



# Waikato Housing Initiative 2023 Housing Stocktake Update

Prepared by Nifa Limited in collaboration  
with the Waikato Housing Initiative

Report published June 2024



**WAIKATO  
HOUSING  
INITIATIVE**

## A note about Statistics New Zealand data releases

This report was produced prior to the recent Statistics New Zealand partial data release in May 2024 and has not been updated subsequently. In reviewing the partial release of the 2023 total "Dwelling counts (Excel workbook)" from Statistics New Zealand against the estimates calculated in this report, there was no material variance observed when considering time markers and non private dwelling assumptions. The key themes remain the same in this regard.

[2023 Census release schedule - updated May 2024 | Stats NZ](#)

## Acknowledgements

The Author, Lui Brame of Nifa Limited, thanks the Waikato Housing Initiative (WHI), its members and associates for its feedback and contribution to this report.

## Disclaimer

The views and findings expressed by the Author in this report do not necessarily represent those of the Waikato Housing Initiative or its members.

The assumptions and projections discussed in this report provide a plausible and indicative view on the existing housing stock, future supply, upcoming demand, and any surplus or shortfall in housing, at a given point in time. However, the reported numbers cannot be considered as precise projections. Every effort has been made to ensure that the information contained in this report is reliable, but its accuracy and completeness cannot be guaranteed. Nifa Limited, the Waikato Housing Initiative and associated parties will not be held liable for any loss suffered through the direct or indirect use of information in this report.

# OUR VISION

An aerial photograph of a town and its surrounding landscape. A river winds through the center of the town, which is densely packed with buildings and roads. The town is surrounded by green fields and some industrial or commercial buildings. In the foreground, there are dark, forested hills with some terraced areas. The top of the image has a semi-transparent header with the text 'OUR VISION'.

Every person and every family  
in the Waikato region  
is well-housed,  
living in sustainable,  
flourishing and  
connected communities.

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## Key

~ = approximately

# LETTER FROM THE WHI TRUSTEES



## Who we are

The Waikato Housing Initiative (WHI) is a cross-sectoral group working towards our vision: "Every person and every family in the Waikato region is well-housed, living in sustainable, flourishing and connected communities". The WHI work group includes representatives from across the housing spectrum and is responsible for progressing the work of the WHI to realise the vision:

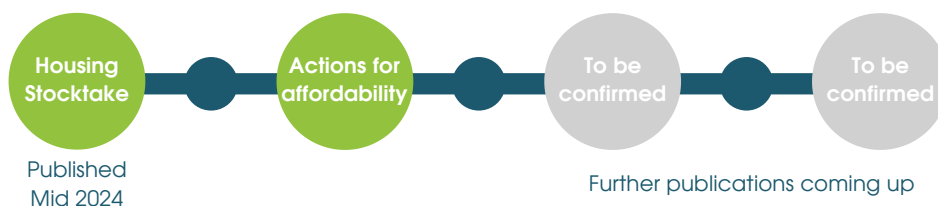
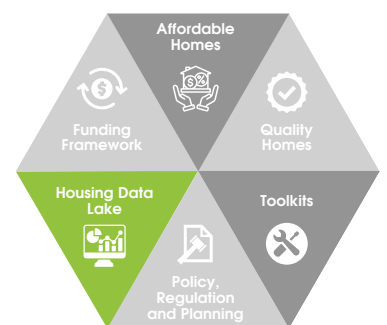


The Initiative is looking to maintain the momentum it has created over the last several years in discussing housing issues at a systems level. We work together to change the current status quo of housing across the region by leading, connecting and facilitating the delivery of affordable, quality and accessible homes in the Waikato. The Initiative has created a framework that supports the delivery of affordable housing by our members across the region. This has been recognised by central government and the philanthropic sector. Our aim is to embed affordability at all levels of the housing conversation. The long-term impact of this drive will see not only more houses being built but more of the right types of houses for our growing population.

## About the Stocktake Report

The housing stocktake forms part of our six workstreams (Housing Datalake). In 2018 the Initiative first produced a housing stocktake that has been referenced at all levels of government as a roadmap for measuring housing outcomes. The stocktake aims to serve as a tool which determines overall housing needs and availability across the region.

This updated stocktake report serves as the first publication in a series of housing related reports, with the subsequent report focussing specifically on regional affordability.





Currently, the system does not support an integrated master plan necessary for thriving communities. Housing remains expensive and increasingly out of reach for many. As Trustees, we aim to address these challenges through our program work focused on three key areas: Policy, Funding, and Land.

To achieve our vision, we need to encourage and enable the market to produce homes across the housing continuum, particularly more affordable homes, and reduce the barriers that are burdensome in terms of time and cost. Addressing these barriers requires us to refine our policy settings to foster the desired outcomes, including directing necessary funding efficiently to address housing needs.

Join us in tackling the housing challenges our region faces. By collaborating and leveraging our data and resources, we can make a greater impact. Let's align our actions for a stronger, more coordinated approach.

We would like to sincerely thank the Waikato Wellbeing Project for their support.



**WAIKATO  
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**Waikato  
wellbeing  
project** | Hinonga  
toiora o  
Waikato  
Research . Knowledge . Storytelling

# EXECUTIVE SUMMARY



The Waikato Housing Initiative (WHI) vision is that people in the Waikato Region are well housed. The WHI is a platform for collaboration, co-ordination, and leadership across the region.

