline)

The number of new dwellings in the Southland District has grown much faster than the population since 2013 (1.5% vs 0.8%). The occupancy rate in the district is 79%, which is 9% lower than the regional average. Manapouri, Riverton, Stewart Island and Te Anau have low occupancy rates due the high number of holiday homes and short stay visitor accommodation properties. Meanwhile, Winton, Wallacetown, Otautau and Edendale/Wyndham have high occupancy rates.

Te Anau's and Riverton's population growth has exceeded dwelling growth since 2013, in conjunction with relatively low occupancy rates and the popularity of short stay visitor accommodation properties the excess demand is likely to cause future issues for local residents. Edendale/Wyndham has also had decent population growth which has outpaced growth in its housing stock.

Household incomes in the Southland District are higher than the regional average, despite slower growth since 2013. The average household income is about $5,000 higher than the regional average, and there is a lower proportion of very low-income households.

The rental affordability index is a measure of average weekly rent over the median weekly household income, as such it can be interpreted as the percentage of income that goes towards paying rent with higher figures indicating worsening affordability. Meanwhile, housing affordability index is a function of average house price over average yearly household income, and again a higher value indicates worse affordability.

Rental affordability in Southland District is better than for the rest of the region, with the current index being 22% compared to the region's 26%. Housing affordability has been at a similar level to the regional average over the last 10 years.

This district saw a spike in house sales in 2016.

The district has experienced increased demand for rentals given the worsening housing affordability. This is concerning due to the very low numbers of rental properties, making up only 19% of households, coupled with the competing needs from the tourism sector reflected in low occupancy rates and high numbers of visitor accommodation listings.

Social housing is a less prominent issue in the district, as expected given the lower proportion of very low-income households. Nevertheless, the social housing waiting list in the Southland District has increased from 4 applicants in 2018 to 24 applicants in 2022.

Household incomes in Te Anau and Manapouri have dropped in 2021, likely due to the impacts of COVID-19 on tourism businesses.

Table 3 ranks areas according to their current rental affordability index as well as the worsening of the index since 2013. Please note that not enough rental data was available for Stewart Island, Manapouri, Otautau, Riversdale and Wallacetown.

Table 3: Rental affordability pressure areas in Southland District

Ranking of areas according to current rental affordability index	Ranking of areas according to rental affordability index worsening since 2013
Riverton (34%)	Tuatapere (+13%)
Winton (30%)	Riverton (+10%)
Tuatapere (26%)	Winton (+8%)
Te Anau (25%)	Rural areas (+6%)
District-wide (22%)	District-wide (+6%)
Rural areas (18%)	Te Anau (+5%)
Edendale/Wyndham (18%)	Edendale/Wyndham (+4%)
Lumsden (16%)	Lumsden (+1%)

Table 4 ranks areas according to their current housing affordability index as well as the worsening of the index since 2013.

Table 4: Housing affordability pressure areas in Southland District

Ranking of areas according to current housing affordability index	**Ranking of areas according to housing affordability index worsening since 2013**
Riverton (9.0)	Te Anau (+4.1)
Te Anau (8.4)	Riverton (+3.8)
Rural areas (7.4)	Stewart Island (+3.6)
Stewart Island (7.0)	Rural areas (+2.8)
Winton (6.6)	Otautau (+2.7)
District-wide (6.3)	District-wide (+2.7)
Manapouri (5.6)	Winton (+2.5)
Wallacetown (5.2)	Riversdale (+2.4)
Otautau (4.5)	Wallacetown (+2.2)
Riversdale (4.1)	Tuatapere (+1.7)
Edendale/Wyndham (3.8)	Edendale/Wyndham (+1.6)
Tuatapere (3.6)	Lumsden (+1.4)
Lumsden (3.5)	Manapouri (+1.1)

3 Insights and issues

3.1 Survey

A community survey was carried out to gather evidence on community preferences around housing typology, as well as highlight existing issues of the current housing stock and identify priority areas. The survey was advertised through a range of council social media pages (including paid promotion), as well as print publications across Southland. It was also promoted in Southland District Council's newsletter and First Edition, which was sent to all ratepayers across the district. Hard copy surveys were available in Council facilities including libraries as well as local rūnanga offices and marae. As per every survey, some bias was introduced with the collecting methods used. The channels used for this survey are biased towards people with access to the internet and who are more engaged with council publications. A total of 861 responses were gathered, and the results are visualised through the dashboards below.

Insights presented in this section are based off evidence available through the dashboard, which due to the size is not all included in this report. Note that the use of data at township level is not advised due to the limited number of responses and therefore a larger margin of error.

A total of 853 responses were gathered at a regional level, with a remaining 8 coming from respondents outside the region. According to the sample and population size, this is equivalent to a margin of error of ±3.3% when analysing the survey results for the region as a whole. For example, 76% of respondents indicated that they prioritise size of section over a location close to the center of town. The margin of error indicates that we are 95% confident that the true value of the estimate will be within 3.3 percentage points of 76%, that is in the range between 73%-79%. As you drill down into a subset of the survey results, for example at a district level, the margin of error increases.

3.1.1 REGIONAL

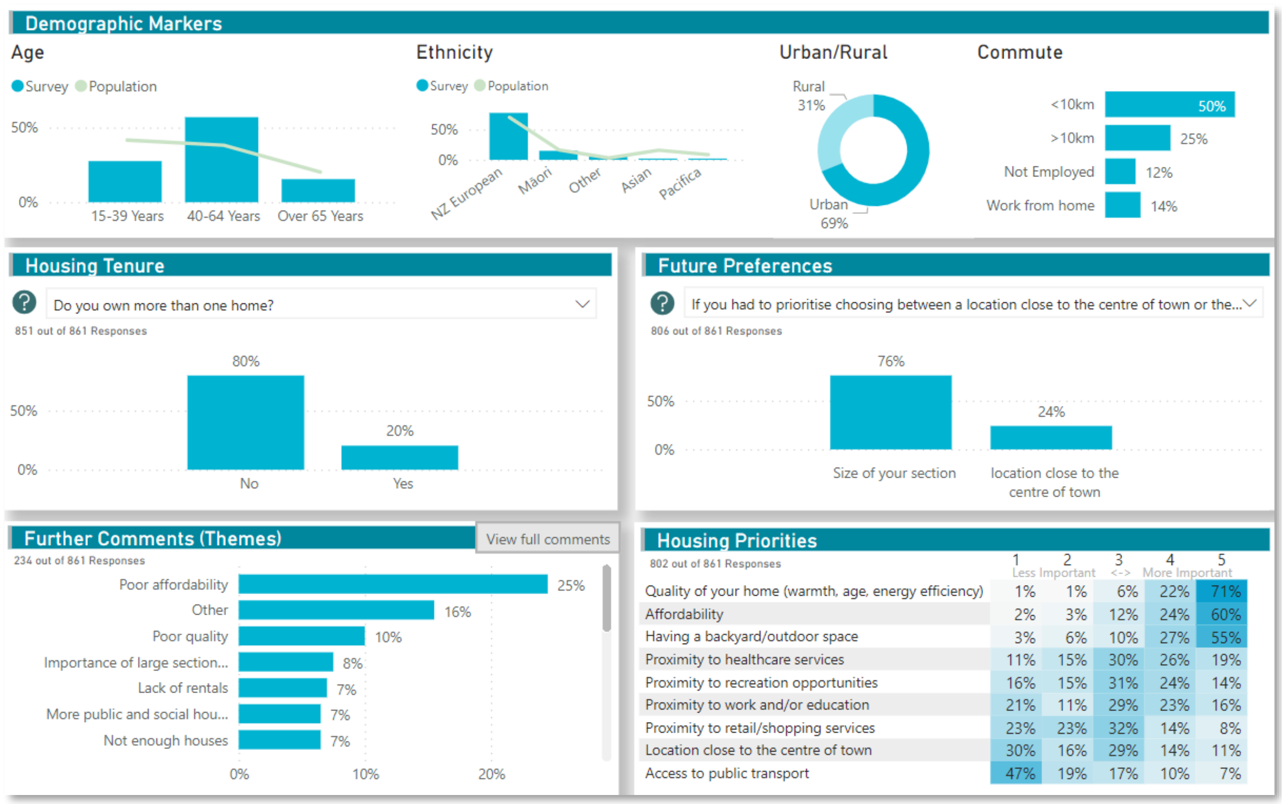


Figure 22: Regional survey profile

Good representation of the population was achieved across ethnicities, while the age demographics are significantly skewed towards late middle-aged adults.

The survey captured a wide range of home occupancy and ownership types:

- A third of respondents had lived in their current accommodation for over 10 years.
- One in five respondents own more than one home.
- Most secondary homes are used for rentals (52%) followed by holiday homes (31%).

There were also a number of questions regarding residents' future housing preferences, which provided the following indications:

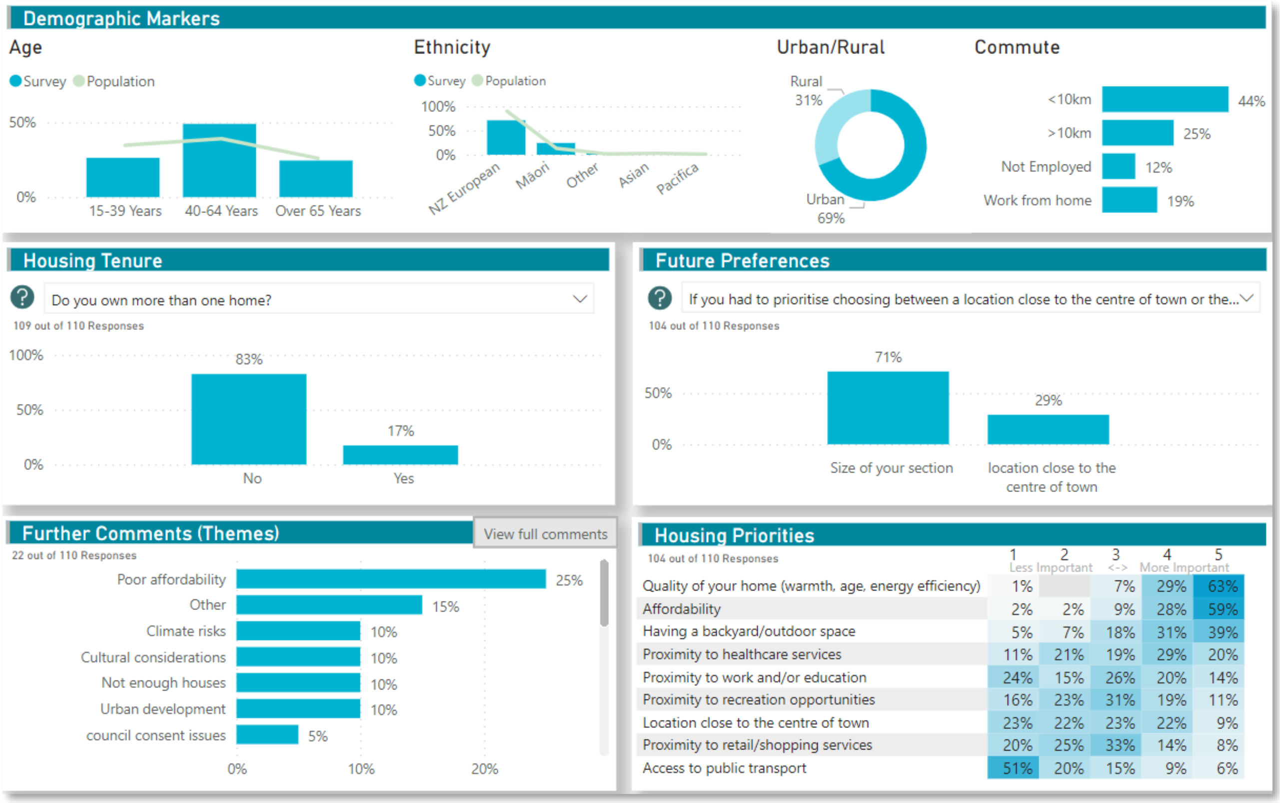
- More than half of respondents (both renters and homeowners) stated they did not intend to upsize or downsize from their current house. There was significant differences across age groups, with many of those over 65 wanting to downsize while young adults signalled the need to upsize.
- Approximately 50% of respondents indicated they wanted to move within the next 10 years, Invercargill being the most preferred location. The desire to move was skewed more towards younger workers and students.
- About 44% of people over 65 that expressed a desire to move. Invercargill was the top destination, but Gore stands out as a destination that is also preferred by older age groups.
- Approximately four in five respondents indicated a preference for standalone houses, with the demand for attached houses mainly coming from those over 65.
- 76% of respondents prioritised the size of a section over proximity to town. Although over 65's were equally split between the size of the section and proximity to town.
- Quality homes was notably the most important priority of respondents. Coupled with the recurring theme of poor-quality housing in the "further comments" section of the survey. The current housing stock of mainly old low-quality houses does not meet the expectations of the current population.
- Affordability was another key issue identified from survey respondents, especially for Māori.
- The third most important factor highlighted by respondents was having a backyard. Coupling this with themes identified in the "further comments" section, which described a population who believes in the importance of having enough green space at home to grow their own food, to be sustainable and not wanting to sacrifice this for location.
- The priorities identified in the survey remain consistent across different age groups, people currently in rentals number one priority was affordability.

3.1.2 GORE DISTRICT COUNCIL

A total of 110 responses were collected for the Gore District. According to the sample and population size, this is equivalent to a margin of error of ±9.3% when analysing the district as a whole. Population representation was similar to the regional level, with over-representation of late middle-aged adults.

The results provided a few discussion points:

- Long-term (over 10 years) and short-term (less than 12 months) rental tenancies are most common.
- Of those who own multiple homes, about half hold more than two homes, whereas for the region only a third do. This is especially true for landlords in between 40 and 64 years old.
- The future housing preferences and critical issues identified by respondents are similar to that discussed at the regional level, although less priority was expressed regarding backyard/outdoor space.
- Climate risks was highlighted of more importance to the respondents from GDC, likely associated to the floods that have occurred in the district in the last few years.



	1 Less Important	2	3 <->	4 More Important	5
Quality of your home (warmth, age, energy efficiency)	1%		7%	29%	63%
Affordability	2%	2%	9%	28%	59%
Having a backyard/outdoor space	5%	7%	18%	31%	39%
Proximity to healthcare services	11%	21%	19%	29%	20%
Proximity to work and/or education	24%	15%	26%	20%	14%
Proximity to recreation opportunities	16%	23%	31%	19%	11%
Location close to the centre of town	23%	22%	23%	22%	9%
Proximity to retail/shopping services	20%	25%	33%	14%	8%
Access to public transport	51%	20%	15%	9%	6%

Figure 23: Gore District Council survey profile

3.1.3 INVERCARGILL CITY COUNCIL

A total of 443 responses were collected for this council area, providing the highest representation out of the three council areas. According to the sample and population size, this is equivalent to a margin of error of ±4.6% when analysing the council area, providing strong confidence when using these results.

As per the regional profile, there is an over-representation of late middle-aged adults, while ethnicities were well represented. A much higher proportion of the population lives in urban areas and commute shorter distances to work.

Insights from housing tenure are aligned with that discussed in the regional profile, and so too are future priorities with an emphasis on high quality homes.

Some key sub-regional insights are:

- Respondents owning multiple homes is more common in rural Invercargill, with the majority of these houses being rental properties.
- Respondents in rural Invercargill placed a higher importance on having larger sections, and less importance on affordability.

