
Living in Paradise?

Housing Needs on
Waiheke Island 2016



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The Project

This report presents research undertaken in early 2016 on behalf of the Waiheke Local Board which contracted Sue Watson to undertake a piece of research to gain a better understanding of the need for social and affordable housing on Waiheke. Mark Inglis, Local Board advisor, also worked with Sue to undertake the research.

The authors and the Waiheke Local Board wish to thank all those who participated in the research and shared their information and experiences. There is a general consensus among all those who participated that there are significant issues on Waiheke with regard to the provision of emergency, social and affordable housing on Waiheke Island and that urgent action is needed to increase the housing supply.

We hope that this report will provide a useful resource for the community by providing quantitative and qualitative information about the housing demand on the Island and that it will support community-based initiatives to increase housing supply.

Methodology

The research is based three key methods:

1. Gathering statistical data from Statistics NZ and the Ministry of Social Development
2. Interviews with a range of organisations on the Island: see Appendix 1 for a list of the organisations that were interviewed
3. Analysis of accommodation listings on Waiheke Island advertised during February and March, 2016.

The researchers initially consulted with the Waiheke Council of Social Services (WICOSS) to seek their support for the research and to ask for a list of organisations that they should contact. A snowball approach was used to identify interviewees and others were identified by research participants. The researchers also consulted with the Local Board and used their own contacts to identify people to interview. A total of 40 organisations and individuals were consulted in the course of the research.

Where possible, statistics were gathered from organisations on the number of people who had presented with a housing need in 2015. These have been collated such that statistics for individual organisations are not identified. The researchers also conducted interviews by phone or face to face to gather qualitative information about housing need. This information has been analysed and summarised to capture the main areas of housing need and the key issues that emerged.

In some cases, we were also able to gather information about the broader provision of housing on the Island.

Current Situation

Table 1 gives a picture of characteristics of housing on Waiheke. There are 3831 permanently occupied dwellings, which make up 2/3 of all dwellings on the island. At the time of the last census there were approximately 1800 unoccupied dwellings, which is somewhat ironic given that the dwellings are there on the island but unavailable to those in need. 34% of households are single person households and about half are owner-occupied. Both of these statistics are higher than for Auckland City figure, which is indicative of the larger proportion of older home-owners on Waiheke: 61% are one family households. 44% of dwellings are not owned by the occupant therefore there is a significant proportion of the population renting.

The census data shows a low density permanently resident population situated mostly on the western end of the island in slow population growth. With a median age of 45, Waiheke Island has the second oldest population in Auckland behind Great Barrier Island. The over 65 age group is the largest growing sector of the population, having grown by over 50% between the previous two census periods. Personal income of the resident population is low compared to Auckland, which is due in part to the fixed incomes of seniors. Home ownership is higher than Auckland and the number of people employed lower.

Table 1 Selected Census Data of Relevance to Waiheke

	2013	2006	% change	Auckland 2013	Comments
Permanent Population	8340	7797	7	1415550	modest growth compared with Auckland City
Median age	45.3			35.1	2nd oldest population in Auckland behind Great Barrier
over 65 population	1545	1005	53.7		older population growing significantly increased over 50% in 7 years
median personal income	\$27200 pa			\$29,600	Low income cf. Auckland
total occupied dwellings	3831				
number of households	3621				
one family households	61.20%			69.80%	
one person households	32.7			19%	
median household income	\$51,100			\$76,500	
dwelling owned or partly owned	49.70%			46%	
dwelling owned by family trust	16.20%			15.40%	
dwelling not owned by occupant	44.20%	55.80%	11.60%	38.50%	
employed full time	43.80%			48.50%	
employed part-time	4.40%			5.40%	
not in the labour force	34.80%			33.10%	

Housing Provision on Waiheke

In terms of affordable housing, the island has one social housing village of 14 units which is owned by Housing New Zealand. All residents are over 55, with 10 over 65. The village is fully occupied at present. The only island facility which offers assisted living for seniors is Seaside Assisted Living which can take up to 8 people. There is no known provision for people with physical disabilities other than a respite care house (Manaaki House) which is no longer in use for this purpose.