## Estimated number of homes

The number of homes for the region is currently **~216,000**. Of this, **~194,000** homes are available for use, after adjusting for the census classified “empty homes” (holidays homes, homes under renovation). The Statistics New Zealand high household projection number serves as the primary indicator for estimating housing demand. Between 2018 and 2023, **~19,000** additional homes were projected to be required using this method. This compares to **~20,000** additional homes actually constructed.



## Homes built

A record **~20,000** homes were constructed since 2018, despite the Covid 2019 epidemic, global supply chain issues, building costs increasing by ~30% and extreme weather events. The lower interest rate environment (sub 4%) during this period supported the market.



Since 2018 census

## Housing shortfall

This report has adopted a household estimate for the Waikato region of **~202,000** homes, which compares to available homes of **~194,000**. The resulting housing shortfall for the Waikato region is ~8,000, which is spread unevenly across the region. At the same time the social housing register had **~2,700** families on it, representing families in serious housing need requiring government support. In 2018 there were ~4,400 social housing places in the Waikato region, which increased to ~5,000 in 2023.

Despite the increase in the social housing (~600), the housing register increased from ~900 in 2018 to ~2,700 in 2023. In 2018, demand for social housing exceeded places available by 20%. By 2023, this shortfall had increased to 53%.



2018 report: 7,500 shortfall

## Affordability

Affordability is still an ongoing issue with prices up ~45% over a 5 year period.

## Looking ahead to 2043

Projections indicate a need for **~62,000** additional homes in the Waikato region by 2043. Given the complex range of factors influencing housing demand, including net migration, and the long timeframe involved, these projections serve as an initial reference point, from which various scenarios may emerge.



# INTRODUCTION



## Vision

The Waikato Housing Initiative's (WHI) vision is that people in the Waikato Region are well-housed. WHI is a collective of community members, businesses and representatives of both local and central government, all united by a shared concern for housing issues and a desire to improve housing outcomes within our communities. Formed in response to the escalating housing needs in the Waikato Region, and the necessity for master-planned integrated communities, the WHI functions as a facilitator for collaboration and coordination throughout the Region. The WHI does not engage in direct housing construction, but serves as a central hub for leadership and advocacy efforts. The WHI focusses on addressing three key challenges ('big rocks') that encompass the entire housing spectrum, with a particular emphasis on prioritising affordability:

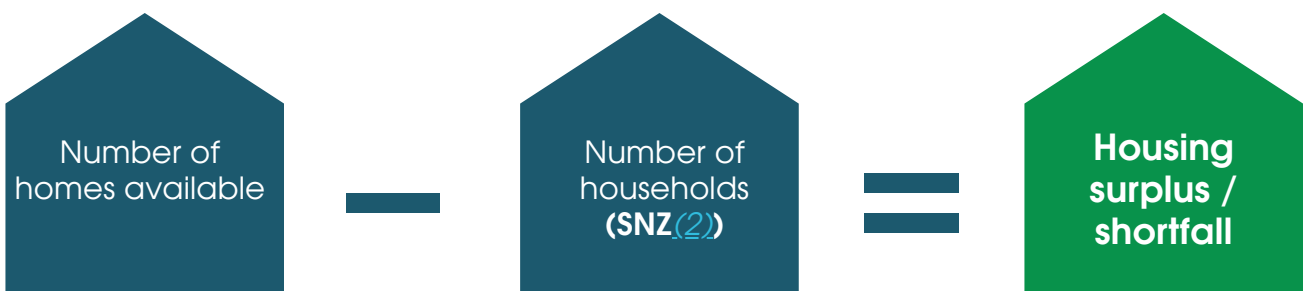


The WHI had previously commissioned a housing stocktake report in 2018<sup>(1)</sup>, which identified estimates for existing housing stock and demand for housing. At the time, the housing shortfall has been estimated at **~7,500** homes across the region and **~75,000** homes required by 2043 (high scenario). This report serves as an abbreviated update to the comprehensive report completed in 2018.

## Methodology

In determining a theoretical housing shortfall/surplus, readily available information was assessed to provide a measure for housing need. The following formula shows the high-level approach that was used.

### Theoretical housing shortfall/surplus



This approach simplifies the complexity of housing and to some extent smooths out the extreme circumstances that may be present in a population, such as overcrowded housing, as an example.



# INTRODUCTION



## Number of homes available

To establish the number of dwellings available, the below formula was used:



## The number of households

The number of households was derived from Statistics New Zealand's (SNZ) household projections and are linked to underlying population projections and propensities for living arrangements. There are several projections available including low, medium, or high scenarios that provide a range of possible outcomes. As part of the process of deriving household information, populations living in non-private dwellings such as retirement homes, prisons and so forth, are excluded from household living arrangements. Further modelling adjustments were made to the basic formula above to reflect housing availability more accurately. Various assumptions have been made regarding demographic factors such as births, deaths, net migration, and household arrangements, which may evolve differently over time.

## Limitations

In preparing the housing stocktake update, several assumptions were made within the existing models used. These included assumptions regarding births, deaths, net migration (international and within New Zealand), household living arrangements and the number of new dwellings. The assumptions are estimates and not guaranteed outcomes. The actual outcome may be different from what was estimated in this report. Additionally, there is a reliance on data received from third parties where the accuracy cannot be guaranteed. At the time of this report, the Census 2023 release is not available until mid-2024(5).