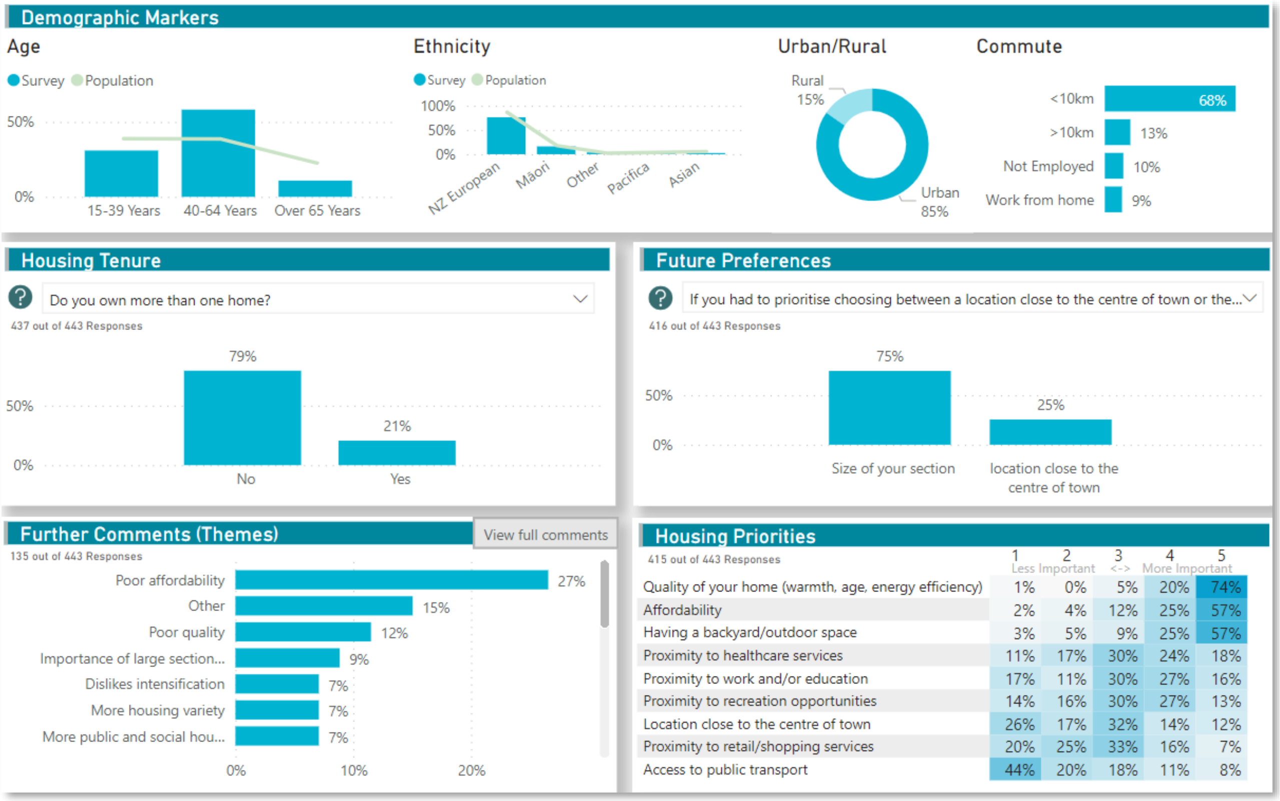
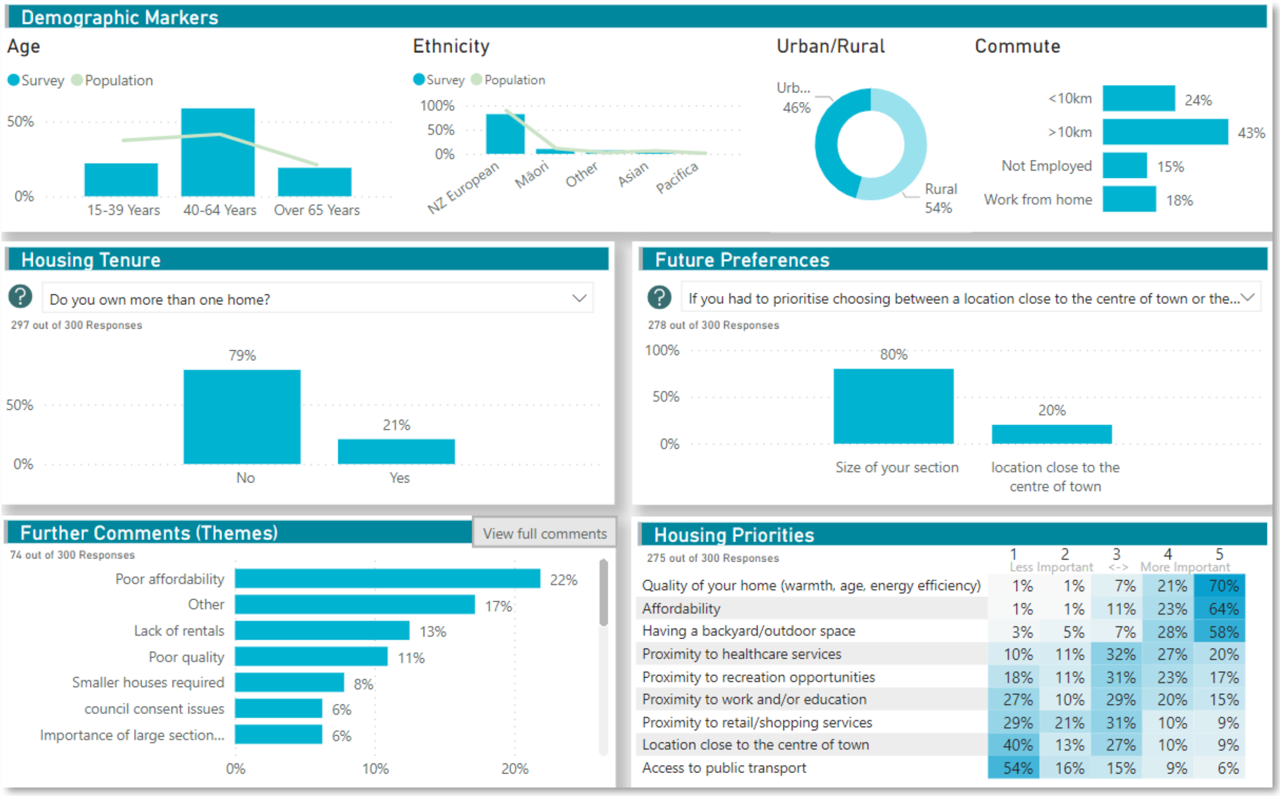


Figure 24: Invercargill City Council survey profile

3.1.4 SOUTHLAND DISTRICT COUNCIL



	1 Less Important	2	3 <->	4	5 More Important
Quality of your home (warmth, age, energy efficiency)	1%	1%	7%	21%	70%
Affordability	1%	1%	11%	23%	64%
Having a backyard/outdoor space	3%	5%	7%	28%	58%
Proximity to healthcare services	10%	11%	32%	27%	20%
Proximity to recreation opportunities	18%	11%	31%	23%	17%
Proximity to work and/or education	27%	10%	29%	20%	15%
Proximity to retail/shopping services	29%	21%	31%	10%	9%
Location close to the centre of town	40%	13%	27%	10%	9%
Access to public transport	54%	16%	15%	9%	6%

Figure 25: Southland District Council survey profile

A total of 300 responses were collected for this district. According to the sample and population size, this is equivalent to a margin of error of ±5.6% when analysing the district, providing strong confidence when using these results.

As per the regional profile, there is over-representation of late middle-aged adults, while ethnicities are well represented. A much higher proportion of the population lives in rural areas. Thus, commuting to work is less frequent, but those who do commute to work have longer distances to travel.

Current home tenure insights are again very similar to the regional profile, although multiple respondents own more than four homes. Young adults (under 39 years old) are more likely to rent and have larger household sizes, providing some suggestion that there are affordability issues.

Responses to future preferences section suggest there is less demand for different housing typologies, including attached dwellings. Respondents are less likely to wanting to relocate in the next 10 years. The issues identified in the Southland District are consistent with what has been identified across the region, poor quality homes at unaffordable prices, particularly for rentals.

Young adults had a different a preference regarding larger sections or location, with 90% wanting a larger sized section over the location. Backyard/outdoor space was the top priority, with the need for much bigger homes coming in second, young adult respondents had no interest in attached homes.

Over 65 respondents prioritised smaller homes with less importance placed outdoor space and were more open to attached homes.

3.2 Desktop analysis and problem identification

A desktop analysis was undertaken on 26 documents as well as conversations and meetings facilitated by Great South, Beyond 2025 Southland and other organisations in the housing space. The desktop study brings together the key purpose of each document, the issues, the current state, any opportunities that could come from that work and any missing evidence that is required to progress or deepen the understanding.

Overall, the reports reviewed provide an aligned message that there are significant constraints to both home ownership and rentals across the district – affordability, availability, and quality. In addition to this there is a lack of housing diversity in terms of the typology of housing resident's desire.

Council planning rules are adding to the challenges of increasing housing supply, as well as a lack of builders and subtrades to complete the work.

There is significant opportunity across the region for housing renewal, intensification, and purpose-built housing for the ageing population.

However, prior to undertaking action in this space, the desktop analysis recommends:

- Quantitative analysis of the current housing stock (age and quality), and how it compares nationally.
- Quantitative analysis of unmet demand for different housing types.
- Getting the latest evidence of new houses built over the last few years.
- A current and in-depth analysis of levels of unmet demand for social and emergency housing. It is clear that social and emergency housing is fully occupied, but there are no future projections of how demand is expected to evolve over time.
- Understanding of the impact of seasonal employment on housing demand.
- As well as a clear understanding of the future growth projections at a regional and sub regional level.

This housing needs assessment goes a long way to providing this information and together these documents will provide useful information to inform a housing strategy.

The full desktop analysis is attached in appendix 1.

3.3 Stakeholder workshops and problems

Investment Logic Mapping (ILM) is a New Zealand Treasury approved technique to ensure that robust discussion and thinking is done up-front, resulting in a sound problem definition, before solutions are identified and before any investment decision is made.

Rationale held two workshops on Wednesday 23 November:

1. With parties involved in social, transitional, and emergency housing in the region, and
2. With local developers

A detailed list of the issues identified by the workshop participates can be found in the appendices. The four key problems that were highlighted across the two sessions were:

Problem Statement	Evidence
1. Planning rules, sector capacity & cost of redevelopment are hampering the construction of new homes, in particular smaller homes.	• In Invercargill City the district plan does not allow for construction of multi-until dwellings under 400sqm as a permitted activity which includes minimum building platform, outdoor spaces and roading setbacks standards. • Additionally in Invercargill City there is a requirement to have a 2000sqm lots before subdivision of a medium density development. The rule has the aim of ensuring there is a coordinated block of medium density dwellings, but delivery is very challenging. • There are similar restrictive rules in place for Southland and Gore District Councils as well. • The National Policy Statement for highly productive land is likely to limit development of the land surrounding most townships in Southland.

2. A lack of availability of fit-for-purpose rentals & social housing is displacing whānau & local people, creating barriers for businesses to grow.	• The social housing waiting list in Murihiku Southland has increased by 200% between 2018 and 2022 compared to the 170% average increase nationally. Although actual social housing demand is not as strong as the national average the drastic increase over the past four years is of concern. • There are significantly fewer rental properties in Murihiku Southland compared to nationally. As of 2021 rental properties made up only about 15% of the housing stock compared to 32% nationally, a gap which has remained constant over the last 10 years. • Airbnb properties accounted for 2% of the total housing stock in Southland, which is similar to the national average. This current number of Airbnb properties represents 73% of the number of Airbnb properties pre-COVID, thus we can expect Airbnb listings to continue to rise as tourism recovers.
3. The existing housing stock is old, poor quality & lacks diversity resulting in a lack of housing options & potentially poor health outcomes.	• 72% of houses were built prior to 1980. In comparison, only 37% of houses in the Central Otago region were built prior to 1980, while nationally this metric is 47%. • The size and typology of houses in the region reflects an older housing stock with not much variety. • The housing stock is dominated by medium-sized houses, with three-bedroom houses making up 53% of the stock compared to 43% nationally. • There is less availability of small and large houses. • There are also very few options in terms of attached homes, which nationally have become much more common and provide a possible solution to affordability.
4. Limited housing choices creates stress around long-term housing options for the aging population & whānau.	• Since 2015, 20% of building consents in the Gore District have been for retirement units compared to 4% regional average. • Housing is about 'whanaungatanga' – togetherness and people / whānau. We shouldn't forget the importance of 'community' and the need to know your neighbours etc. – *Runaka engagement* • Whānau aged 30–44 and their tamariki are disproportionately struggling with accessing quality housing, and home ownership. 46% of whanau do not own their own home, while the home ownership level across the whole population in the region is 60%. – *A Profile of Māori Housing in Murihiku, Kāinga Ora*

- Young people are competing for smaller homes that elderly people need. – *Ready for Living, Gore District Council*
- Requirement for more elderly people specific housing, issues with stairs etc. - *Ready for Living, Gore District Council*
- Retirement villages are often not affordable. - *Ready for Living, Gore District Council*

The Investment Logic Map has been appended.

4 Projections

Growth projections help us to understand how the needs of the communities will evolve over time and how well the different areas can accommodate growth.

Population demand projections were prepared by Infometrics and provide two growth scenarios: a conservative outlook and a visionary outlook. Both scenarios have associated age demographics projections. The conservative outlook scenario represents a future where population in the region experiences some short to medium term growth due to continued migration into the area, but eventually the ageing of the population becomes dominant and is reflected on long-term population decline. Meanwhile, the visionary outlook scenario represents a future where migration into the region intensifies and overcomes the effects of an ageing population, yielding long-term growth. This is dependent on the regional strategies being effective at stepping up the desirability of Southland Murihiku as an attractive prospect for migrants and New Zealanders to move to and would require migration that exceeds historical levels.

The dashboard presents an indicative forecast on supply, with the purpose of showing how current build rates would cope with the requirements of the future housing stock. Note that this does not consider land or zoning constraints. The default scenario for the projections uses current build rates as the average from the past 5 years, but another scenario with increasing build rates is available on the dashboard.

The key modelling aspect of these projections is the estimation of demand by house size and type. Here, we provide an estimation of how the current housing stock would have to evolve to match the community preferences expressed in the survey coupled with the growth in population as per Infometrics' population forecasts. This modelling focuses on the demand for specific typology of housing but we do also make allowances for replacement of the older housing stock. Evidently these two issues are tied together and addressing the mismatch in typology will advance the overall rejuvenation of the stock too. Indicative figures for the replacement of old stock are provided to stimulate discussion.

Some key points regarding the methodology used for this projection:

- Survey evidence from different townships is grouped to provide robust evidence groups to inform typology preferences. The following evidence groups are used:
    - Gore and Mataura
    - Rural Gore
    - Invercargill, Bluff and Kennington
    - Rural Invercargill
    - Winton, Riverton
    - Wyndham, Edendale, Lumsden, Manapouri, Otautau, Balfour, Mossburn, Nightcaps, Ohai, Waikaia, Woodlands, Riversdale, Oban, Tuatapere, Wallacetown
    - Te Anau
    - Rural Southland
- Typology preferences are adjusted for the demographics of the projected population. For example, if more residents over 65 are projected and survey results suggest this segment of the population demand smaller homes, then this will weigh more heavily in the preferred stock.
- Population demand from Infometrics projection has been converted to dwelling demand using Stats NZ medium household size projections, which forecast until 2043 (levels beyond this are assumed to remain the same).
- Occupancy rates are assumed to remain at current levels.

The following key points are made to guide interpretation of the dashboard outputs:

- The top panel labelled **"Scenario Options"** states all the assumptions and options used to produce the model outputs.
- The left panel labelled **"Base Projections"** outlines the base projections driving the housing stock demand analysis. The population projections, which drive demand, are presented both in total numbers and broken down by age groups, while the building rate projection, which drives supply, is also shown.
- The right panel labelled **"Housing Stock Needs"** shows the model outputs.

- The top left panel, **expansion for population growth**, shows how the housing stock needs to grow solely to match the population projection.
- The top middle panel, **rebalance of type mismatch**, shows how the housing stock needs to change to match the projected typological demands of the population as informed by the survey.
- The top right panel, **replacement of aged stock**, provides an indicative figure of the number of ageing dwellings that will need to be replaced by 2052. Survey results had 10% of respondents identifying poor quality as a current issue in housing. When looking at the oldest dwellings in the region,10% corresponds to dwellings built prior to 1925, i.e. stock that is over 100 years old. We have taken this 100 years criterion to provide indicative figures on the rejuvenation of old stock, but further work is recommended to assess the condition and useful life of old stock more accurately.
- The bottom chart, **build rate sufficiency**, shows how current build rates can cope with housing needs over the next 30 years. Three different levels of housing needs are presented. **Expand only** presents a scenario where we do the bare minimum and only add dwellings to match population growth. **Expand and rebalance** presents a step-up where, in addition to matching population growth, the existing stock is transformed to match typological needs of the community. **Expand, rebalance, and replace** presents the most complete scenario, where we also adequately replace ageing stock (using 100+ year proxy for indicative figures).