Emergency Housing is offered at The Hope Trust in Surfdale, which offers 10 beds and is usually full. Council has recently issued a closure notice and this facility is temporarily unavailable but works are underway to reopen the units. Piritahi Marae also offers emergency accommodation for families who are allowed to stay for a maximum of one week. The DOC camping ground at Whakanewha is coming under increasing pressure with rangers reporting an increased number of requests to outstay the 2 week maximum period allowed.

Large numbers of seasonal workers, many from South America, come to Waiheke looking for work in the cafes, vineyards and building sites. They stay at Eco-lodge, in shared flatting situations, Whakanewha Camping Ground and previously at Kina Backpackers. Vineyards are reporting that they are finding it increasingly difficult to find places for seasonal workers to stay. Landlords are wary of large groups of foreign travellers. Kina Backpackers, in Onetangi, is temporarily closed awaiting a septic upgrade and a redesignation of the legal structure underlying the property. Rental rates are rising each year and are becoming unaffordable to beneficiaries and low-waged workers even with the maximum accommodation benefit.

The Housing Continuum - Waiheke Housing Provision

	Last Resort	Emergency	Fully Supported Rental	Assisted Rental	Affordable Assisted ownership	Market Affordable	Market Rental	Full Market
Description	Forced options when there is insufficient money or availability for permanent accommodation eg. cars & boats	Emergency housing for urgent need	Accommodation provided for people with a specific housing need by a third party organisation		Co-operatives and Communities, HNZ funding options	MSD accommodation benefit	privately owned rental houses, accommodation for seasonal workers	own homes or homes owned by a family trust
Current Provision	sleeping in cars, boats (not houseboats), under boats on the foreshore, sharing with friends or family, squatting	The Hope Trust offers emergency accommodation and food for people in urgent housing need, Piritahi Marae offers short accommodation stays for families, Whakanewha Camping	The Wish Trust, Bay Rd Waiheke for mental health consumers, Seaside Assisted Living for 8 seniors	14 social housing units, 1 community rental (Manaaki House not in use)	Awaawaroa Eco-community HNZ (Welcome) home-loans, Kiwistart capitalisation uptake on Waiheke	Waihekeans using accommodation benefit to subsidise rental houses	(1143) 34% in rental accommodation, Ecolodge and Kina (temporarily closed) available for backpackers and seasonal workers	privately owned or part owned 1665 (49.7%) Family Trust owned 543 (16.2%)

Costs of Rental Accommodation

The housing shortage is at its peak in February and March when there are large numbers of tourists and seasonal workers on the island. The picture looks very different during winter when the tourists are gone and the houses used for summer rentals become available.

The data below on the accommodation listings was for January to March when the demand for housing is greatest on the Island. Large numbers of tourists and seasonal workers come to the Island at this time. A University of Auckland 2009 study, estimated that Waiheke attracts between 500,000 and 750,000 visitors each year but the current number is likely to be in excess of these estimates which are now 7 years out of date (Baragwanath, L. 2009, 25)

Rents have become out of reach of many people on benefits even when supplemented with the accommodation benefit. The average price for a three bedroom house on Waiheke in the summer of 2016 was \$568 per week. A room in a house costs on average \$210 per week - similar to city rates. This data shows that the average rent for a one or two bedroom house during peak season on Waiheke is \$453 from the local newspaper and slightly less from the accommodation listings.

These rates are unaffordable for most pensioners and low income families even when supplemented by the accommodation benefit.