# INTRODUCTION



## Conclusion

In conclusion:

- This summary of the housing stocktake report highlights ongoing challenges in accessing up-to-date data, particularly due to the reliance on the 2018 Census data.
- Various assumptions have been made regarding demographic factors such as births, deaths, net migration, and household arrangements, which may evolve differently over time.
- An additional ~20,000 new homes have been constructed since the 2018 census; the highest level since the 2006 census. The total number of homes in the region is estimated to be around ~216,000. Taking into account census-classified “empty homes” such as holiday homes and homes under renovation, it is estimated that ~194,000 homes are available for household use.
- In 2023, the estimated number of households reached ~202,000, revealing a regional housing shortage of ~8,000 homes, with Hamilton facing the largest deficit at ~3,000 homes.
- Despite the increase in the social housing places, the housing register increased from ~900 in 2018 to ~2,700 in 2023.
- It is estimated that ~62,000 dwellings are needed by 2043.
- Social housing constitutes less than 3% of the overall housing stock in the Waikato Region.
- House prices remain elevated with the median price at ~\$750,000 across the region.

## Recommendation

The key recommendation is to take note that while a record level of housing was achieved during the period, affordability remaining a key issue. Addressing the three ‘big rocks’ highlighted in the introduction - land, policy and funding - is approached with a deliberate emphasis on prioritising the provision of affordable housing.

# WAIKATO HOUSING STOCK



The estimated number of homes for the Waikato Region are **~216,000**. Approximately **10%** of these homes are un-occupied, after adjusting for the census classified “empty homes” (e.g. holidays homes, homes under renovation etc).

Total private homes over time	2006	2013	2018	2023 Estimate
Total occupied and unoccupied homes	166,000	181,000	195,000	216,000
Incremental increase per record		15,000	14,000	21,000
Average increase per year		2,200	2,800	3,900

In the year to June 2023, the average increase in homes from the previous Census 2018 to June 2023 was **~3,900** per annum. This far surpasses previous years despite the period being very challenging due to:

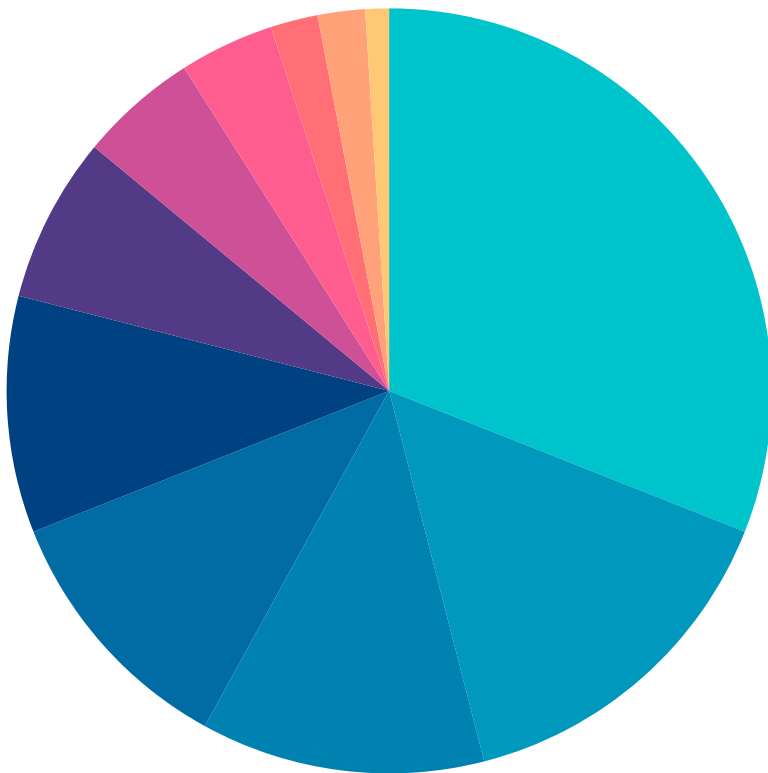
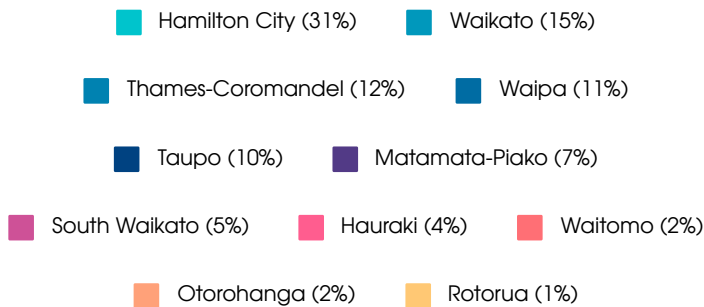
- the COVID-19 epidemic taking place with:
  - building sites being closed/restricted causing projects to be delayed,
  - the emergence of global supply chain issues, slowing down procurement of materials and creating a backlog of orders, and
  - a ~30% increase in construction costs over the period [\(6\)](#).
- a very wet 2023 with notable weather events which included the Auckland Anniversary floods and Cyclone Gabrielle [\(7\)](#). The wet weather was disruptive, shutting down building sites, not to mention the supply chain challenges that were presented when the country was declared to be in a state of emergency. Hamilton also had higher rain levels than historical averages [\(8\)](#) in the 2022/2023 earthworks season which also contributed to the disruption.

With all the challenges the region, there were still a record number of homes constructed. The demand for housing was supported by a period of ~ sub 4% interest rates between in 2019 and 2021 [\(9\)](#).

# HOUSING STOCK ESTIMATE



The following chart illustrates the distribution of all housing stock across the Waikato Region, with Hamilton accounting for the largest share at 31%.