4.1 Regional

4.1.1 CONSERVATIVE OUTLOOK

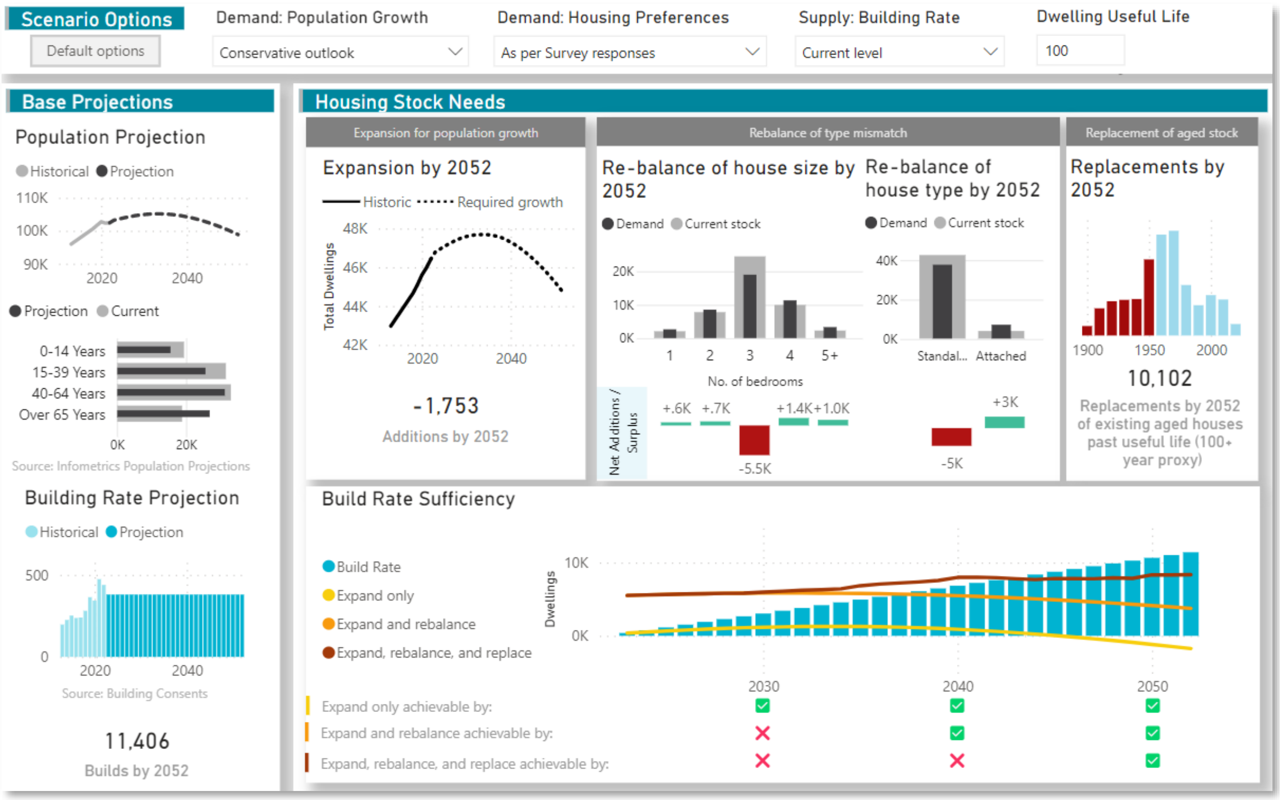


Figure 26: Regional projections – Conservative outlook scenario

The conservative outlook projections for Southland Murihiku suggest some short-term growth, which stagnates around 2030 and starts to decline around 2034. Long-term projections suggest the population will be 98,500 by 2052, meaning approximately 4,000 less people than the current population.

From a demographics point of view, the projections expect the population to continue ageing with the level of over 65 years increasing from 18% to 27% by 2052. As the over 65 group influence increases there is expected to be more demand for small, high quality, affordable homes with easy maintenance which are close to amenities.

These projections present conflicting directions for housing in the region, with short-term growth expected to require larger family homes but with long-term demand decreasing and be skewed towards the preferences of those over 65.

Under the assumption that building activity remains at its current levels, we have modelled 380 new units per year. This encompasses any type of builds, either greenfield or brownfield developments.

Building rates are able to keep up with the expansion to the housing stock required to match population growth in the short, medium and long-term. In fact, by 2052 the region would require 1,753 less dwellings in total due to the projected decline in population. The focus point then becomes the rebalancing of typologies and replacement of aged stock.

The number of dwellings that would need to be transformed to rebalance the stock is estimated to be around 5,500 dwellings currently. This figure slightly declines in the future due to the changes in population and is estimated to be 3,700 by 2052. Under current build rates, rebalancing is achievable by 2037.

The replacement of old stock can also be adequately accommodated in the medium to long-term, with 10,000 replacements required by 2052.

4.1.2 VISIONARY OUTLOOK

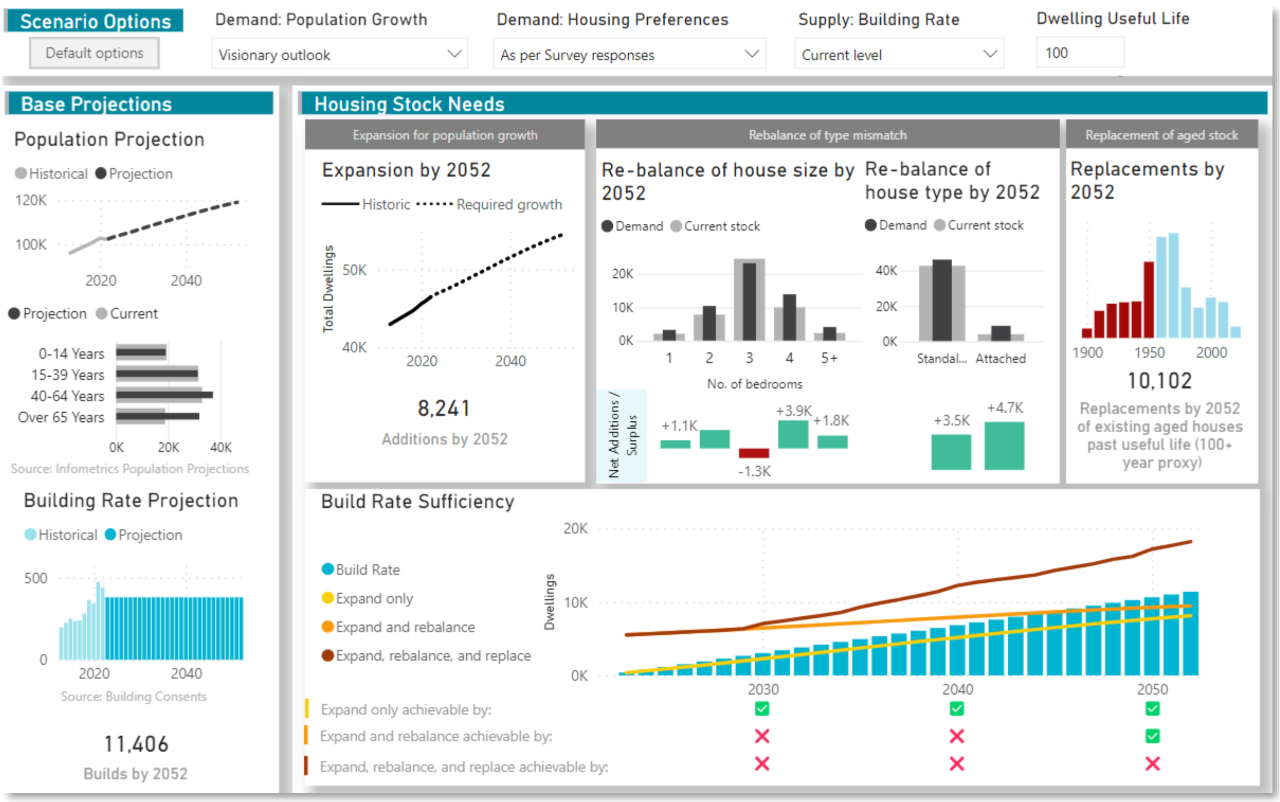


Figure 27: Regional projections – Visionary outlook scenario

The visionary outlook projections allow for strong consistent growth over the next 30 years. The population is forecasted to be 119,010 by 2052 meaning an additional 16,500 residents.

Demographics are somewhat similar to the conservative outlook scenario, with growing influence of the over 65 group, but younger groups remain in stronger numbers due to a more positive migration of people into the area.

In this scenario, the growing population demands significant expansion of the housing stock which would strain the current build rate and limit the capacity to replace ageing stock.

By 2052, population growth will demand an additional 8,200 dwellings in the region, while 10,000 of existing dwellings would be over 100 years old, thus 18,200 dwellings would be required to match these needs. Current build rates would provide for 11,400 builds which would only be sufficient to cope with expansion alone. Build rates would need to be adequately elevated to mitigate this issue. If the build rate increased from 380 to 600 dwellings per year, 18,000 dwellings would be possible by 2052 which would adequately cater for the housing needs.

4.2 Gore District Council

4.2.1 CONSERVATIVE OUTLOOK

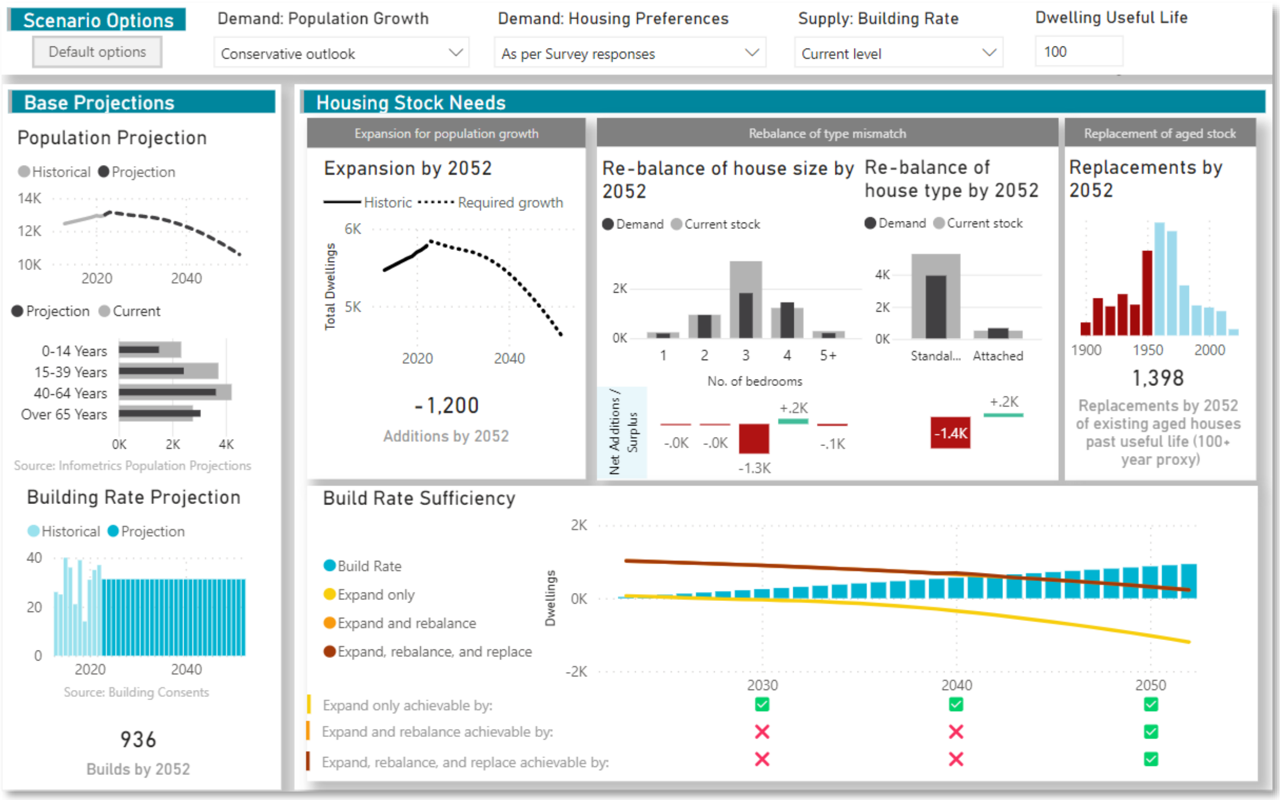


Figure 28: Gore District Council projections – Conservative outlook scenario

Conservative outlook population projections for Gore District expect population to start to decline from 2023 onwards. The demographics are similar to the regional average, with an overall increasing in the over 65 age group.

As per the regional profile, the building rate has no issues keeping up with expansion of the stock under this scenario. There is a net demand of 1,200 less dwellings by 2052 given population decline, while current build rates would allow for an additional 936 dwellings.

However, some rebalancing of the stock is required, transitioning away from a three-bedroom dominant housing stock. Demand is skewed towards a need for larger homes, with an additional 226 four-bedroom homes needed by 2052, and a surplus of all other house sizes (due to decline in population). There is also demand for more attached houses, with over 200 needed by 2052. At current building rates, rebalancing of the stock would be achievable in the long-term by 2042.

This scenario presents a challenging context for the district, with immediate need for rebalancing and rejuvenation of the stock at odds with the prospect of long-term decline in demand. Please note that in Figure 28, under the build rate sufficiency chart, the orange and red lines are equal.

Some sub-district insights are noted:

- The population of **urban Gore** demand a shift in size of houses with bigger houses needed, rebalancing of the stock is achievable in the long-term.

- The current housing stock in the **rural areas** is similar to future demand, with a need for slightly more smaller houses.
- **Mataura** has a need for more attached affordable houses and bigger houses (larger than three-bedrooms).

4.2.2 VISIONARY OUTLOOK

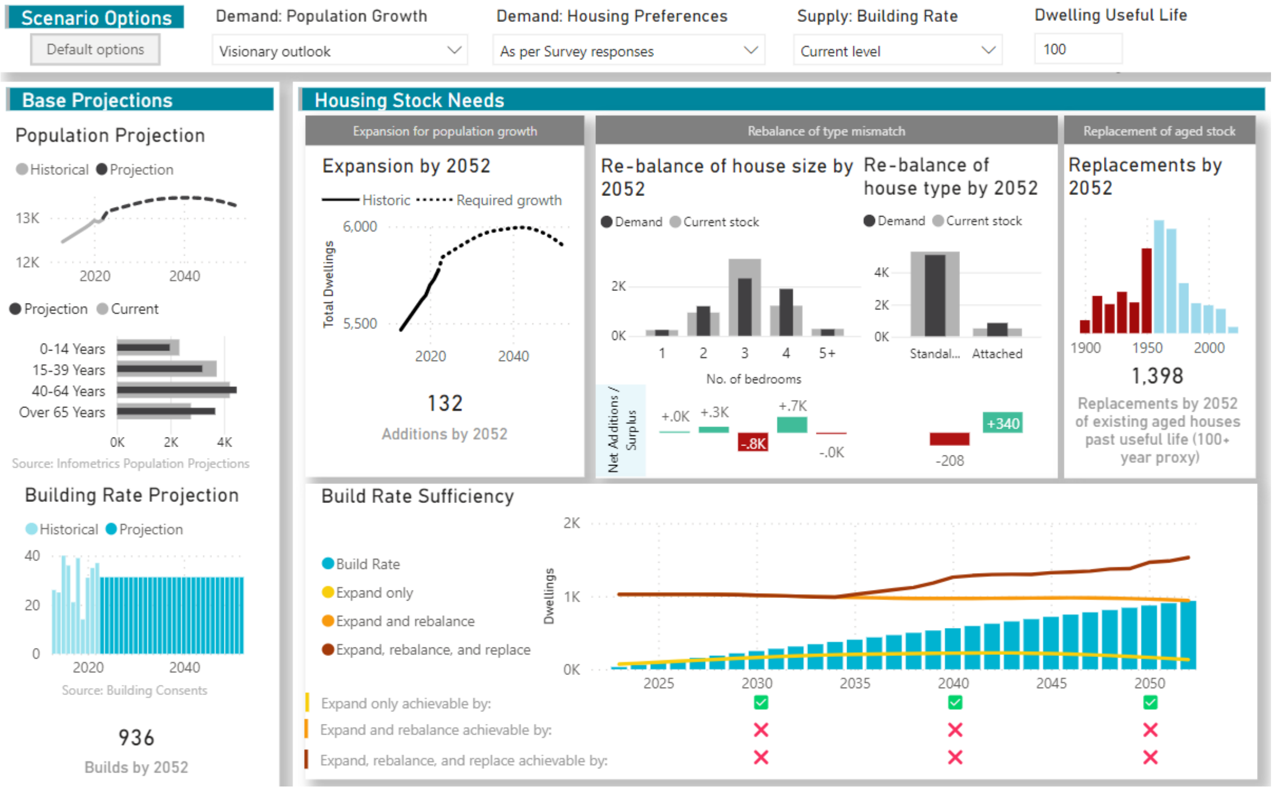


Figure 29: Gore District Council projections – Visionary outlook scenario

Visionary outlook projections for Gore District expect population to remain fairly stable over the next 30 years, allowing for a small amount of growth with an additional 270 residents by 2052. The demographics are similar to the regional average, with an overall increasing in the over 65 age group.