Waiheke Accommodation Listings dated Feb 2016*

	Room	Studio	1brm	2brm	3brm
	\$160	\$250	\$450	\$395	\$570
	\$200		\$200	\$300	\$550
	\$200		\$350	\$520	\$600
	\$160		\$250	\$450	\$510
	\$220		\$300	\$510	
	\$190			\$280	
	\$250				
	\$200				
	\$180				
	\$250				
	\$220				
	\$250				
	\$160				
	\$300				
average	\$210	\$250	\$310	\$409	\$558

*from properties listed as at 3.3.16 on Waiheke Accommodation Listings Facebook

Waiheke Rental Ads from Gulf News from the following editions

	Studios	1brm	2brm	3brm	4brm
3/03/2016	\$280	\$520	\$430	\$550	\$1,500
		\$360	\$600	\$550	\$675
			\$420	\$580	\$550
			\$380	\$600	
			\$430	\$450	
			\$460	\$580	
			\$475	\$600	
			\$420	\$615	
			\$390	\$550	
			\$400	\$480	
			\$385	\$500	
				\$720	
18/02/2016	\$295	\$520	\$450	\$600	\$1,500
	\$280		\$450	\$540	\$660
	\$330		\$385	\$550	
	\$230		\$440	\$600	
			\$510	\$550	
			\$400	\$500	
			\$420	\$720	
			\$430	\$450	
			\$460	\$510	
				\$600	
11/02/2016	\$280	\$520	\$450	\$600	\$700
	\$230	\$400		\$540	\$1,500
		\$420	\$450	\$550	\$800
		\$430	\$440	\$600	
		\$460		\$550	
				\$500	
				\$500	
				\$510	
				\$600	
				\$650	
21/01/2016	\$280	\$520	\$450	\$490	\$680
	\$410	\$370	\$580	\$540	
		\$460	\$450	\$575	
			\$470	\$750	
			\$680	\$800	
				\$470	
				\$550	
	\$2,615	\$4,980	\$12,705	\$22,170	\$8,565
average	\$291	\$453	\$454	\$568	\$951.67

Demand

According to the data gathered from the local Accommodation Listings on Facebook, demand is outstripping supply by approximately 2 to 1. On the Accommodation Listings there are 3 times more people enquiring to accommodation offered ads, than there are offerers replying to accommodation wanted ads. Four property management agencies were interviewed about demand for rental accommodation and none of the agencies reported extensive waiting lists for properties. Where there were people waiting for a home to come up, most were in a house awaiting something more suitable. One agency stated that this did not mean there was no demand. She stated that the problem was hidden from the property management agencies because the big demand was from local people requiring less expensive accommodation. She stated that they were unlikely to register with agencies where the expected rentals would be unaffordable and where there were large sums required up front for bond and rent in advance.

Summary Waiheke Accommodation Listings (Facebook Feb 2016)

Tot no. entries accommodation offered	47	Total no. entries accommodation wanted	92
Long term	31	Long term	59
Short term	16	Short term	33
Room	24	Room	50
Self contained studio	3	Self contained studio	6
1 brm property	4	1 brm property	1
up to 2 brm property	11	up to 2 brm property	15
up 3 brm property	4	up 3 brm property	20
campervan	1		
av. no. of replies	3.6/ad	av. no. of replies	1.2/ad

* from properties listed as at 3.3.16 on Waiheke Accommodation Listings Facebook

Housing Quality

The quality of private and rental accommodation on Waiheke is highly variable. In the rental market there are significant numbers of poor quality rental properties in part due to legacy of small baches now used for permanent rental accommodation. This is a significant issue also for private homes with a higher proportion of people over 65 in their own homes, struggling to pay for maintenance. Holiday baches were built with cheap materials and often not insulated or properly heated. Now that so many are being used for permanent accommodation they are not fit for purpose. According to Stephanie Cox of Waiheke Health Trust, 14 of their clients are living in homes with significant health and safety issues.

“ A number of them have issues with access safety (rot in steps and stairs for example), a number have very damp, mouldy houses. W have three clients who only have an outside long drop toilet and some who have stairs that are extremely steep and dangerous. Approximately half of these 14 live in rental properties and the others live in properties owned by themselves or family. About half would be over 65.”

Stephanie stated that this is by no means all of the people they have seen on Waiheke with homes that are dangerous to health and it is only the most extreme situations that come to the Trust's attention. They have put a number of applications through to the Ministry of Health in the past, that have been problematic due to the house being

deemed unsafe, when to the trust it appeared to be a relatively typical Waiheke bach. “We discharge people from our service when we are not actively involved, so there are many people who have been discharged from our books who are living in unsafe homes.”