Information from the March 7, 2023 Census is anticipated to be released around mid-2024. To assess the current housing availability, estimates are largely based on the number of homes derived from the 2018 Census data plus new homes.

Other adjustments have been made to arrive at the 'estimated dwellings available' figures in the Waikato region:

- the exclusion of non-private dwellings from the estimate. Non-private dwellings includes prisons, student halls of residence and residential care facilities. Airbnb are also categorised as a non-private dwelling. The adjustment allows focus on private dwellings.
- the exclusion of "empty homes", which represent a portion of housing stock that is unavailable to the public for long term residence at a point in time. Examples of this type of exclusion include holiday homes and homes being renovated/repared.

- A combination of code of compliance certificates and consenting data were used to derive new homes, and adjustments made to reflect that not every consent will translate into a new home. In using the consenting data from Statistics NZ, the following adjustments were made:
  - A nine-month lag on consenting data was factored in to accommodate the time gap between consent approval and home construction.
  - Additional adjustments were implemented to scale down consent volumes based on guidance from local district councils, reflecting completion rates from consent approval to the actual completion of construction.

# HOUSING STOCK ESTIMATE



## Housing stock estimate data table

The below data table shows the data and calculations to reach the 'Available Homes' estimates. The calculation to reach 'Available Homes' is:

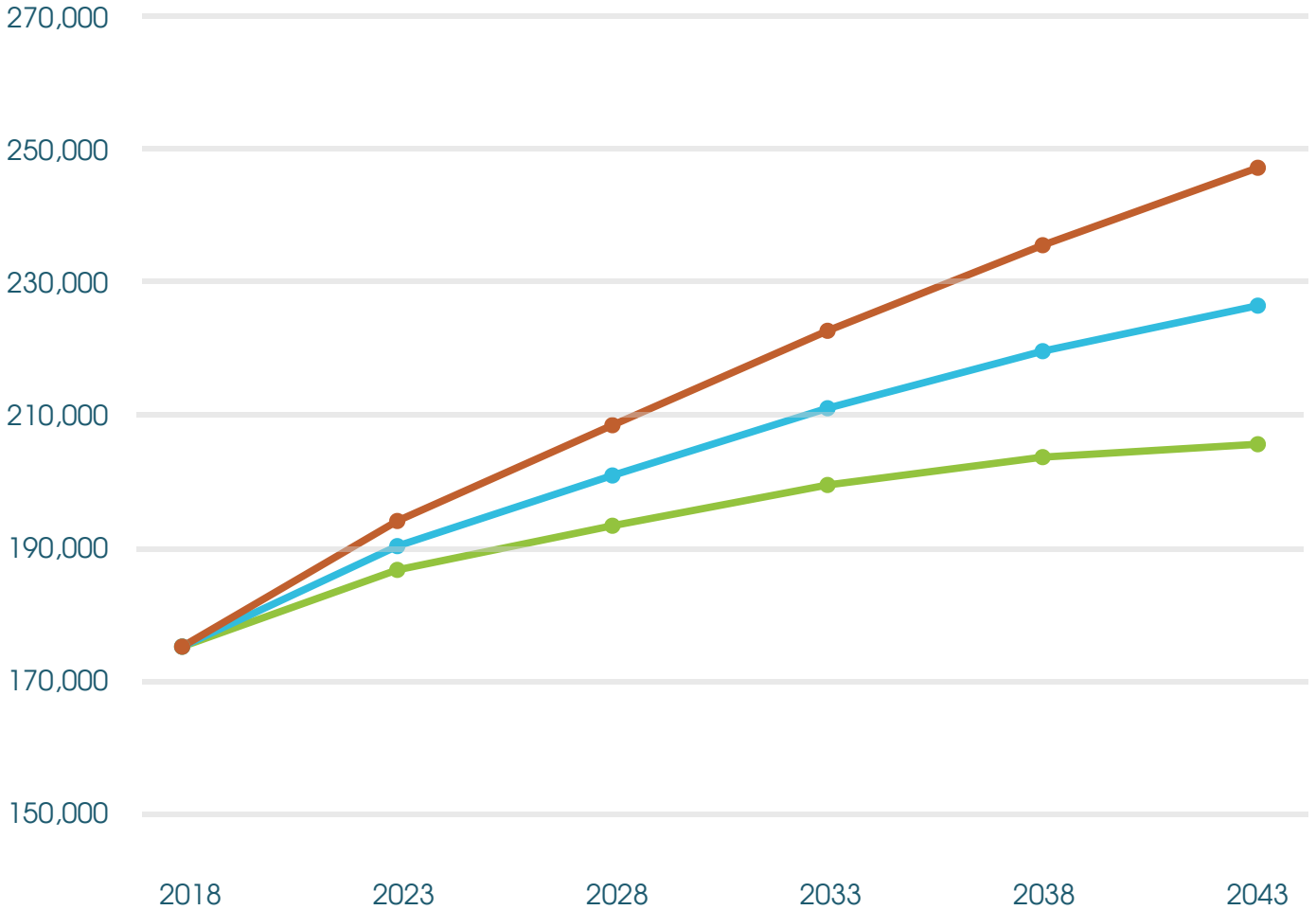


Territorial Authority	2018 Census total occupied & unoccupied homes	New homes	Homes Estimate (Total)	Available Homes	% of Waikato	New homes average annual run rate
Hamilton City	58,149	7,924	66,073	64,410	33%	1486
Waikato District	27,672	4,042	31,714	30,249	16%	758
Waipa District	20,835	3,008	23,843	23,150	12%	564
Taupo District	20,568	1,629	22,197	17,346	9%	305
Matamata-Piako District	13,851	1,162	15,013	14,532	7%	218
Thames-Coromandel District	25,524	1,462	26,986	16,363	8%	274
South Waikato District	9,672	348	10,020	9,482	5%	65
Hauraki District	9,228	469	9,697	9,303	5%	88
Waitomo District	4,218	98	4,316	3,910	2%	18
Otorohanga District	4,242	232	4,474	4,060	2%	44
Rotorua District	1,488	55	1,543	1,472	1%	10
<b>Waikato Region</b>	<b>195,447</b>	<b>20,429</b>	<b>215,876</b>	<b>194,276</b>	<b>100%</b>	<b>3,830</b>