Short-term growth over the next 3 years outpaces the building rate and could generate some pressure on the housing stock. However, population growth stalls after that and the build rate can then be focused around rebalancing and rejuvenation of the stock. Around 1,000 builds are required to rebalance, which under current build rates would be feasible only by 2052. Similarly, rejuvenation of the stock requires an indicative 1,400 replacements by 2052 which is not achievable under current build rates. Build rates would have to be elevated from 30 to 50 dwellings per year to match rejuvenation needs.

Some sub-district insights are noted:

- Rebalancing and rejuvenation of the stock in **urban Gore** would not be possible in the long-term as the build rate of 20 new dwellings per year is only sufficient to keep up with the expansion of the stock.
- **Rural areas** have a forecast of declining population, and thus building activity would be primarily focused on the replacement of ageing stock. Rebalancing would be possible by 2042.
- **Mataura** has had very little building activity over the last few years. If this were to carry on, rebalancing of the stock would not be feasible in the next 30 years.

4.3 Invercargill City Council

4.3.1 CONSERVATIVE OUTLOOK

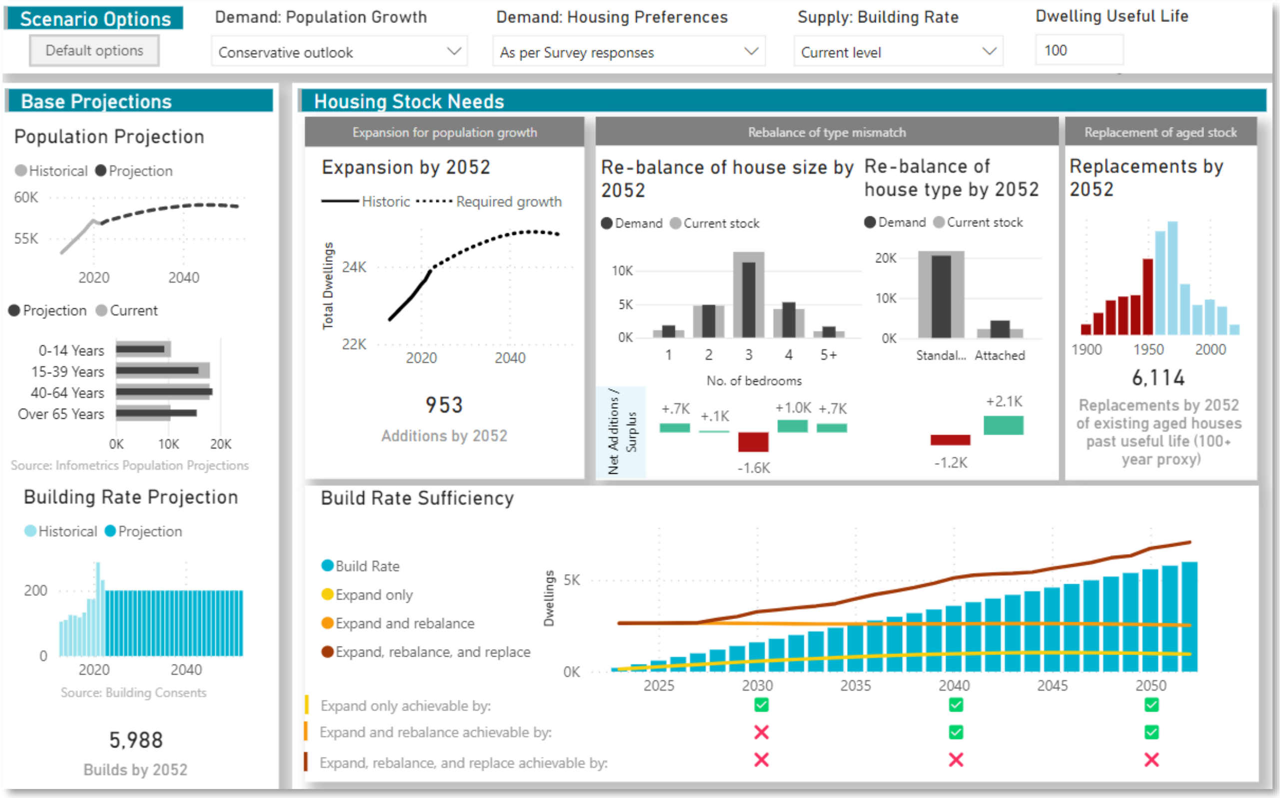


Figure 30: Invercargill City Council projections – Conservative outlook scenario

Projections for Invercargill City include steady growth which is expected to plateau reaching 59,000 residents by 2052. To put this into perspective against recent trends, this represents growth of 0.1% pa, much less than recent growth experienced since 2013 at 0.7% pa. Most of this growth is expected to occur in the short to medium term. As per the regional profile, the district's population is expected to keep ageing and have an influx of adults over 65.

The current build rate is expected to comfortably accommodate this scenario of growth. By 2052, there is an overall net demand for an additional 950 dwellings while current build rates would allow for an extra 6,000 dwellings. Current building levels are aligned with the recent period of higher growth, and as such easily suffice the projected level of growth.

Under this scenario of conservative growth the main focus is shifted to rebalancing and rejuvenation of the stock. People in ICC demand more variety in housing typologies, with specific demand for one-bedroom units (700 more needed by 2052) as well as large family homes (1,700 more needed by 2052). The number of attached dwellings is expected to increase as a way to provide more affordable housing.

2,500 builds would be required to adequately rebalance the stock by 2052. This would be achievable in the medium term under current build rates. However, rejuvenation of the stock would require over 6,000 replacements by 2052 and the current build rate would fall slightly short of this. The build rate would have to be elevated from 200 to 235 to appropriately expand, rebalance and replace the stock.

Some sub-district insights are noted:

- **Rural areas** current stock is relatively consistent with the community's preferences, although there is some demand for very large homes (five plus bedrooms) and smaller two-bedroom homes. Rebalancing of the stock is achievable in the short to medium term.

- **Bluff** population is expected to decline by around 200 people over the next 30 years, therefore expansion of the stock is not of concern. Rebalancing requires more attached units, which is likely driven by the drastic worsening of affordability in recent years.
- **Invercargill** needs are aligned with that of ICC as described above.
- **Kennington** population is expected to decline, therefore expansion of the housing stock is not of concern.

4.3.2 VISIONARY OUTLOOK

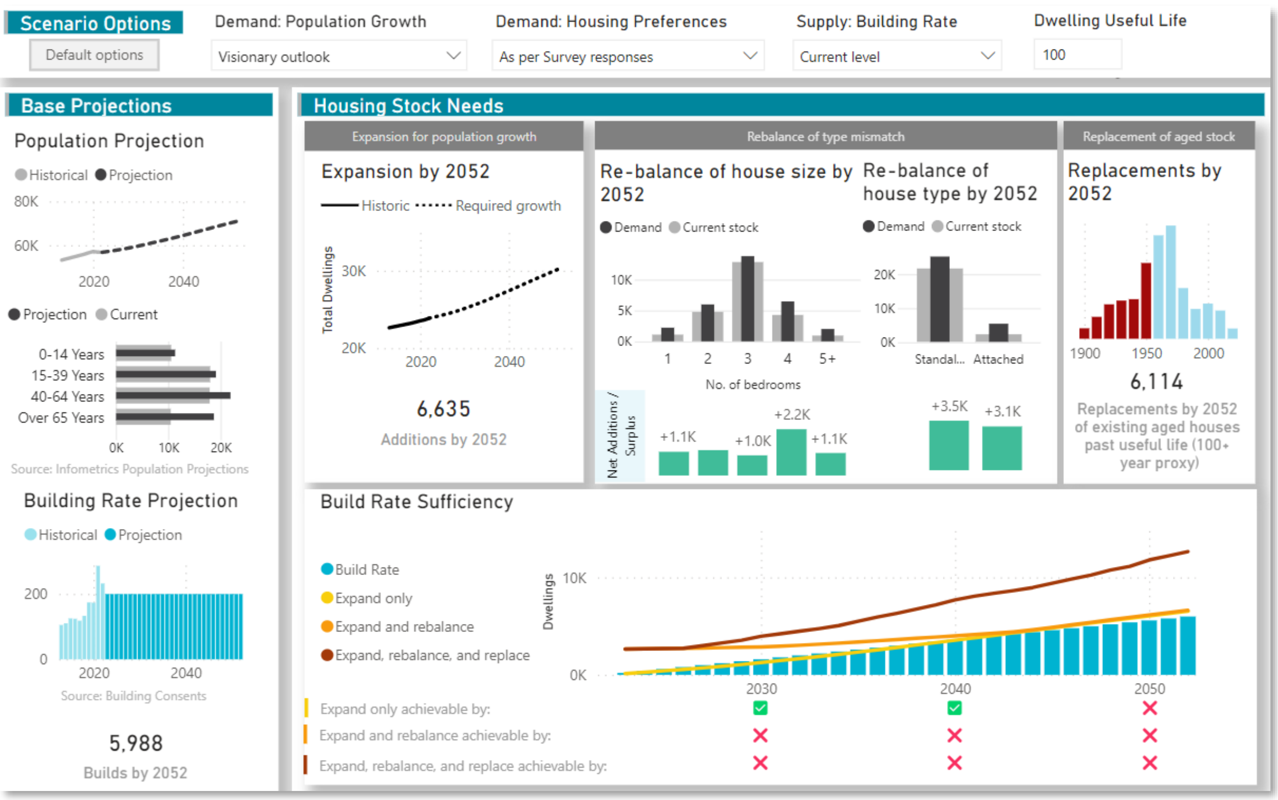


Figure 31: Invercargill City Council projections – Visionary outlook scenario

Visionary outlook projections present a scenario of strong migration into ICC and have the population growing by 14,000 to 71,000 by 2052. The demographics maintain the ageing of the population, but younger age groups remain stronger in numbers. For reference, this represents a 0.8%pa growth rate which is only slightly higher than the 0.7%pa growth rate observed since 2013.

This scenario would present a huge challenge for housing in ICC. Current build rates of 200 dwellings per year would be strained to keep up with the required expansion of the stock, let alone the rejuvenation of old stock. By 2052, population growth would demand an additional 6,600 dwellings while 6,000 dwellings will be over 100 years old, yielding an indicative need for 12,600 builds but the current build rate would only allow for a total of 6,000 builds. The build rate would have to be increased from 200 to 420 dwellings per year to cater for housing needs in this scenario.

Some sub-district insights are noted:

- **Rural areas** current stock is relatively consistent with the community's preferences, and rebalancing of the stock is achievable in the short to medium term. Current build rates are sufficient to keep up with high levels of growth.
- **Bluff's** current build rates are able to keep up with the required expansion of the stock but not sufficient for the rebalancing of the stock by 2052.
- **Invercargill** needs are aligned with that of ICC as described above.
- **Kennington** population is expected to decline, therefore expansion of the housing stock is not of concern.

4.4 Southland District Council

4.4.1 CONSERVATIVE OUTLOOK

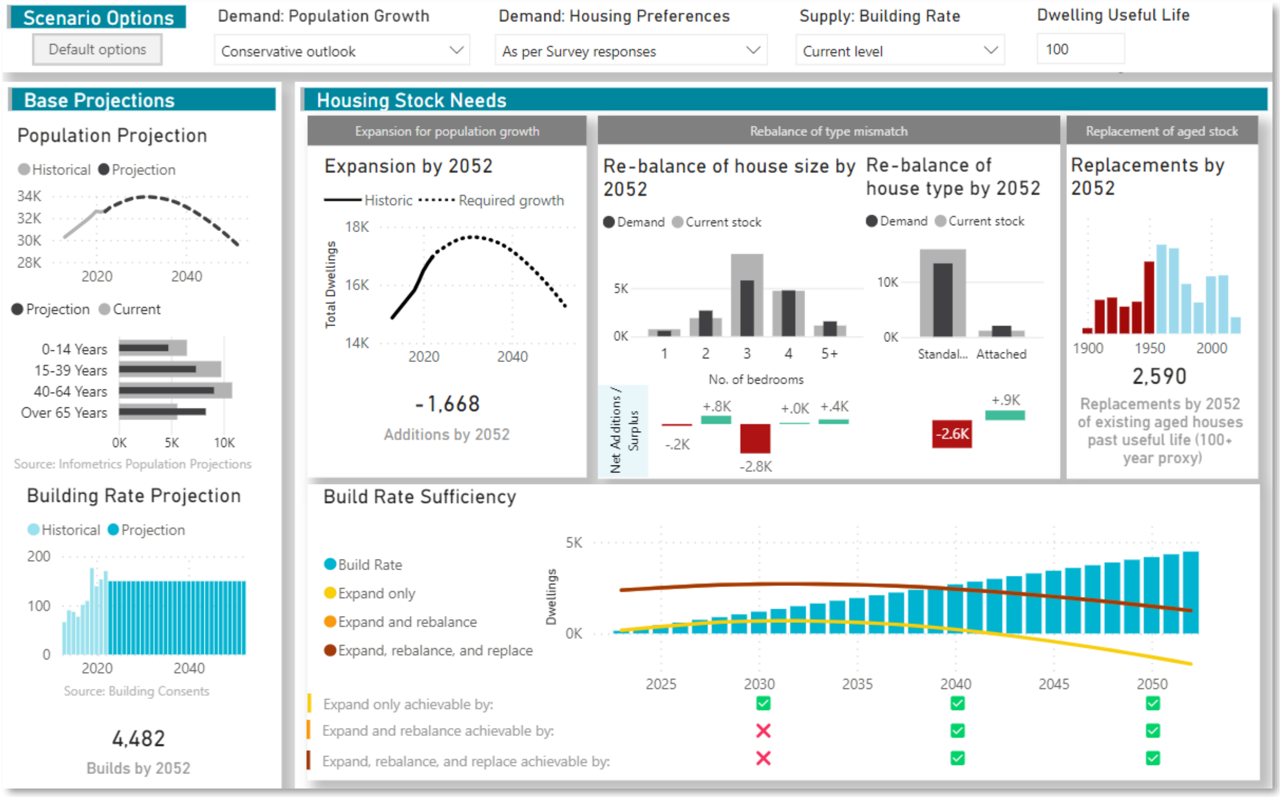


Figure 32: Southland District Council projections – Conservative outlook scenario

The population projections present some short-term growth with growth expected to plateau in 2030 before declining thereafter. Long-term predictions expect the population to decrease by approximately 4,000 people over the next 30 years to 29,000 people in 2052. Accommodating short-term growth (of approximately 1,200 people) is a concern for this area. As per the other districts, the population is expected to continue ageing.

Expansion of the housing stock in the short-term is expected to be strained. By 2025, population growth is expected to demand an additional 370 dwellings while current build rates would allow for the construction of 450 dwellings. The projected population plateaus and drops off in the medium and long term, and so expansion of the stock becomes less of a concern in these horizons.

As of 2023, 2,300 dwellings would have to be built to rebalance the stock. By 2052 this figure is lower at 1,200 dwellings due to population numbers declining. Under current build rates, this would be achievable by 2039 and should be framed as a medium to long term objective.

Meanwhile, appropriate rejuvenation of the stock would also be achievable in the medium and long-term with 2,600 replacements required by 2052.

Te Anau stands out as the township where the current housing typologies align with the community preferences. Delivering more two- and four-bedroom houses within the township to meet future community needs is achievable in the short to medium term under current build rates.

Some sub-district insights are noted:

- **Edendale and Wyndham** are expected to continue growing, and current build rates will not be sufficient to keep up with expansion in the short to medium term. There is expected to be more demand for two- and four-bedroom houses and less demand for three-bedroom houses.
- **Lumsden** is expected to have slow growth in the short-term, decreasing thereafter. Current build rates are expected to be sufficient to cope in the short-term, but not sufficient to deliver the future community need for more two- and four-bedroom houses.

