

# HUD Place-Based Areas of Focus

## Why are we developing a place-based approach?

Different areas across New Zealand are experiencing particular housing challenges, dependent on local context and the interaction of national, regional, and local policies and systems.

HUD needs to understand how to use national and targeted approaches to improve outcomes for New Zealanders across the country. This requires a strong understanding of the dynamics of housing systems in urban and surrounding areas.

## What are we doing?

We are starting with initial assessments of key places where we think we can learn about the different types of issues facing local, regional and urban housing markets. This is an emerging approach: we've started with a deep dive into Hastings as a pilot.

## How did we choose the current focus areas?

HUD has existing or emerging partnerships with six metropolitan areas: Auckland, Hamilton, Wellington, Queenstown, Tauranga and Christchurch. These partnerships aim to help territorial authorities respond to significant housing challenges, in particular through the spatial planning focus of the Urban Growth Agenda (UGA).

We also undertook analysis of three key housing system performance indicators: homelessness, 'stressed' renters and housing affordability - using the "heat map" approach outlined over the page. Based on this data and the broader context and relationship, we identified four areas for further investigation: Rotorua, Northland, Gisborne and Hastings/Hawke's Bay.

## What next?

As we refine our approach, HUD will better be able to identify the value and usefulness of place-based policy approaches and how we may need to adapt or better use national policy settings to respond to the particular needs of people in all places around New Zealand. It feeds into HUD's ongoing national and place-based policy and priorities, helping us to keep ahead of emerging issues and areas of need across the country.

## HUD's areas of focus and relationships with key targeted government initiatives

**Northland** has been proposed as a broader region of focus, but specific urban areas within it have not yet been identified. Issues the region face include 'stressed' renters and housing prices relative to incomes.

The area bounded by **Auckland, Tauranga and Hamilton** accounts for 50 per cent of New Zealand's population and is expected to experience the majority of New Zealand's population growth in the future. All three cities score poorly on rates of homelessness, number of 'stressed' renters and housing affordability.

Focuses for HUD's partnerships include the Auckland-Hamilton corridor, the Hamilton Metropolitan Spatial Plan and improving the scale and pace of urban development in Auckland.

HUD is working towards a partnership with **Wellington** region's territorial authorities, with a focus on developing new housing supply and improved urban form.

HUD has an emerging growth partnership with **Christchurch** and the city experiences high levels of homelessness and strain on emergency/transitional housing.