# SNZ HOUSEHOLD ESTIMATES



We utilised household projections from Statistics New Zealand as an estimate for the number of homes required in the future.



## 2018-2023 additional households

During the period **2018 to 2023** the scenarios had shown an additional housing requirement of:

- ▲ High scenario: ~19,000
- Medium scenario: ~15,000
- ▼ Low scenario: ~11,000

## 2018-2043 additional households

The projections scenarios show that from **2018 to 2043** the number of households will increase and therefore additional homes will be required as shown below:

- ▲ High scenario: ~71,000
- Medium scenario: ~50,000
- ▼ Low scenario: ~30,000

The high scenario shows an estimate of additional households at ~19,000 between 2018 to 2023. This broadly tracks the “New Dwellings” built estimate achieved for the same period at ~20,000. Using this rationale, the “high” scenario for household projection has been used as the principal reference point in forming a calculation for a housing surplus or shortfall.

# 2023 ESTIMATED HOUSING (Shortfall/Surplus)



We understand that the SNZ 2023 high scenario household estimate likely offers the most accurate depiction of household figures at 2023, given the number of homes constructed during this period. Efforts have been made to adjust this estimate to encompass a variety of potential outcomes, as the low and medium scenarios trail below suggested run rates and are less relevant to the current situation.

The following ranges have been considered for the Waikato Region:

Waikato Region - Scenario	Estimated dwellings available (adjusted for unoccupied "empty homes")	Waikato Household Estimate	2023 Shortfall/Surplus
SNZ projected households (high scenario)	194,276	195,110	-834
Projected households (high scenario + 2.5%)	194,276	199,988	-5,712
Projected households (high Scenario + 5%)	194,276	204,866	-10,590
<b>Adopted Household Estimate</b>			
Projected households, Blended + 2.5% Variation Taupo and Thames - Coromandel Districts	194,276	202,326	-8,050

## Note:

- In considering the possible positions for the 2023 housing shortfall/surplus, the "SNZ Projected, High Scenario" is possible with an estimated housing shortfall for the region of ~1000, but continued housing pressure seems to be apparent at the point in time. It is worth noting in addition that there are ~2,700 families currently on the social housing register.
- The "Adopted Household Estimate" is based on a broad consideration of the high scenario plus an additional 2.5%. Within this estimate, further adjustments have been made to account for a wider range of potential outcomes, particularly in Taupo and Thames-Coromandel. According to the "Adopted Household Estimate," the housing shortfall for the Waikato Region stands at around 8,000 homes.

# 2023 ESTIMATED HOUSING (Shortfall/Surplus)



## 2023 estimated housing data table

Territorial Authority	Estimated dwellings available (adjusted for unoccupied "empty" dwellings)	Projected Households "Adopted household Estimate"	2023 Shortfall/Surplus
Hamilton City	64,410	67,650	-3,240
Waikato District	30,249	31,468	-1,218
Waipa District	23,150	23,575	-425
Taupo District	17,346	18,080	-734
Matamata-Piako District	14,532	15,273	-741
Thames-Coromandel District	16,363	16,648	-285
South Waikato District	9,482	10,353	-870
Hauraki District	9,303	9,533	-230
Waitomo District	3,910	3,998	-87
Otorohanga District	4,060	4,203	-143
Rotorua District	1,472	1,548	-76
<b>Waikato Region</b>	<b>194,276</b>	<b>202,326</b>	<b>-8,050</b>

### Notes:

- Overall, there are ~194,000 estimated homes available, while the number of households stands at ~202,000 households, indicating a housing shortfall of ~8,000 (~4% of estimated dwellings) across the region, varying within districts.
- Concurrently, the Social Housing Register reveals ~2,700 families in serious need of housing.
- Notably, Hamilton faces the most significant shortfall, requiring ~3,000 additional homes to meet demand.



# HOUSING DEMAND



The SNZ Projected Household High Scenario shows an additional ~53,000 homes required over the next 20-year period. The Waikato Region Adopted Household Estimate Forecast provides an estimate of ~ 62,000 for the coming 20 year period. In forming the alternate projections, the same growth rate has been applied from the SNZ High Scenario to the different scenarios and their respective 2023 starting points. It is difficult to predict the next 20 years as there are several housing drivers. For example, New Zealand hit record migration numbers with December 2023 having the largest net migration gain for a calendar year and compares with the provisional annual record of 134,400 in the October 2023 year [\(10\)](#). Nevertheless, the projection below provides another reference point.