- **Manapouri** is expected to have tight housing sufficiency in the short-term which will ease off in the medium term, allowing for rebalancing of the stock by 2037.
- **Otautau** has some minimal short-term growth that can be accommodated under current build rates.
- **Riversdale** has minimal growth in the short-term and as such expansion of the stock is not a concern. Delivering more two- and four-bedroom houses to meet future community needs is achievable in the medium term under current build rates.
- **Riverton** is expected to grow by around 200 people in the medium term. Current build rates would be sufficient to cope with the expansion of the stock. Thereafter demand is expected to plateau. Housing typology mismatch is similar to other towns across the district, and rebalancing of the stock to meet these needs is achievable in the medium to long term.
- **Stewart Island** has modest growth projected in the short and medium term, until around 2035. Current build rates are very low and will struggle to keep up with the required expansion of the stock. By 2030, an additional net demand of 55 new dwellings is estimated, while current build rates would only allow for 34 new dwellings.
- **Te Anau's** projections have a very stable population. The town's current housing typologies are better suited to the community preference than the other towns in the district. Thus, expansion and rebalancing of the stock is not a concern in this town.
- **Tuatapere** population is expected to decline and as such growth of the housing stock is not an issue. More two- and four-bedroom houses are required to meet future community needs and is achievable in the long term under current build rates.
- **Wallacetown** has some growth projected for the short to medium term, and building rates would need to be elevated to keep up with this. Typology needs are aligned with most rural towns in Southland, requiring mostly larger homes.
- **Winton** is expected to have slowed short to medium-term growth which can be accommodated with current build rates. More two- and four-bedroom houses are required to meet future community needs and is achievable in the medium term under current build rates.
- **Rural areas** are also expected to show growth in the short-term, generating some pressure on the current low build rates. More one/two- and four/five plus-bedroom houses are required to meet future community needs and is achievable in the medium to long term under current build rates.

4.4.2 VISIONARY OUTLOOK

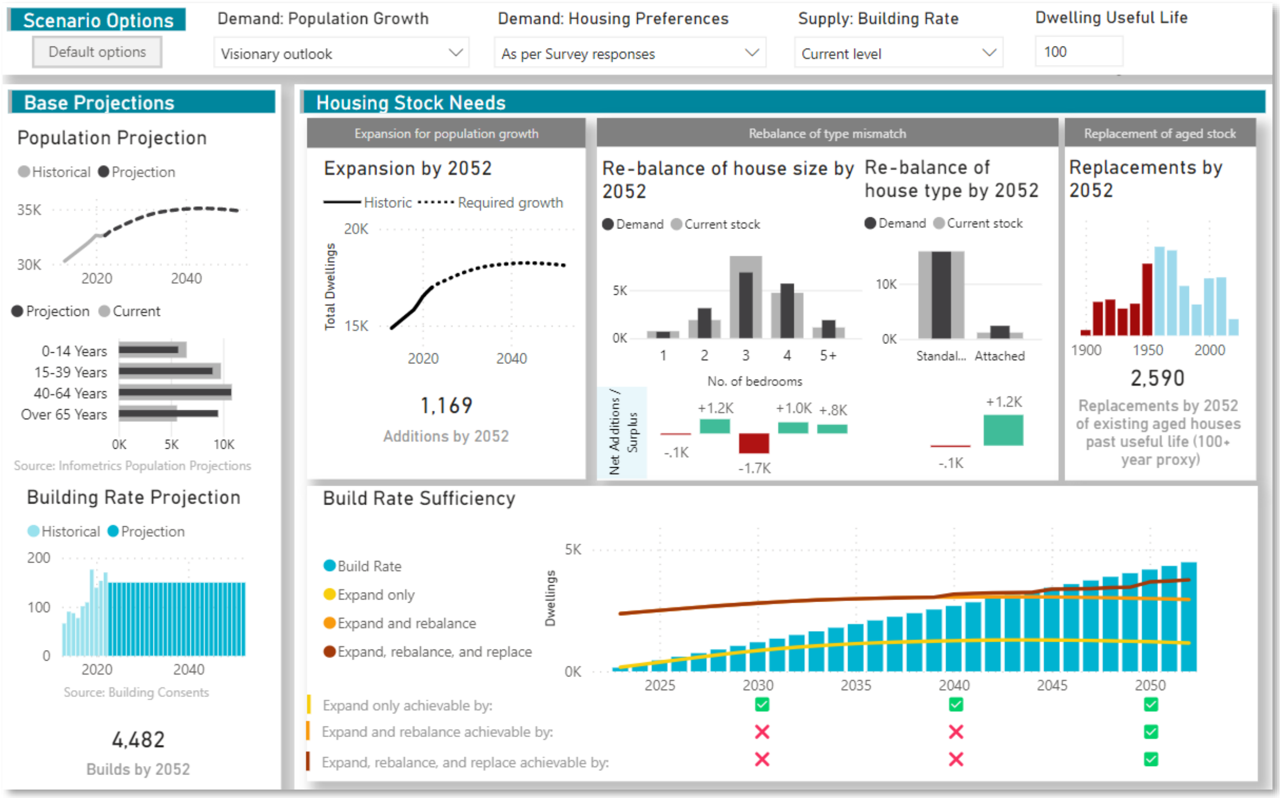


Figure 33: Southland District Council projections – Visionary outlook scenario

Even under the visionary outlook for Southland District, there is slow growth in the short and medium term, before tapering off in the long term. The population is projected to reach 35,000 by 2052 which is an additional 2,000 residents over the current population and represents an average growth rate of 0.2%pa.

The demographics show that the net additions to the population are solely from over 65 years old.

This scenario is not too different in terms of the focus of the evolution of the stock. Given the required expansion of the stock over the next 30 years is not significant, rebalancing and rejuvenation of the stock can be framed as a medium to long-term objective while the short-term focus would be around expanding the stock to keep up with population growth.

By 2052, the stock needs to be expanded by 1,200 dwellings, which would be easily accommodated by the current build rate. Expanding and rebalancing of the stock would require 3,000 builds by 2052 which would also be achievable. Finally, expanding, rebalancing and replacing the stock would require 3,800 builds by 2052 which is well within the capacity of the current build rate.

Thus, the modelling suggests that for Southland District Council the expansion of the stock is not expected to be an issue due to slow population growth, and the rebalancing and rejuvenation of the stock can be framed as a medium to long-term objective without the need to elevate building activity.

Some sub-district insights are noted:

- **Edendale and Wyndham** current build rates are too low to keep up with high growth in the area, let alone with the transformation of the stock.
- **Lumsden** can accommodate expansion of the stock but rebalancing is not achievable under current build rates.
- **Manapuri** is able to accommodate expansion of the stock and rebalancing by 2040.
- **Otautau's** population declines in the long-term and expansion of the stock is not of concern.
- **Riversdale** current build rates can easily accommodate the required expansion of the stock as well as the rebalancing act in the medium-term.

- **Riverton** is expected to struggle to cope with the expansion of its housing stock under this high growth scenario. Build rates would have to be slightly elevated to mitigate this and allow room for the rebalancing of the stock.
- **Stewart Island** shows significant issues in keeping up with the required expansion of its housing stock under this scenario By 2030 the stock would need to expand by 70 dwellings but current build rates would only allow 34 dwellings to be built.
- **Te Anau's** projected population growth remains very low, and as such expansion and rebalancing of its housing stock is not an issue.
- **Tuatapere** population is expected to decline and rebalancing can be achieved in the long-term by replacing old stock.
- **Wallacetown** is another area where current build rates would not cope with expansion of the stock under this growth scenario.
- **Winton** is expected to accommodate steady growth within its current build rate. Rebalancing of the stock can be framed as a medium to long term objective.
- **Rural areas** are expected to accommodate steady growth within current build rate. Rebalancing of the stock can be framed as a medium to long term objective.

Bibliography

The table below outlines the data sources used to produce the evidence dashboard.

Dataset	Description	Limitations
Census Detailed Dataset (Stats NZ)	Census variables on dwellings, households and individuals from 2006, 2013 and 2018 that have been packaged by statistical area 1 (a fine geographical meshblock). Multiple Census variables are used across this project.	Given this dataset contains microdata, some specific variables suffer from confidentiality-related omission of data. This means that when rolled-up to a district or regional level, the totals may be slightly different. The rationale for using this dataset was to enable localised analysis, as many of the townships within Southland Murihiku only align with statistical area 1 boundaries. Latest statistics are as of 2018. The occurrence of the pandemic in 2020 and the halt of population growth since then may have had a significant impact on some statistics. Future analysis using the Census 2023 results is recommended.
Subnational Population Estimates (Stats NZ)	Population estimates as of 2022 developed by Stats NZ at a township level.	These are estimates only, and it will be important to validate these against the next Census 2023 results when they become available.
Building consents (Stats NZ)	Number of new dwelling units consented as of end of 2022, including new construction but also conversion of existing buildings. Consented numbers are detailed by dwelling type.	This figure is a good proxy for build rate, but not to assess the net expansion of the housing stock as it includes conversions of old buildings.
Detailed Quarterly Tenancy (Tenancy Services NZ)	Dataset of bonds lodged for rentals across the country as of end of 2022. Data contains number of active bonds and geometric mean weekly rent. Granularity at a statistical area 2 level.	Some rentals may be done informally without the lodging of a bond, in which case it would not show up in this dataset. For that reason, we haven't used this dataset to estimate rental levels, only to estimate average weekly rent.
Administrative Population Census (Stats NZ)	APC Census as of 2021, at a statistical area 2 level. The administrative population census (APC) derives census-type information from linked administrative data in the Integrated Data Infrastructure (IDI). This was used for more up to date income-related data.	This is an experimental package by Stats NZ. Coverage is expected to be better than the traditional Census as it is reliant on government systems. However, there is still need for better coverage for some groups that have limited coverage under NZ administrative systems, such as new migrants.
Property valuation (CoreLogic)	CoreLogic valuation dataset as of end of October 2022, provides yearly snapshots of properties and their valuation information (land area, floor area, no. of rooms, land value, capital value).	Coverage does not include all properties in Southland Region - when compared to Census figures it covers about 90% of them. Valuation figures are not updated on a yearly basis.

Housing HM10 (Reserve Bank of New Zealand)	Housing dataset containing number of house sales at a national level (used only for national baseline). Its sources are CoreLogic and Stats NZ.	
Social Housing Register (MSD)	Monthly figures of applicants waiting in housing register for social housing by territorial authority.	
Household Size Projections (Stats NZ)	Household projections indicate the future trends in the size and broad types of families and households usually living in New Zealand. Granularity by territorial authority. Projection period goes out to 2043.	Three scenarios are provided: Low, Medium and High. The medium scenario is adopted for modelling as recommended by Stats NZ.
Households (Stats NZ)	Total estimate of households for the whole of NZ (used for national baseline)	
Dwellings (Stats NZ)	Total estimate of dwellings for the whole of NZ (used for national baseline)	
Airbnb (AirDNA)	Online service providing Airbnb data and analytics.	Data only goes back to start of 2020. This service included a live dashboard which allowed understanding the location of Airbnb in different local areas, but data retrieval was limited to a few variables. Thus, this dataet was only directly used for trending of Airbnb numbers before and after Covid.
Airbnb dataset (Inside Airbnb)	Contains more detailed data of active Airbnb listings which allows more localised analysis. Updated on a monthly basis.	This dataset only goes back a year, so it was used to understand the current activity of Airbnb in local towns.

Appendix 1: Housing desktop analysis

Issues reviewed in the desktop analysis are validated against the evidence collected in the dashboard. The information presented here provides a review of existing documents and the issues they raise. Thus, not all of these may be aligned with the evidence collected and the insights discussed in this report.

Summary

Current State/Issues

- The latest resource consent numbers outline that over the past two years new home building has stagnated.
- The current housing stock is characterised by being low-value, old, three-bedroom homes.
- The lack of supply of homes is limiting population growth, which conflicts with the 2017 Southland Regional Development Strategy goal of an additional 10,000 people living in the Southland by 2025.
- The region's home ownership rate has been decreasing since 2006, with the Southland District now ranked 53rd out of 68 districts nationwide as of 2018.
- Housing affordability has been rapidly worsening in the region (house prices have almost doubled from 2016 to 2022), however it is still more affordable than much of the country.
- The large drop in international students and international tourists has provided additional housing for the local population. Once these two groups return to pre pandemic levels housing stress is expected to worsen.
- The growth of Airbnb has resulted in less available rental properties, particularly in key tourism areas (Riverton, Stewart Island, Te Anau/Fiordland).
- Climate change related risks will reduce the land suitable for housing development.
- Invercargill City Council's district planning rules are creating barriers for development, e.g., 2000 sqm lot required for medium density development, minimum lot size, lot coverage.
- Business growth is being restricted by the lack of suitable accommodation.
- Emergency and social housing is under severe strain.
- There are insufficient builders and sub-trades (approximately 2,000FTEs) which is a key contributing factor to the slowdown in construction of new houses across the region.
- Construction workforce productivity in Southland is below the national average.
- The GDP index demonstrates that Southland has been falling behind the rest of the country since 2016.

Benefits/Opportunities

- Intensification of housing stock and the use of more rural area for residential purposes, where its boundaries townships and is not highly productive rural land.
- Development of housing stock typology; replacement of old and large houses, with high quality, affordable homes.
- Revisiting Invercargill's district plan zoning to encourage market investment and enable greater density by decreasing minimum lot sizes and support plan changes for the development of residential subdivisions such as Te Puāwai.
- Developing purpose-built quality housing for the elderly which then also frees up large homes for families.
- Improving construction workforce productivity.

Missing Evidence

- Quantitative analysis of the current housing stock (age and quality), and how it compares nationally.
- Quantitative analysis of unmet demand for different types of housing.
- Latest evidence of new houses built over the last few years.
- Current and in-depth analysis of levels of unmet demand for social and emergency housing. It is clear that social and emergency housing are fully occupied, but there are no future predictions of how demand is expected evolve over time.
- Understanding of the impact of seasonal employment on housing demand.

Document Summaries

ECONOMIC

INFOMETRICS LTP ECONOMIC UPDATE (ICC)

Purpose: Analysis of relevant economic and population inputs for the 2022 / 23 Annual Plan, and to feed into the LTP going forward.

Current State/Issues

- Household growth has stagnated 2020 to 2021 in Invercargill. Moderate growth expected for Invercargill of 140 homes per annum (0.6%) from 2022 to 2034.
- The average household size in Invercargill is projected to slightly decrease from 2.39 to 2.35 persons per household between 2021 and 2034.
- The number of international students has dropped substantially due to COVID-19, this is expected to recover in the coming years.
- Uncertainty remains whether the Tiwai Point aluminium smelter will continue to operate after 2024. Tiwai is a significant employer to the region, directly employing over 700FTEs and indirectly employing an additional 1,500 contractors and suppliers.
- Inflation is forecasted to remain elevated until 2024. Households to face budgetary pressures as their costs increase faster than their income.

SOUTHLAND REGION MARCH 2022 QUARTER UPDATE (2022)

Purpose: Provide an update on the Southland economy up to March 2022 quarter, building on previous reports provided to Great South in 2020 and 2021 which focused on the impact of COVID-19 on the region's economy.

Current State/Issues

- The Southland economy continues to be resilient to COVID-19, with strong economic activity supporting a growing labour market.
- Gross domestic product (GDP) in the region grew in the year to March 2022. In the year to March 2022, employment numbers continued recovering from the COVID-induced drop through the two years prior. Southland's population was stable over the year to June 2021, ending the year at 102,700 people. Unemployment dropped in the region over the March year.
- Average house values had increased significantly over the past year, with house values in Southland Region up by 19.5% over the year to March 2022, compared to 25.6% nationally. House prices grew 20.9% in Southland District, 19.1% in Gore District and 19.1% in Invercargill City.
- Residential rental prices in Southland Region were growing much faster than the national
- average of 6.9% in the year ending March 2022. Southland Region's mean rent increased by 10.4% over the same period. Mean rents rose 11.0% in Southland District, followed by 10.0% in Invercargill City and 9.7% in Gore District.
- As of March 2022, there were 231 households on the public housing register across Southland Region. This number has steadily risen over the past five years in line with the national trend. There were 383 occupied public houses the Southland Region in December 2021.
- The population of Southland Region declined 0.1%pa in the year ended March 2021, which was the first decline since 2007. In the same period, the national population grew 0.6%pa. As of June 2021, the Region's population was 102,700.
- The number of people employed in Southland was 59,500 in March 2022, up 2,900 from March 2021. In the same period, the number of people unemployed fell by 400 to 1,600. Other than March 2020, this is the lowest level of unemployment in Southland since 2013.

SOUTHLAND REGION POST-COVID SCENARIO ANALYSIS (2021)

Purpose: Assess the region's performance throughout the COVID-19 lockdown period; forecasting the region's economic and population outlook over the coming five years.