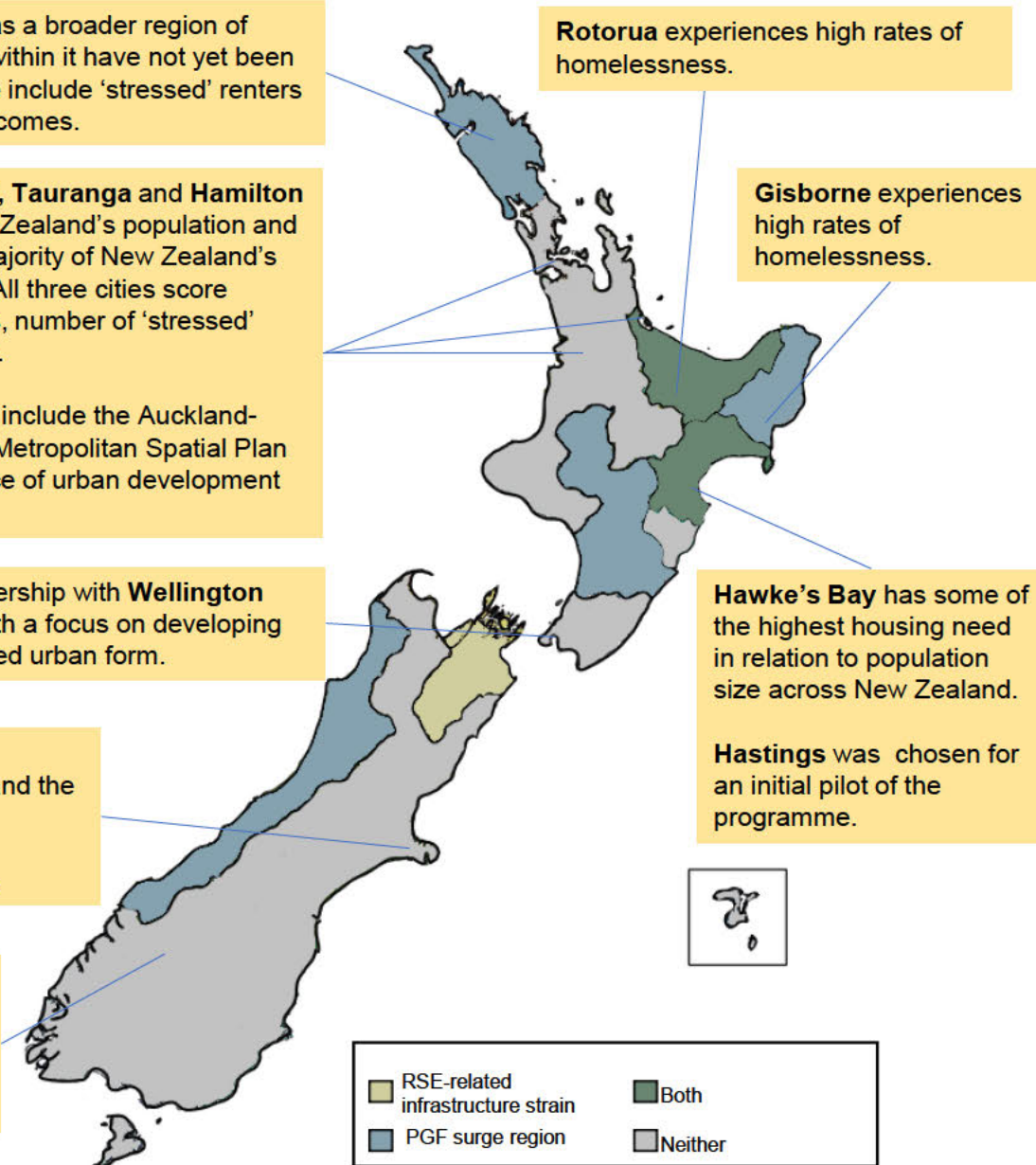
HUD has a partnership with **Queenstown**, with a focus on its tourism and housing growth related pressures, particularly infrastructure requirements.

**Rotorua** experiences high rates of homelessness.

**Gisborne** experiences high rates of homelessness.

**Hawke's Bay** has some of the highest housing need in relation to population size across New Zealand.

**Hastings** was chosen for an initial pilot of the programme.



## Recognised Seasonal Employer (RSE) scheme

The RSE allows the horticulture and viticulture industries to recruit workers from certain countries overseas for seasonal work when there are not enough New Zealand workers. There is a national cap on the number of workers that can be issued a visa.

Four regions are seeing substantial increases in housing pressures, in part due to these peak periods:

- Bay of Plenty
- Hawke's Bay
- Nelson
- Marlborough

## HUD's approach has some links with the RSE and PGF

HUD's focus is on areas of high pressure for housing and urban development, where people are experiencing negative housing outcomes, resulting from a range of factors. These include areas of interest for other regionally focussed initiatives. For example:

- lower-performing regional economies characterised by low incomes and lack of investment, may have lower quality housing and people less able to service rent or mortgages (eg PGF)
- areas with highly mobile or fluctuating populations may not always be able to provide enough housing of the right kind to meet demand at all times of year (eg – regional seasonal employment patterns)
- thriving economies with fast-growing urban populations may not have the urban development systems to be able to keep pace with demand (HUD priority areas, minimal interaction with PGF or RSE).

## Provincial Growth Fund

All regions are eligible for PGF funding, except the three main cities. Six regions have been identified as "surge" or priority regions. These were chosen based on a lower ranking on key economic indicators, such as average household income, GDP per capita, unemployment and rate of those not in education, employment or training (NEETs).

Cabinet has agreed that the PGF will not initially go towards covering the costs of large-scale housing development or three waters management, pending further decisions about how Government will fund these costs in future. It also cannot be used for the building or maintenance of social assets like schools and hospitals.



# Place-Based Approach Heatmap

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