Waikato Households Projections:

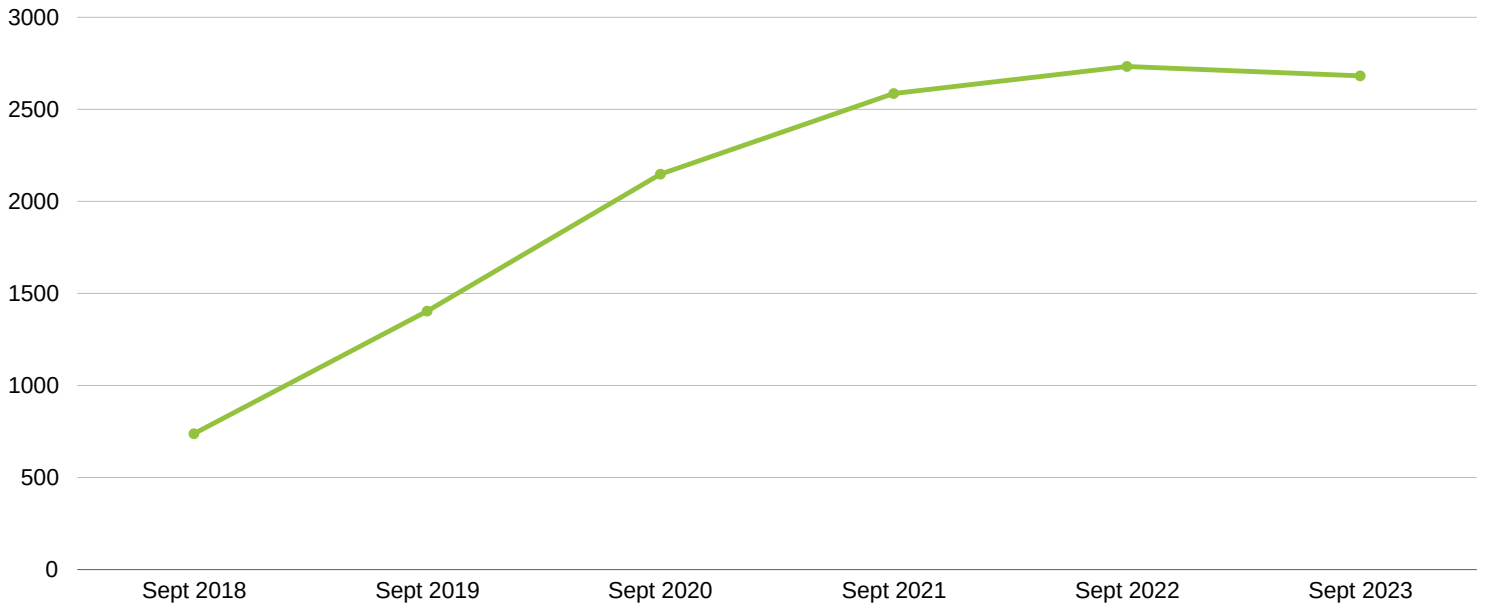
Waikato Region - Scenario	2023 housing shortfall	2043 cumulative housing demand	Average annual housing demand to 2043
SNZ Projected Households, High Scenario	834	52,704	2,635
Projected Households, High Scenario + 2.5%	5,712	58,879	2,944
Projected Households, High Scenario + 5%	10,590	65,053	3,253
<b>Waikato Region - Adopted Household Estimate</b>	<b>8,050</b>	<b>61,562</b>	<b>3,078</b>
Hamilton City	3,240	25,892	1,295
Waikato District	1,218	13,826	691
Waipa District	425	6,473	324
Taupo District	734	4,002	200
Matamata-Piako District	741	3,508	175
Thames-Coromandel District	285	2,283	114
South Waikato District	870	2,510	126
Hauraki District	230	1,357	68
Waitomo District	87	395	20
Otorohanga District	143	963	48
Rotorua District	76	353	18

# DEMAND FOR SOCIAL HOUSING



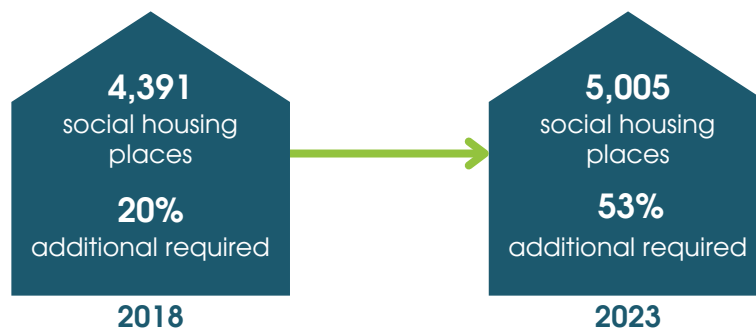
Demand for Ministry of Social Development (MSD) housing in the Waikato Region has grown and remained consistently high in the previous three years, sitting at ~2,700 in 2023. There is still great need for vulnerable families.

## Demand for social housing [\(11\)](#)



## Existing social housing

The table on the following page shows the existing housing stock for social housing and the social housing register. In the Waikato Region, the number of social housing units increased from 4,391 in 2018 to 5,005 in 2023. Despite the increase in supply there has been surging demand for social housing for the same period. In 2018, 20% more social housing places were required from what was available, compared to 2023 where 53% more social housing places were required from what was available. Taupo and South Waikato had surging demand for social housing: Taupo requiring 118% more places and South Waikato 364% more places.