Current State/Issues

- Southland performed strongly through the COVID-19 lockdown as key industries such as agriculture and food manufacturing were considered essential industries and permitted to continue operating.
- In 2021, the outlook for Southland's economy to 2026 was steady. Employment was forecast to slightly decline due to the COVID-19 induced recession. It was predicted to grow strongly in 2023 and 2024, recovering to pre-COVID levels by 2023 but tapering off in 2025 due to the expected closure of Tiwai Point smelter.
- The loss of international tourism was predicted to drive employment decline between 2020 and 2022.
- It was predicted that most industries would be recovered to pre-COVID levels by 2025; however, employment in tourism related industries is expected to be slightly below pre-COVID levels as international visitor arrivals aren't expected to have fully recovered.
- It was forecast that population growth would be tied to employment.

COUNCIL LEAD

SOUTHLAND HOUSING SITUATION ANALYSIS (2021)

Purpose: Provide an overview of the current and anticipated housing growth challenges for the region.

Current State/Issues

- The Southland Regional Development Strategy set out a target to grow the regional population by 10,000 people. However, consultation throughout the development of the strategy made it clear that this growth would impose significant pressure on the limited available housing stock.
- It was believed in 2021, based on the population estimate of 104,400, that Southland was 1,659 houses short to effectively house the population.
- Both rental and house purchase prices have increased significantly in recent years. Rent increased by 18% in the 12 months to drafting the 2021 situation analysis and house prices have increased approximately 50% since 2018.
- The demographic trends are showing a growing population of elderly across the region, who are likely looking for smaller, warmer homes. However, over half the housing stock is three bedroom, older homes. Demonstrating that whilst there is a housing shortage there is also a mismatch in the desired types of housing people are looking for.
- COVID-19 has provided short term relief from the pressures of tourism growth on the housing stock. Where there has been a downturn in tourism, there is less demand for staff accommodation and some short-term rentals have been converted to longer term rentals. However, this relief has not been consistent across the region; destinations such as Rakiura Stewart Island experiencing little reduction in demand.
- This report was unable to quantify regional distribution of holiday homes and lifestyle development. However, it is noted that there are increasing numbers of commuters into the main urban areas, which is thought to be tied to housing shortages.
- Ongoing workforce planning is being undertaken to support the development of large industry throughout Southland but is impacted by the current housing pressures, constraining growth opportunities.
- The demand for social housing increased by 59 applications between 2018 and December 2020, equating to a 242% increase.

Missing Evidence

- Current evidence is demonstrating a housing shortage and short-term predictions by Infometrics demonstrates this only increasing through to 2025. An understanding of future demand and supply projections over a long horizon would support a better understanding of how the housing stock must evolve to meet the future requirements and how district and regional planning tools can be used to support this.

SOUTHLAND HOUSING SITUATION ANALYSIS (2019)

Purpose: Provide information on the current state of the Southland rental and sales market.

Current State/Issues

- In 2018 Southland had the largest increase in real estate sales volumes. There is anecdotal evidence that a lot of rental property owners opted to sell instead of paying to comply with new insulation standards.
- The lack of emergency and social housing is an acute issue in Southland, particularly in Invercargill with the growing wait list (11 households in March 2016 to 89 households in March 2019).
- 50% of homes remain under a $250k listing price.
- There are houses being sold at prices significant above the capital value rate, particularly in SDC (Te Anau specially).
- In the year preceding July 2018 house prices increased rapidly. Southland was ranked third highest region in the REINZ house price index, it had annual growth rate of 13.1%.
- The increase in tourism is a double-edge sword for housing needs. It requires an increase in staffing needs as well as increase in visitor population. Of particular concern in Te Anau and Stewart Island.
- Summary of demand pressures:
    - Population growth
    - House typology preference (smaller, quality homes)
    - Ageing house stock
    - Increase in refugees
    - Tourism growth (more staff, more visitors)
    - Airbnb growth
    - Business growth requiring more staff new staff; Tiwai Smelter, Blue River Dairy, Mataura Valley Dairy
    - Future workforce demand; Invercargill CBD redevelopments, construction sector
    - Emergency and social housing
- No indication of building activity increasing – consents numbers have remained stable.

Missing Evidence

- Current evidence ranks Southland as lowest number of social houses per capita. A national social housing comparison that is adjusted by the housing deprivation index would provide a truer representation of Southland's social housing requirements.
- Understanding of future refugee housing demands.

SOUTHLAND HOUSING ASSESSMENT PRESENTATION (2018)

Purpose: Presentation for the Southland Housing Action Forum

Current State/Issues

- A minimum of 142 houses are needed now (2018) for social and emergency housing, plus an additional 77 houses for refugee resettlement.
- The region has much less social housing than other regions, 6.44 houses per 1,000 people in Invercargill and 3.12 per 1,000 people in Gore, significantly less than the national average of 12.86 per 1,000 people
- Airbnb growth is impacting the rental market availability and affordability.
- Rental properties are being sold to avoid costs of compliance with Healthy Homes legislation.
- The aging population are demanding newer, warmer, and smaller housing.
- Business growth / planned construction is putting further pressure on permanent and seasonal / temporary housing.
- It was projected that 144 houses would be built in the next 12 months (2019) across Southland.
- There was indicative feedback of a large portion of businesses planning to increase their staffing numbers, which would potentially add +33% to the region's jobs.
- Fast growth in tourism intensifying housing shortage.
- Lack of builders and sub-trades, slowing down construction of new homes.

SOUTHLAND DISTRICT COUNCIL HOUSING SCAN (2022)

Purpose: Comparison of housing indicators, national trends compared to local Southland District Council levels.

Current State

- Median cost of housing is at record high.
- Number of sales is down, and it's taking longer to sell.
- The rate of severe housing deprivation is lower in SDC compared to national levels.
- The social housing waitlist has grown however it is not as bad as national levels.
- SDC has higher rates of adults with no educational qualifications compared to national levels.
- SDC has lower rates of household overcrowding than national levels.
- SDC has a higher rate of smaller household sizes (one / two usual residents) than national levels.
- In 2013, SDC had a higher rate of home ownership compared to the national level. Since then, the home ownership rate has rapidly decreased. As of 2018 the regional was ranked at 53 out of 68 districts nationally, with only 42% of the population living in their own homes.
- SDC has a very low number of high-value rentals.

Current Issues

- The survey carried out by the Council suggests there is unmet demand for affordable rentals and owner-occupied houses across the district due to a lack of supply.

READY FOR LIVING (2019)

Purpose: A Gore District Council long term action plan to build knowledge and understanding of the needs of older people – one of the six priority areas is housing.

Current State/Issues

- Eastern Southland's population is steadily ageing (in 2018 - 41% of the population was aged over 50), the aim is to shape the future to make Gore a better place to live.
- Cost of housing in the district is proving to be an issue.
- Young people are competing for smaller homes that elderly people need.
- Requirement for more elderly people specific housing, issues with stairs etc.
- Retirement villages are often not affordable.

Opportunities/Benefits

- A focus on providing support to ensure remaining at home is a source of comfort rather than a source of stress, providing mobile services such as: cleaners, carers, food delivery, nurses, social workers, maintenance etc.
- A range of housing options and retirement village models including intergenerational living, community housing, mixed tenure, kaumātua housing etc.
- Utilising technology to make life easier and enable people to safely remain in their own home.

SOUTHLAND COMMUNITY HOUSING STRATEGY REPORT (ICC - 2017)

Purpose: Strategy for housing vulnerable people in the Southland Region.

Current State

- Southland's population has had little structural change over the previous 20 years.
- The region's biggest industries include farming, forestry, and fishing.
- Council-owned rental properties are at capacity.
- There are no housing options for vulnerable young people (16-17 years old).
- There is widespread concern regarding quality of housing (particularly the lack of insulation) in Invercargill, and townships around rural Southland.
- There are an insufficient number of rentals. This is getting worse as demand continues to increase. The increasing number of international students at SIT is intensifying this issue.
- The Southland Regional Development Strategy goal of an additional 10,000 people in Southland by 2025 conflicts with current housing shortages in the region.
- The number of first home buyers and investors has reduced.

Current Issues

- Insufficient social housing to cater for demand, particular pressure in Invercargill.
- Long average waiting times for vulnerable people seeking housing.
- Lack of apartment style living in the central city for international students.
- Tension between improving quality of housing without negatively effecting housing affordability.

Opportunities/Benefits

- Provision of apartment style living options in the central city, targeted at students, would improve the housing outcomes for students and relieve the pressure on the wider rental market.
- Promote intensification in selected locations.

Missing Evidence

- In depth evidence / analysis of social housing to quantify the unmet demand. There is evidence of fully occupied social housing but there no accurate indication of the waiting list and waiting time figures.
- How has social housing demand evolved in the last 4 years.

DISTRICT PLAN MONITORING AND EFFECTIVENESS REPORT 2019 – 2021 (ICC)

Purpose: Summary of general resource management matters impacting the implementation of the District Plan.

Current State

- Subdivisions accounts for 45% of resource consent applications (55% land use consents).
- Demolitions accounts for 26% of land use consent applications.
- There is anecdotal interest in establishing higher density residential activity in rural zones.

Current Issues

- Climate change increasing risks such as riverine inundation and sea level rise (storm surge).
- Indications that the Business 1 Zone covers too large of an area.
- There has been accelerated growth in house prices, which have almost doubled from 2016 to 2022.
- There is a significant housing pressure from the undersupply of homes coupled with the continual population growth – as of April 2021 the population growth indicated the region is tracking between the 'medium' and 'high' population projections produced by Stats NZ. A comprehensive housing capacity assessment is required to estimate demand and supply of housing in Invercargill.
- Minimum lot size of 2,000m^2 is required for any development in medium density zones. This is a major hurdle for market investment.
- There is competing pressure between the need for growth / development and the risks posed by natural hazards, which is only expected to intensify with climate change.

Benefits/Opportunities

- Collapse Business 1 Zone into a mixed zone CBD area, allowing fringe CBD areas to be a mix of business and residential.
- Priority to be placed on supporting the development of residential subdivisions, and infill developments. This will be partly addressed by Plan Change 1 - Te Puāwai (enabling 600 residential sections).

SOUTHLAND MURIHIKU REGIONAL WORKFORCE PLAN (2022)

Purpose: In 2020, fifteen Regional Skills Leadership Groups (RSLG) across New Zealand were created to identify and support better ways of meeting future skills and workforce needs in the regions and cities. RSLGs are responsible for developing Regional Workforce Plans (RWPs) which will identify jobs that region needs and/or will be creating, the skills needed for these jobs and the most effective ways to maximise the ability to meet these workforce needs, both regionally and nationally. In essence, the RWP will identify and support better ways of meeting future skills and workforce needs for Southland Murihiku.

Current State

- A major challenge for the region is the potential closure of the New Zealand Aluminium Smelter (NZAS) at Tiwai Point – a key contributor to regional employment and productivity.
- A Just Transition Work Plan has been launched for the region which encompasses three themes: creating new industries and employment; transitioning workers and skills; and long-term planning.

- The Southland Murihiku economy is dominated by agriculture (primarily dairy and sheep farming) and manufacturing. The region's high reliance on the primary sector and manufacturing flows through to other enabling sectors such as transport, wholesale trade and professional services.
- The RSLG's activities are underpinned by four foundation aspirations:
  - Aspiration One: System Change – our region is prepared for future labour market needs.
  - Aspiration Two: Change for People – our region supports people to thrive in the labour market.
  - Aspiration Three: Cultural Change – our region is committed to equitable outcomes for Māori.
  - Aspiration Four: Workplace Change – our region is renowned as a great place to live and work.
- The RWP focuses on the needs of five initial Pou:
  - Rakatahi (youth) are the future of Southland Murihiku.
  - The food and fibre sector is the foundation of Southland Murihiku.
  - The manufacturing and engineering sector is the 'engine-room' of Southland Murihiku.
  - The health care and social assistance sector is fundamental to the health and wellbeing of the people of Southland Murihiku.
  - The tourism and hospitality sector is the 'showcase' for Southland Murihiku.
- Several key themes and labour market challenges were also identified across Southland Murihiku:
  - The pandemic has intensified labour and skill shortages, with the 'battle for talent' having a significant impact on the region's businesses. This has highlighted the reliance on migrant workers to meet skills and labour demands, and exposed a vulnerability to immigration and border settings.
  - Attracting people to the region is challenging because of external perceptions of distance, isolation, and a lack of things to do, as well as a constrained housing market.
  - Some businesses also find it difficult to attract people because of negative perceptions of the sector they work within. There is often a lack of clarity about the diversity of roles, career pathways and broader opportunities each sector offers. Businesses seek to be better supported to develop governance and leadership capability, create inclusive workplaces, and strengthen workplace learning and development.
  - There are many people in Southland Murihiku who would like to be more engaged within the labour market. The groups most likely to be underutilised include people with disabilities, older workers, women, rakatahi (young people) and Māori. In keeping with this, work-readiness and transition pathways for rakatahi are a constant challenge (and a huge opportunity). While many sectors identify specific technical skill gaps, there are cross-cutting skill development areas mentioned across most sectors – for example, essential/foundation skills, and management/business skills.

SOUTHLAND MURIHIKU ATTRACTION AND RETENTION SURVEY – HOUSING ANALYSIS

Purpose: Understand the impact housing is having on the workforce, particularly attraction and retention.

Current State/Issues

- 69% (of 130 respondents) indicated that housing is not constraining recruitment.
- Of the 43 respondents who indicated housing was a constrain, availability and affordability were of the largest concerns.
- Of those who found housing to be a constraint, 23% are providing accommodation to their staff.
- 97 respondents (of the 144 respondents to this question) were currently recruiting, of which 28 found housing to be an issue, 55 found housing was not an issue.
- On a sub-regional basis, 15% of respondent from Gore (n=20), 16% from Invercargill (n=79) and 47% from Te Anau (n=15) found housing to be an issue in staff attraction.
- It was found that over half of new employees were local to Southland.

Following on from this survey, a number of businesses were directly interviewed on their challenges and it was found that housing was a big issue in these discussions, particularly to attract families to Gore.

SOUTHLAND CONSTRUCTION WORKFORCE PLANNING (2022)

Purpose: Understand and forecast workforce demand for the construction sector.

Current State/Issues

- There is a backlog of construction work causing economic / societal problems:
  - Housing shortage
  - Wellbeing impact.
- Forecasts from the Workforce Information Platform has construction demand greatly exceeding supply by about 2,000FTEs.
- The main industry pain points are retention and recruitment of employees.
- Workforce productivity is significantly below the national average. Addressing this would create positive outcomes to helping to address the major housing supply shortage.
- The current workforce is planned with a short-term project-based view, resulting in short term cycles which are detrimental to improving capability and productivity. The local construction workforce can be decimated in response to economic cycles.

Opportunities/Benefits

- Improving workforce productivity is a key lever to address the workforce shortage issue.
- Engage young people.
- Establishment of a regional group with industry representatives to develop initiatives, provide standards, strengthen career pathways, etc.
- Address cyclic nature of workforce by utilising sound financial management: funding to carry work through economic troughs – potential joint venture public private partnerships. i.e., allow construction workforce to follow the trendline, not the peaks and troughs.

SOUTHLAND WORKFORCE STRATEGY UPDATE (2020)

Purpose: Understand and forecast workforce demand for the construction sector.

Current State/Issues

- Net migration gain in the main workforce age groups not only offset the continuing net migration loss of 15-24 year olds but also drove growth in the region between 2013-2018.
- Across this timeframe the population structure also changed due to net migration loss and aging.
- The labour force grew by a greater margin than the total population, 10% compared to 4.6%. This was driven by migration gain, adjustment of age cohort size, and increased participation across most ages but particularly in the 15-24 year olds and women.
- All but one of the 18 industries and all 20 occupations employing over 1,000 people in 2018 increased in size between 2013 and 2018, compared with nine industries and eight occupations declining between 2006 and 2013. In 2018 the 18 largest industries accounted for just over 7 in every 10 employed Southlanders, up from 68% in 2006, while the 20 largest occupations accounted for 75.3%, up from 72.5% in 2006.
- All industries and occupations in 2018 had older workforces than they did in 2006, although there was some slowing of the trend between 2013 and 2018 due to the relative increase in younger participants.
- While both participation and labour demand increased substantially between 2013 and 2018, future labour supply is projected to decline as structural ageing generates more people at older ages and fewer at younger ages.
- Achieving additional labour supply from those not in the labour force is also likely to be limited, as the majority not participating were aged 15-19 years, or disproportionately females at key parental and caring ages, or 65+ years, indicating other life-stage considerations.

SOUTHLAND REGION ACCOMODATION SNAPSHOT (2021)

Purpose: Provide an overview of commercial accommodation across the region.