Amelia Lawley, of the Waiheke Budgeting Service, stated that there are too many low income people trapped in substandard baches which are often uninsulated, hard to heat, have failing septic tanks and inadequate water tanks. She stressed that something needs to be done about the problem.

Overcrowding

Census 2013 shows that around 500 people or 7% of the Waiheke population are living in overcrowded conditions ie. people usually resident in private occupied dwellings. On Waiheke this is probably a reflection of locals staying with family or friends in the summer when rental accommodation is in short supply due to the demand for holiday lets.

Vulnerably Housed People in 2015

Sources		65+	65+ with accomm benefit	Sole Parent	Supported living	Other main benefits (including job seekers)	Other (benefit status not known)	Total
Census	2006	1005						8740 (total population)
Census	2013	1545						8660 (total population)
as % of total pop 2013		18						
MSD main benefits average 2015*	2015	1680	112	108	156	84		
	<u>Vulnerably Housed (for 2015)</u>							
Social services Agencies on Waiheke and short term accommodation providers	2015	29	18	3	9	32 + 2 children	145 + 67 children	218 + 69 children

*Source: IAP Data Warehouse, prepared by Business Reporting Team, Insights Group, Ministry of Social Development

Notes to the table above:

The following social services agencies and organisations provided the information that is summarised above.

Emergency accommodation provider:

- Waiheke Hope Trust

Other social service agencies:

- Waiheke Heath Trust
- Waiheke Budgeting Service
- Piritahi Hau Ora

Other organisations:

- Senior Citizens Association
- Whakanewha Camp Ground
- Red Cross Waiheke
- Piritahi Marae
- Red Cross Waiheke

There may be some double counting as people may have presented themselves to more than one agency in the course of 2015.

Discussion

Table One on page provides data from three main sources. The first is data provided by Statistics NZ from the 2006 and 2013 Census. That data shows that while the population of Waiheke decreased marginally from 2006 to 2013, the proportion of people over the age of 65 increased by 54 %, from 1005 to 1545 people.

The second data source is the Ministry of Social Development data on the number of people receiving benefits. This data shows that in 2015, 460 people were receiving some form of government support. These included 112 people over the age of 65 who receiving the accommodation supplement; 108 sole parents, 156 supported living and 854 people receiving some other form of benefit including the job seeker benefit. Note that over the summer months, the number of job seekers decreases significantly due to the availability of work in the tourism and horticulture industries.

The third data source for the final row of data above are social service agencies and other agencies who have are approached by people seeking accommodation. That data shows that a total of 218 adults and 69 children approached one or more agencies in 2015 seeking emergency or longer term accommodation. The largest number were adults and children whose income and employment status were not known. Thirty adults who identified as unemployed sought accommodation and 29 were people over the age of 65. Of those older people, 18 were receiving the accommodation supplement.

Housing Needs on Waiheke

The data in the table above provide an indication of the numbers of people who presented with a housing need in 2015. We also undertook interviews with a range of individuals and agencies to gain insight into the housing need on the Island. See Appendix One for a list of the organisations that were interviewed for this study.

Seniors

People over 65 are the fastest growing population group on the island with a 54% increase from 2006 to 2013. Our research shows that 112 of these people are receiving the accommodation supplement, in addition to superannuation.

Income for over 65s

Superannuation, single person = \$262 per wk

Max accommodation supplement, Area 2 (Waiheke): \$100 per wk

Disability allowance: \$61 per week

Temporary additional support (TAS) per week \$91

Max Total = \$515.73

'Affordable rent' is based on 30% of income = \$154 per week.

The average cost of a 1 bedroom unit on Waiheke 2015 = 1 bedroom apartment median rental \$322 or 1 bedroom house rental = \$350. (Based on MSD data on bond lodgements: https://www.tenancy.govt.nz/rent-bond-and-bills/market-rent/?location=waiheke&period=14&action_doSearchValues=Find+Rent.)

Based on the median rental for a 1 bedroom apartment, if a person over 65 was receiving the maximum income support from government, they would be paying 62% of their income on rent leaving \$193 per week to pay for food, transport, utilities, medical etc. For those who are receiving only superannuation, they would be paying almost their entire income on rent.