# DEMAND FOR SOCIAL HOUSING



## Existing social housing data table

Territorial authority	2018			2023		
	Existing social housing June 2018 <i>(12)</i>	MSD social housing register June 2018 <i>(12)</i>	Increase in existing social housing to meet housing register needs	Existing social housing June 2023 <i>(13)</i>	MSD social housing register June 2023 <i>(13)</i>	Increase in existing social housing to meet housing register needs
Hamilton city	2,979	567	19%	3,583	1,697	47%
Waikato district	382	92	24%	382	231	60%
Waipa district	215	31	14%	237	87	37%
Taupō district	164	52	32%	174	206	118%
Matamata-Piako district	170	34	20%	173	109	63%
Thames-Coromandel district	210	34	16%	195	80	41%
South Waikato district	36	21	58%	36	131	364%
Hauraki district	108	24	22%	102	59	58%
Waitomo district	90	16	18%	89	57	64%
Otorohanga district	37	11	30%	34	18	53%
<b>Waikato Region</b>	<b>4,391</b>	<b>882</b>	<b>20%</b>	<b>5,005</b>	<b>2,675</b>	<b>53%</b>

In the Waikato Region, ~3% of the total housing stock is from public housing, which includes community housing providers with IRRS places.

## Public housing as a proportion of total housing stock



# HOUSE PRICES



House prices (14) remain elevated across the region, with prices peaking during 2022 which was supported initially a lower interest rate environment. Toward the end of 2023 the average house price across the region was ~\$750,000, showing an increase of ~45% compared to the 5 years previous.

## Waikato Region Median Price

Past 5 Years



Source: REINZ

- 12 Month MA
- Waikato Median Price

# REFERENCES



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- (3) SNZ (2018). Occupied dwellings, unoccupied dwellings, and dwellings under construction, for private and non-private dwellings, 2006, 2013, and 2018 Censuses (RC, TA, SA2, DHB). [\(link\)](#)
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- (5) SNZ. (2023). 2023 Census news [\(link\)](#)
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- (7) NZHerald (2023). Auckland floods, Cyclone Gabrielle, and a year of extreme weather [\(link\)](#)
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- (12) Ministry Of Housing and Urban Development (2018). Public Housing in Waikato Region [\(link\)](#).
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- (14) Reinz (2023) Monthly Property Report 16 November 2023  
<https://www.reinz.co.nz/Web/Web/News/News-Articles/Market-updates/REINZ%20October%20data%20More%20positivity%20slow%20and%20steady%20this%20month.aspx#:~:text=Fact%20sheet&text=The%20total%20number%20of%20properties%20sold%20across%20New%20Zealand%20in,%2>

Imagery credits:

Page 3: Ngaruawahia image [\(link\)](#)