Current State/Issues

- There are more than 320 accommodation providers throughout the region.

- The total night capacity for the region is 2989 hotel rooms, 947 dorm beds and 2631 caravan/camping sites.
- 24 providers specialise in events.

Missing evidence

- The number of holiday homes provided in the estimate seems to be a gross underestimation, the report presents there are 15 holiday homes in Fiordland, including Te Anau. Airbnb returns a search for approximately 300 homes.

SOUTHLAND COMMUNITY SENTIMENT TOURISM RESEARCH (2023)

Purpose: Provide an overview of community sentiment regarding Tourism in Southland

Current State/Issues

- 22% of respondents in Murihiku Southland said tourism had increased the demand and cost of housing compared to only 11% nationally.
- 18% of respondents disliked the "poor and slow services and infrastructure", which includes poor quality housing. This was a key criticism about what people don't like about living in Southland.
- Ideas provided by the community for mitigating adverse impacts on housing caused by tourism:
  - "Regulations on holiday rentals, increased rates on second homes, Airbnb's etc."
  - "Increase rates for Airbnbs. Reduce rates/compensate homeowners who live in their home for 80% of the year and/or who rent long term to local families."
- Ideas provided by the community for what we should stop doing:
  - "Letting Airbnb operators operate without having to abide by the same rules as all accommodation providers (e.g., don't have to pay commercial rates, insurance, etc.)

SOUTHLAND COMMUNITY SENTIMENT TOURISM RESEARCH – FIORDLAND SNAPSHOT (2023)

Purpose: Provide an overview of community sentiment regarding Tourism in Fiordland.

Current State/Issues

- 97% of Fiordland residents have experienced adverse impacts of tourism, two of the top three relate to housing:
  - Reduced availability of housing for local people
  - Increased the demand for and price of local housing.

IWI ENGAGEMENT

A PROFILE OF MĀORI HOUSING IN MURIHIKU, KĀINGA ORA (2022)

Purpose: This report brings together a variety of data sources such as Census 2018 and bond data, to generate insights into the state of housing for Māori in Murihiku.

This report was developed in conjunction with the four southern Papatipu Rūnanga (Awarua, Waihōpai, Ōraka-Aparima and Hokonui), Taylor Winter (Data Scientist) and Kainga Ora.

Current State/Issues

- Kāinga Ora is actively supporting Māori in achieving their aspirations towards housing. At the core of this engagement is the need for up-to-date, reliable data to drive evidence-based decision making for three main goals:
  - Informing the formation of housing aspirations and needs,
  - Determining how to work towards housing aspirations and needs, and,
  - Monitoring the impact of achieving housing aspirations and needs.
- Māori population demographics:
  - Almost 1 in 3 whānau across Murihiku are tamariki or rangatahi.
  - The Māori population of Murihiku decreased across the pandemic by 5.1%
  - The Māori population of Murihiku is 15,600, 17% of the total population, as at the 2018 Census.
  - Nearly two-thirds of Māori in Murihiku live within the Invercargill City area, according to Census 2018.
- Home ownership:

- Whānau aged 30–44 and their tamariki are disproportionately struggling with accessing quality housing, and home ownership. 46% of whanau do not own their own home.
  - Kaumātua are faring relatively successfully when it comes to housing needs, with high home ownership rates (75% of those 65-79 years), and generally having higher quality housing compared to the younger age groups.
  - 53% of homes are owned by at least one of their occupiers, 39% of homes are not owned by any of their occupiers, and 8% of homes are held in trusts.
  - There are lower ownership rates across the rural areas, representing large swathes of potentially inaccessible land.
  - Whanau within the inner city areas of Invercargill also appear to have ownership barriers, compared to those living in areas surrounding the city and bluff.
- Rentals:
  - Rental affordability in Murihiku over time, while getting worse, is somewhat mitigated by increasing incomes. We do note that the recent inflationary pressures of 2022 may have exacerbated this unsustainable trend.
  - 1/3 of whanau are likely to spend over a third of their income on rent. 1 in 10 whanau that are renting are facing housing stability issues.
  - In 2016, just under 30% of weekly income had to be used for rent, and this is now well over 35%. The peak occurring in 2019, at almost 40%, is likely a result of survey fluctuations due to small sample effects.
- Social housing:
  - Between 2016 and 2020, the housing waitlist doubled. It is currently (as of 2021) 75% greater than it was in 2016.
  - Increasingly homelessness is the main cause of needing social housing.
  - Over a third of applicants indicated they needed 2 or more rooms. Likely representing whanau with tamariki who are unable to meet their basic housing needs.
- Housing quality
  - Over 100 tamariki lack access to electricity in their homes, and almost 75 whānau aged 30–44 have the same barrier. Over a 100 tamariki also lack electricity in their homes, which may impact their life widely, especially with access to education after hours, ability to do homework, and access to online resources readily. While low compared to the total population, are again much larger than social housing waitlist numbers, suggesting whānau are not even on the periphery of accessing the most basic needs.
  - In the 2018 Census, over 1 in 4 respondents say they live in damp dwellings, in late summer/early Autumn. One in five respondents indicated they live in a mouldy dwelling.

Missing Evidence

- The authors of the report noted the limited actionable outcomes due to the shortfalls in data, including:
  - Important housing quality indicators have large lags – e.g., Data on damp and/or mouldy homes are only available through Census 2018, which is now four years old, and is only a snapshot in time.
  - Not measuring whānau "not in the system" – this is particularly evident for social housing data, where applicants who are rejected do not appear in available data, despite the data being captured within the responsible agency.
  - The need for advanced statistical modelling to provide localised projections of needs - because the population of Māori in Murihiku is relatively small, breaking down through various demographics and geographies leads to very small numbers.

IWI ENGAGEMENT AS PART OF THE BEYOND 2025 SOUTHLAND HOUSING NEEDS ASSESSMENT (2022)

Purpose: Provide the Rūnaka's view of housing in Southland.

Current State/Issues

- Housing is about 'whanaungatanga' – togetherness and people / whānau. We shouldn't forget the importance of 'community' and the need to know your neighbours etc.
- Housing is about building communities not just homes.
- New papakāinga housing has been developed in the region.

- Many of the Rūnaka are working in partnership Kāinga Ora to work towards achieving their housing aspirations.
- Some of the Rūnaka are looking to modernise and expand their housing portfolios with a focus on ensuring whānau have safe, warm, and secure homes – focus on ensuring we plan for the future as well as fix today's problems.
- There is overcrowding in homes across the community due to the increased cost of living and lack of supply. This is causing significant issues for teenagers who require their own space.
- Social housing which has been promised has not been delivered. This is possibly linked to wider building sector challenges.
- New Zealand needs to accept and address climate change; we are a small player who must adapt.
- Generally, a lot of people travel between centres for work.
- The impact of high fuel prices on accessibility to jobs, schools, the wider community, facilities etc. is starting to change whānau lifestyle patterns.
- Many whānau are living in poor quality homes
- Our elderly people are struggling to find suitable affordable homes.
- The 2019 floods saw a significant number of homes in the flood zone affected. Some people are still living in temporary housing.
- There is a lot of demand for builders but not enough workers.
- Affordability is a major issue – what was affordable five years ago is not anymore, the price of land and housing has increased significantly (it is slowing down but the major increase over the past few years is proving to be a major barrier to entry).
- It is frustrating for whānau as some feel like they've missed the boat of getting on the property ladder.
- The cost of renting has significantly increased with some people paying between $250 and $500 per week – people are living pay cheque to pay cheque.
- There are challenges associated with the impact tourism on housing (Te Anau etc.) particularly in regard to affordability and availability.
- Some of the Rūnaka (who own properties to rent out) are inundated with people interested in their homes.
- There are many stressed parents / grandparents that cannot afford to support the next generation.
- There are a lot of job opportunities in the region but often there is no suitable housing available.
- Minimal availability of a variety of properties to meet whānau needs within what they can afford.
- Concerns regarding housing security for kaumātua who do not own their own home.
- People are living at camping grounds.

Opportunities/Benefits

- Partnership approach between Council / iwi / central government expected to result in future opportunities.
- Leasing land.
- Simplifying building consent process.
- Zoning that allows tiny homes – appealing as many of these homes are relocatable and don't need significant infrastructure investment.
- Potential for empty woolsheds to be converted to housing.
- Housing options for intergenerational living (size of housing – multi bedrooms)
- Interested in renewable energy sources.
- Opportunities for worker accommodation and role of employers to provide this
- Keen to further understand what would influence people to move to the region.
- Creating a community to encourage growth, re-opening the local swimming pool etc.
- Housing should be more than just a shelter – shared spaces where people can be together, sharing kai, play areas for children. Providing the wider 'wrap around' services (food, petrol, public transport, medical services etc.)
- Developing local capabilities: e.g. Prison building programmes and Southern Institute of Technology
- Working together as a collective to address the housing issues in the region.
- Potential to provide emergency / transitional units

- Mixed Ownership / Cooperative Models to provide housing
- People's housing demands have changed, not everyone wants a large section rather a focus on warm and secure homes.
- Understanding the current situation with empty properties / sections

COMMUNITY ORGANISATIONS

AOTEAROA HOUSING SURVEY BY AMI INSURANCE AND HABITAT FOR HUMANITY NEW ZEALAND (2022)

Purpose: The survey is part of a partnership between AMI Insurance and Habitat for Humanity to provide the two organisations with critical information to help understand the scale of the issues New Zealanders are facing so that they can strengthen their response and help New Zealanders enjoy better living conditions, particularly in the colder months.

Current State/Issues

- Regional statistics for Invercargill respondents:
    - 32% heat only one room in their house.
    - 32% have excessive power bills.
    - 53% have underfloor and celling insulation (10% higher than the national average).

SOUTHLAND COMMUNITY HOUSING GROUP (2017)

Purpose: Community group formed based on the concerns of local housing needs, particularly in Invercargill.

Current State/Issues

- The Southland Community Housing Strategy's vision is "all people living in Southland have access to appropriate, adequate and affordable housing that meets their needs".
- The group has not been able to develop a strategy for homelessness in the district due to a lack of data, there is the desire to get funding to scope a night shelter.
- The significant increase in rent is affecting pacifica peoples.

SOUTHLAND WARM HOMES TRUST

Purpose: The Southland Warm Homes Trust is a registered charitable organisation providing funding assistance to low income or high health needs homes for insulation and energy efficient heating units.

Current State/Issues

- Established in 2008 as a collaboration between Electricity Invercargill, the Southland Power Trust, local Councils and health organisations, to enable the Southland region to benefit from the Warm Up NZ: Heat Smart Government funding on offer.
- Over 14 years the trust claimed $18m which insulated over 8,400 homes and provided many heating units.
- With continued representation and funding support provided from the key stakeholder group and other charitable organisations, the Trust continues to provide support to the Warmer Kiwi Homes Programme and other initiatives and opportunities promoting healthier living conditions in homes of those most vulnerable in the Southland region.

BREATHING SPACE SOUTHLAND TRUST

Purpose: The trust was set up in 2013 to provide short term emergency accommodation for the homeless in Invercargill. In addition, they provide support and counselling programmes for those who need and can assist with the transition to more permanent accommodation.

Current State/Issues

- The trust has two units.
- Demand for the units is consistent.

STEWART ISLAND HOUSING (2023)

Purpose: Outlines the current housing issues the Stewart Island community is facing.

Current State/Issues

- Central government is not identifying Southland as an area of housing 'need'.
- On Stewart Island there isn't people sleeping in shop doorways, but we have elderly in housing with no / poor insulation, single glazing and very little heating.
- Electricity costs 60+ cents per unit a key issue especially in such a cold and wet climate (this is two to three times the cost per unit on the mainland).
- Aging population combined with insufficient quality fit for purpose housing on the island.
- The aim of the trust is to enable Stewart Island senior residents to choose to 'age in place'.

Opportunities/Benefits

- The Stewart Island Seniors Cottage Trust has land for a six-dwelling elderly housing development in Oban – Stewart Island but needs approximately $1.2m for construction, however, currently they are facing issues as central government does not identify the region as an area with housing 'need'.

REPORT TO STEWART ISLANDS COMMUNITY BOARD (2011)

Purpose: Report detailing key issues residents put forward in a survey (n=56) regarding senior citizen housing on Stewart Island.

Current State/Issues

- There are concerns that the elderly population is being forced to retire to the mainland for supportive and affordable housing.
- Key considerations for housing: accessibility, insulation, small, easy care, modern heating options that are less labour intensive.
- The high cost of getting to the mainland was raised as a key issue.

CENTRAL GOVERNMENT

NATIONAL POLICY STATEMENT FOR HIGHLY PRODUCTIVE LAND

Purpose: The National Policy Statement for Highly Productive Land (NPS-HPL) is about ensuring the availability of New Zealand's most favourable soils for food and fibre production, now and for future generations.

Current State/Issues

- Since 2002, 35,000 hectares of highly productive land has been developed into housing – mostly around Auckland and Christchurch. An additional 170,000 hectares has been converted to rural lifestyle.
- Provides direction to manage highly productive land through the Resource Management Act 1991.
- Requires Council's to identify their highly productive land and manage the effects of development.
- Tangata whenua must be actively involved (to the extent they wish to be involved).
- Restricts the urban rezoning of highly productive land, may only allow rezoning when:
    - Required to give effect to the National Policy Statement on Urban Development.
    - No other reasonably practicable and feasible options are available.
    - The environmental, social, cultural and economic benefits of rezoning outweigh the long-term environmental, social, cultural and economic costs.
- Council must avoid rezoning highly productive land as rural lifestyle.
- Local people in Invercargill were in the process of sub-dividing their land when this policy statement was introduced, they had consents, incurred significant cost purchasing materials and now must sit and wait for the outcome of the process.

Opportunities/Benefits

- About 15% of New Zealand land is expected to be categorised as highly productive, the aim of this policy is to improve the management of this land by providing clear guidance for councils.

- This policy statement compliments the National Policy Statement on Urban Development which aims to limit urban sprawl onto highly productive lands and focusing on supporting well-functioning cities.

Other central government documents not included

List of central government documents that have not been reviewed and included in this report:

- National Policy Statement of Urban Development
- Housing Technical Working Group Assessment report - outlines the key drivers for the drastic increase in housing over the past 20 years
- MAIHI Ka Ora – the National Māori Housing Strategy
- Fale mo Aiga – Pacific Housing Strategy and Action Plan 2030
- Public Housing Plan

Appendix 1A: Addition notes for Desktop Review, prepared Becs Amundsen, Beyond 2025 Southland

Southland Community Housing Group:

Concern of community groups around local housing needs was the genesis of the volunteer Southland Community Housing Group (SCHG) which was an original focus group used for the work later commissioned by the Invercargill City Council in 2017 to explore housing need, particularly of Invercargill but also in the wider Southland context.

The resulting ***Southland Community Housing Strategy*** included twenty-nine recommendations which SCHG undertook to advocate for. The report and strategy was based on a community-led development approach, proposing a collaborative locally-led strategy to work towards the vision that "all people living in Southland have access to appropriate, adequate and affordable housing that meets their needs". To that end SCHG invited representatives from local and government agencies, NGOs and others working in the sector to collaborate with them. This umbrella group shares its diverse knowledge, thereby helping each organisation within the group to have a more informed approach to their work and to support collaboration at different levels.

The scope encompasses emergency, transitional, short-term and long term housing, Council-owned rental housing, State-owned rental housing, private sector rental housing, and housing quality. Recent discussions have caused the issues of couch surfing young adults and those sleeping on the street to be added to the list.

SCHG's advocacy role involves a lobbying responsibility in representing its collective first hand knowledge and the findings of the strategy in the different housing planning forums.

The issue of homelessness is one we have not been successful in developing a strategy for despite our best efforts; lack of data intrudes, Dave's information about caravans being available, by seeking ICC land to accommodate these; my hope of gaining funding to scope a night shelter.

Nga Hau e Wha

- In the last 10 years or so more Māori getting into their own homes – need to ensure this is maintained
- Māori are returning home and want to live with their whanau – bigger houses are needed
- People want to live in South Invercargill because that is where they grew up – but the housing is often sub-standard and worse if renting
- Maata waka are intergenerational in Murihiku now eg have been here for 3-4 generations now, but they don't have a place here

Pacifica

- Pacifica people feel obligated to take care of people from their country when they come here
- Rental accommodation - Nothing under $350 anymore, for a tidy 3 bedroom paying $480; process for securing a rental property

Note - in reference to overcrowding – Culturally multigenerational living is a preferred option for some. Care needs to be taken that the negative connotations of overcrowding are not confused with this cultural norm.