Our interviews identified 29 people over the age of 65 who were unable to find suitable or affordable accommodation in 2015. In addition, we spoke with agencies who know of older people who are living in sub-standard rental accommodation but who are reluctant to ask for maintenance and repairs because they are fearful of being evicted or of their rent being increased to a level they will be unable to afford.

We spoke to a 75 yr old woman living alone in rental accommodation who described her situation. She sold her unit in Auckland and moved to the island 5 years ago to help her son care for her grandson. She didn't have enough money to buy on Waiheke, so has been using savings to subsidise her rent - and her savings will be running out in a few months. Her rent is \$330 per week. She said her house is ok but, "I'm always loathe to tell the landlord if something is wrong. I don't like to ask the landlord to fix anything in case he puts the rent up." The landlord has just put the rent up another \$30 a week, which is almost all of my pension." She didn't know she could access the accommodation supplement and we suggested she speak with Budgeting Services. "It worries me because I don't know where I will go when my savings run out or the rent goes up." "I can keep the place clean but I can't do the outside maintenance." She needs to stay on Waiheke for 3-4 more years until her grandson is older.

We also spoke with the Waiheke Health Trust who provides home support and health services for older people on the Island. They explained that rental costs are proving increasingly unaffordable for people over 65 and many also experience physical access issues, making it difficult for them and the health care workers to access their homes.

Families

Responses from the agencies show that there are upwards of 50 families looking for permanent accommodation on the island. With the average rent for a three bedroom house now around \$568 per week, many families are finding renting unaffordable even with accommodation benefit. With the high summer rental rates available to owners of rental properties, many properties are offered short term with families having to move out just before Christmas in time for the summer season. Alternatives on the island are very difficult to find at this time on the island, with the few long term offering available being very expensive.

Single Men over 55

A number of agencies mentioned a significant problem with accommodation for single men over 55, sometimes with alcohol issues. The Waiheke Red Cross and CAB both mentioned this as a serious unmet need with the CAB getting 10 inquiries from men in this situation in February and March. Affordability is difficult for these men and they are not seen as desirable tenants by landlords. There may be a need for a residential type home for these men perhaps with live in management. The Waiheke Health Trust stated that there are women in this situation too.

Seasonal Workers

With so many seasonal workers staying at backpacker-type accommodation and the DOC camping ground, along with the concerns of vineyards and the tourism forum, a need has been demonstrated for additional accommodation for this group. The lack of this type of accommodation has the potential to restrict economic growth on the island.

The possible reopening of Kina Backpackers may go some way towards improving the situation by providing a stop-gap whilst workers find longer term options. Employers on the island may need to consider provision themselves.

Key Worker Accommodation

Our interviews also identified the shortage of housing for key workers on the Island. Key workers are people who are in paid work for essential services such as education, health and social services. We heard about cases where health organisations were having difficulty recruiting and retaining staff due to the shortage of affordable accommodation. This included relatively highly paid workers such as doctors through to lower paid workers such as home-care workers. These workers are most often seeking long term rental accommodation in a shared flatting situation or seeking to rent their own home.

Other notes

Note that the following areas of potential high demand were not covered in this research project:

- Housing for women and children fleeing violence
- Housing for people with disabilities and their families
- Housing for vulnerable youth

Appendix One

Agencies and Organisations Consulted

- Waiheke Hope Trust
- Waiheke Heath Trust
- Waiheke Budgeting Service
- Piritahi Hau Ora
- Senior Citizens Association
- Whakanewha Camp Ground
- Red Cross Waiheke
- Piritahi Marae
- Red Cross Waiheke
- Bioshelter
- Hekerua Lodge
- Seaside Sanctuary Assisted Living Programme
- Waiheke Tourism Forum
- Auckland Council Parks
- Casita Miro
- Progressive Enterprises Ltd

Bibliography

Baragwanath, L. "The Waiheke Project - Overview of tourism, wine and development on Waiheke Island", School of Environment - The University of Auckland, 2009.