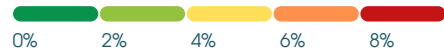
# APPENDIX



# SUMMARY: CURRENT HOUSING SHORTFALL

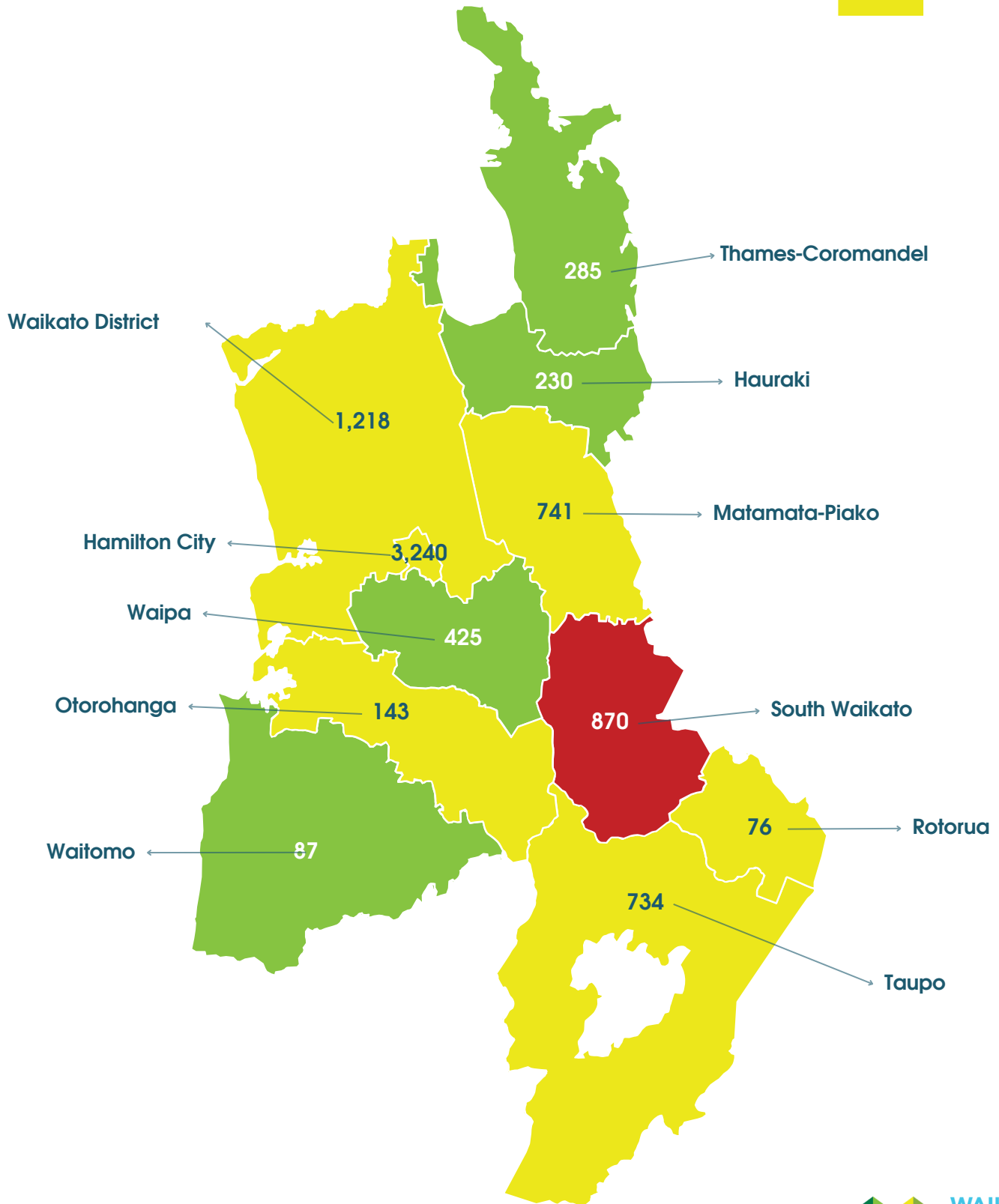


Colour coding shows the percentage of additional homes required (2023)



Calculation: Current Shortfall divided by current homes, showing additional homes required

## WAIKATO REGION



# SUMMARY: LOOKING AHEAD TO 2043



The following shows the predicted shortfall across the regions in 2043 if current trends and predictions provide accurate.

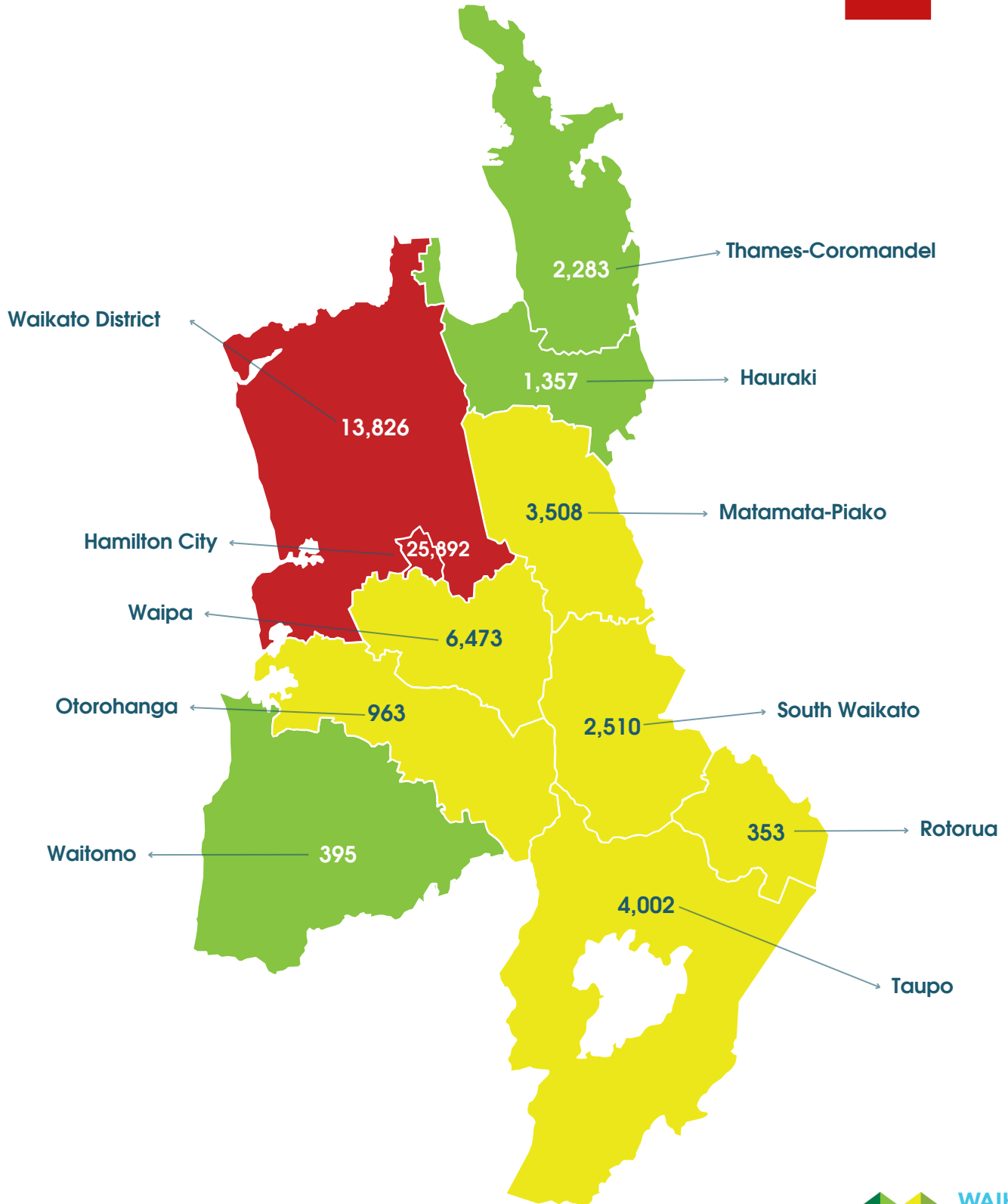
Colour coding shows the percentage of additional homes required (2043)



0% 10% 20% 30% 40% 50%

Calculation: Projected homes needed by 2043 divided by current homes, showing additional homes required between now and 2043.

## WAIKATO REGION







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