Aotearoa Housing Survey by AMI Insurance and Habitat for Humanity New Zealand July 2022

Regional Stats for Invercargill – key points: (59 respondents outs of 3039 total)

- Above average stay on one room and heat only one room 14% (8% national average)
- **Above average have underfloor and ceiling insulation 53% (43%)**
- **Above average have a wood burner to lower power bill 42% (21%)**
- Above average not concerned with mould 94% (84%)
- Above average have no locks on any windows 30 % (15%)
- 32% heat just one room
- 10% notice draughts

- 29% have ceiling insulation
- 32% have excessive power bill
- 36% try to use as little power as possible
- 95% feel safe or quite safe in their home

Permission is needed to use any of this information – from Paul Seranke.

Agreed Protocol for Ongoing Use of Aotearoa Housing Survey by AMI Insurance and Habitat for Humanity New Zealand July 2022 The inaugural Aotearoa Housing Survey by AMI Insurance and Habitat for Humanity New Zealand has been completed and launched into the public domain June/July 2022. Given this is a joint initiative between AMI Insurance and Habitat for Humanity New Zealand, and the research contains a raft of data, both parties have agreed the below approach to protect each other's brand in the public domain and to ensure consistency of data use. 1. Naming convention –all mentions or references by all parties to the survey must use the correct naming convention, this includes AMI Insurance and any other IAG brands, Habitat for Humanity New Zealand and all Affiliates associated with Habitat for Humanity in New Zealand a. "Aotearoa Housing Survey by AMI Insurance and Habitat for Humanity New Zealand" is the full and correct name of the survey b. Full and correct name used in first instance, and upon subsequent reference can be called "Aotearoa Housing Survey". 2. Correct data - any data used externally and/or in the public domain including, but not limited to, social media posts, media engagement and so forth must be accurate. The key sources of nationally accurate data are publicly available in infographic format either on AMI Insurance's website or Habitat for Humanity's website. a. Household numbers can be used where this has been used in an infographic, as this has been verified by the research agency, Camorra. These numbers cannot be manipulated - for example converted into number of people. b. Regional data has been verified by Camorra for use by Habitat for Humanity's Affiliates. The percentages provided are statistically robust. This data set has been distributed to all Affiliate leaders and relevant communications contact. 3. Approval needed for external mentions – all uses of and references to the Aotearoa Housing Survey that appear in the public domain need to be approved by Habitat for Humanity New Zealand and AMI Insurance before going live. This is part of the sponsorship contract between both parties whereby mention or reference to the other party's brand can't be used without the brand owner's approval. There have been no issues with this to date, and turnaround times have been well within agreed timeframes.

Breathing Space Southland Trust

The Breathing Space Southland Trust (BSST) was set up in 2013 to provide short term (up to 7 nights) emergency accommodation for the homeless of Invercargill with support and counselling programmes for those who need it. Where appropriate, BSST will also assist with transition to more permanent accommodation.

The Trust has 2 x 30 sq m units available for use for short term.
Demand for the units is consistent.

Southland Warm Homes Trust:

The Southland Warm Homes Trust is a registered charitable organisation providing funding assistance to low income or high health needs homes, helping to creating warmer, drier, healthier living conditions by installing home insulation or a new efficient heating unit where they may otherwise not be able to consider this due to the cost. The Trust works in conjunction with the EECA (Energy Efficiency & Conservation Authority) Warmer Kiwi Homes Programme (WKH) and several local installers, to subsidise the cost of installing home insulation or a new efficient heating unit (heat pump or wood burner) by up to 95%, in eligible low income owned homes or those in low income areas.

Established in 2008 as a collaboration between Electricity Invercargill, the Southland Power Trust, local Councils and health organisations, to enable the Southland region to benefit from the Warm Up NZ: Heat Smart Government funding on offer, the Trust has contributed to the **insulation of over 8,400 homes and many heating units** through the various Government home insulation funding programmes. In the 14 years of operation **$18m of Government funding has been claimed in Southland** through the work of the Trust, and over $8m has been raised from local funding, to enable the programme to succeed. EECA **research has found for every $1 spent on home insulation, a $4.50 saving occurs in**

health care costs through the reduction in number of people requiring emergency health assistance, especially children and the elderly.

With continued representation and funding support provided from the key stakeholder group and other charitable organisations, the Trust continues to provide support to the Warmer Kiwi Homes Programme and other initiatives and opportunities promoting healthier living conditions in homes of those most vulnerable in the Southland region.

Appendix 2: Stakeholder workshops and problems

Social, Transitional and Emergency Housing Issues List

ILM Problem	Item	Issues
1	1.	Lack of data around housing and the homeless – no data to support funding
1,4	2.	Overcrowding in Kāinga Ora homes particularly in the Pacifica communities in Invercargill and Gore
3	3.	High cost of sections is an issue
3	4.	No structural plans, which mean there is no zoning for future growth in Invercargill and Southland - GDC are currently investigating
3	5.	Cost of land development is an issue (same as around the country)
4	6.	Many rural homes are empty as they are not up to Healthy Homes standards so cannot be rented out.
2,4	7.	People from smaller communities can't sell up and move to a more central location as they are unable to afford homes in these larger towns.
2	8.	Aged care in the district is 'cookie cutter' – cost to build in Invercargill is very expensive, if not more so, than the rest of the country. The BUPA village was the most expensive to build in NZ.
1	9.	There are safety concerns, especially for woman, in some areas of emergency and transitional housing – police involvement. People are being housed in camping grounds which are attracting a high gang population.
1	10.	Youth struggle to find accommodation that meets their needs (17-19yrs old).
1,4	11.	Inadequate provisions of disability housing – both for physical and mental disabilities.
1	12.	Short term interventions need to be explored ahead of actual solutions - what are low-cost temporary options? These need to be provided with wrap around community support
1	13.	Most rentals are not pet friendly
1	14.	Camping grounds provide cheap emergency accommodation – but gangs are present
1	15.	Emergency housing is well known for gangs / drugs / unsavoury behaviour
1	16.	Sometimes pets are more welcome than children in Invercargill
1	17.	Rental accommodation is scarce – what are the available options? Should businesses plan to provide for influxes of staff to reduce demand on housing
1,4	18.	Pacifica people coming for seasonal work results in overcrowding in Invercargill
1	19.	Previously people were more innovative to sort housing for themselves – changing societal expectation that 'someone else' will provide it
1	20.	Competitive market for housing
1	21.	Housing supplement is too low
1,3,4	22.	Everyone wants more business in Southland, pushing economic growth, but no one is looking at accommodation

2	23.	If people can move up the housing ladder, we can make room for people looking to enter the market.
2,4	24.	Lack of diversity in the housing stock supplied by the private market for first home buyers and elderly – the majority of homes are 3 beds
2	25.	Competition between older and younger communities for smaller houses
4	26.	Matching of housing with health (Gore) people often have to leave the area due to health issues – current housing options and care options are inadequate.
4	27.	Poor quality housing is impacting of peoples health - Invercargill has some of the largest and oldest houses in the country
1	28.	Expectation that pressures on the rental market will increase as international students return to Invercargill
1	29.	Te Anau housing pressure – short term rentals for workers
1	30.	Some second homes are not utilised for rentals due to the red tape around Healthy Homes legisation etc.
1,4	31.	First home grant – could not get a grant as purchase price was too high (the price cap is $500k for a new build in Southland)
1,4	33.	First home grant – houses must be of a certain standard
1	34.	Transitional housing – lack of education / literacy to apply (workshops to help people with the process are only offered in Invercargill)
1	35.	People are forced to move to cheap housing in remote communities which results in transportation issues
3	36.	District plan does not encourage redevelopment of sections (Invercargill), anything under 350sqm is a nightmare – Kāinga Ora and other developers are facing issues
1,3	37.	Kāinga Ora – all properties must be fee simple – this is where the district plan gets messy.
1	38.	Invercargill – landlords who have been burned once through the tribunal have become very shy of who they will let their houses to. This has resulted in increases in rent that make them unrealistic to many
1	39.	Lowest provisions of public housing in NZ – private landlords are supporting families who should be in public housing
1	40.	Demand for public housing is growing faster than housing can be supplied
3	41.	Inclusionary zoning in not included the district plans
3	42.	Invercargill does not have private developers to undertake CBD development
3	43.	Invercargill CBD zone does not allow residential dwellings
1	44	Family violence – Police ask mother and children to leave not father
3	45.	Consenting challenges which disincentivise development (zoning not enabling). Three aged care developers have left the town due to restrictions.
1	46.	Lack of supported accommodation for youth

1	47.	Data is a problem: Youth get lost in the system – no tracking of school truancy, 30% of one class was found to be couch surfing, Covid has had a big impact, 17 – 19-year-olds are falling through the cracks
3	48.	Climate change – there are low lying areas which could be impacted by rising sea levels and weather events
3	49.	The constraints surrounding development of highly productive soil (NPS) provides another hurdle for developers
1,4	50.	Many homes are not suitable for rentals (due to the Healthy Homes legislation) – particularly Riverton. AirBnB does not have these restrictions making this option more appealing to second homeowners.
1,3	51.	Inflation is pushing up costs exponentially
3	52.	Developing affordable products has an impact on developer's cash flow making it unattractive
1	53.	Do we need a Christchurch City mission type operation (night shelter)?
3	54.	Commercial developers face less risk in larger centres, Southland can be higher risk making it an unattractive option
1	55.	People are not always in government system which means there is no data captured – community is supporting their own. A lack of understanding / complexity of the processes and mistrust of government is preventing people asking for help which could result in them leaving their communities and support structures in search of adequate housing.
1	56.	The community's perception of public housing is negative
1	57.	Kāinga Ora and private developers should work together more – what are the PPP / prefabricated home options?
1	58.	Not enough drug and alcohol support programmes – reduces the ability to get people into homes
1,4	59.	People don't have skills to manage their home
1	60.	Are people moving from Te Anau due to no public housing – making them move out of social fabric?
1	61.	Southland has half the number of public housings per capia compared to national average
1	62.	Rural community appear do not appear to be reaching out for support and if they do, not staying – no community support
1	63.	Kāinga Ora and MSD are finding gaps in aged care and wider community support
2	64.	Government policy changed to retain older people in houses by providing more support, but this is resulting them holding larger homes that families could occupy
	65.	If the hub of general support is removed from rural community, then the feeling of isolation will be stronger – not much support left
1,2	66.	It is very hard to find one bedroom supported housing - people with low incomes living by themselves (50+) are finding it difficult to find suitable accommodation
1,4	67.	Lack of suitable housing for Pacifica families – multiple generations in one house

1	68.	Hidden homelessness – how to capture?
1	69.	Landlord won't allow tenants to grow vegetables
1	70.	Privately owned homes are becoming substandard as low-income owners cannot afford to maintain – house prices have gone increased, but incomes have not, in additional there is a lack of trades
2	71.	When older people sell their large home to downsize, they often cannot afford a small home mortgage free
1,4	72.	Some small towns are filling up with low-income people looking for cheaper housing
1	73.	Community workers in the region are losing their Oranga Tamariki funding – these people provide the connection between rural people who need support and support
1	74.	A lack of community housing in the Southland District
1	75.	The 1- and 2-bedroom homes Kāinga Ora are building do not suit Māori and Pacifica families
3	76.	There is a hesitancy to build on available land in South Invercargill (reinforcing comments from developers that there is nowhere to build in North Invercargill)

Social, Transitional and Emergency Housing Workshop Participants

Participants	**Organisations**
Margaret Cook	Southland Community Housing Group (Chair)
Dave Kennedy	Southland Community Housing Group
Alison Broad	Previous consultant who did social housing strategy
Nicola Pinfold	Kāinga Ora
Kerrie Young	Kāinga Ora
Angela Blair	Kāinga Ora
Pailate Fili	Emerge Aotearoa
Trinity McMahon	Ministry of Social Development - Asst Public Commissioner
Leanne Blair	Ministry of Social Development
Kerrin Rudolph	Ministry of Social Development
Christine Thomas	Methodist Mission South
Laura Black	Methodist Mission South
Talia McConnell	Gore Refuge
Ali Boyle	Gore Refuge
Lisa Tou-McNaught	Ministry for Pacific Peoples
Boyd Wilson	Bonischs
Tom Campbell	ICC Deputy Mayor
Lesley Soper	Southland Warm Homes Trust / ICC Councillor
Mandy Smith	Vodafone Foundation
Stacy Hughes	Vodafone Foundation
Theresa Cavanagh	Southland District Council
Kevin McNaught	Southland District Council
Anne Pullar	Gore District Council
Wendy Dunn	Community Housing
Becs Amundsen	Beyond 2025 Southland
Nic Wills	Beyond 2025 Southland
Bobbi Brown	Beyond 2025 Southland
Jimmy Sygrove	Rationale
Emily Walker	Rationale

Developer Issues List

ILM Problem	Item	Issues
1,4	1.	Builders / developers can't get staff due to the lack of accommodation
3	2.	Cannot build multi-until lots under 400sqm (fully compliant), discretionary at 350sqm in Invercargill and 600sqm in Bluff – includes minimum building platform, outdoor spaces and roading setbacks standards
3	3.	Requirement to have a 2000sqm lots derail most medium density development – the aim is to acquire a coordinated block of medium density to achieve this but, this isn't realistic
3	4.	The rural zoning on the edge of Invercargill means it cannot be developed
3	5.	Development is a massive industry that needs to be supported, just as much as Tiwai. If the development community falls over, the region falls over
3	6.	Current district plan was a catch up, not future focused to enable growth. ICC have undertaken spatial planning but not implemented
3	7.	The time it takes from identifying land to handing over keys to purchaser
3	8.	Lots of legislation – e.g., highly productive soils NPS
3	9.	Cost of sections – doubled in the last two years
3	10.	High cost of poor-quality homes is too much to justify buying older sections and building new
3	11.	Brownfields development is hard due to objections of neighbours
3	12.	Adhoc development doesn't result in the same placemaking/master planning outcomes
3	13.	Large greenfield subdivisions are not feasible
4	14.	80-90% of the homes in Invercargill are nearing the end of their life
3	15.	If we build homes around the outskirts, do we run the risk of pulling the community out of the centre out of town?
3	16.	Cost of building in town centres is prohibitive due to heritage buildings
3	17.	Winton is hamstrung by the hazards (rivers/streams) – massive constraints from Environment Southland
3	18.	Te Anau needs a strategic plan
3	19.	Riverton has outgrown its current boundaries and faces three waters infrastructure constraints
3	20.	Council has moved away from Development Contributions to encourage development – when development occurs developers end up getting stung with the whole cost

3	21.	Private Plan Changes – have been well supported by Council but are risky and expensive for developers. They take at least 2 years. The developers that have the resources to do private plan changes are few and far between
3	22.	Resource Management Act
3	23.	Cost of fire protection etc. to have homes above commercial land use is very expensive
3	24.	Planning inconsistencies across regional – ideally nationally
3	25.	If the Milford Opportunities Project takes off – Te Anau better have a plan
3	26.	Frustration that we have a relatively small population with a large geographic spread and no consistency between rules - SDC and ICC are poles apart in both consenting and compliance
3	27.	Southland District Council processes are a shambles
3	28.	Often have a different inspector at every inspection and the feedback changes – we don't feel like they are listening to the industry
3	29.	The consenting process in Gore is a bit old school and a bit more conversation based, but the inspectors are helpful and proactive
3,4	30.	Southlanders are bit behind the times in terms of density and section sizes
	31.	The number of first home buyers is reducing
3	33.	If the land was available, the developers would come to the table
3	34.	Workforce is at a stretch – the lack of quality and qualification of workforce is constraining development and increasing costs

Developer Workshop Participants

Participants	Organisations
Karen Bellew	Southland Master Builders
Carl Hamilton	Jennian Homes
Shane Hamilton	Jennian Homes
Boyd Wilson	Bonisch
Buster Fowler	Fowlers Homes
Brendan Akeroyd	Stonewood Homes
Simon Culhane	GJ Gardner Builders
Lisa Vaughan	GJ Gardner Builders
Andre Bekhuis	Andre Bekhuis Builder, Tuatapere
Hamish Broomfield	Trident Homes
Trudie Hurst	Invercargill City Council
Jonothan	Invercargill City Council
Theresa Cavanagh	Southland District Council
Steve Parry	Gore District Council
Bobbi Brown	Beyond 2025 Southland
Nic Wills	Beyond 2025 Southland
Becs Amundsen	Beyond 2025 Southland
Jimmy Sygrove	Rationale
Emily Walker	Rationale

Investment Logic Map