

Waikato District Council

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By Email



**Waikato
wellbeing
project**

Hinonga
toiora o
Waikato

Research . Knowledge . Storytelling

Re: Waikato District Long Term Plan 2025-34

Thank you for the opportunity to provide feedback on the draft Waikato District Long Term Plan 2025-34. In summary our key points are:

- We support the general direction of the LTP and urge Waikato District Council to keep the real-world impacts of its decisions on people and communities front of mind.
- Decisions made in this plan will affect every current and future citizen in the district, however the LTP explores issues from a mainly fiscal and ratepayer perspective. There are many citizens in the district who are not ratepayers and/or are not enfranchised to vote in local body elections, including future generations.
- The council is less likely to hear from people who are deprived and who do not have a direct financial relationship with it. Data from the New Zealand General Social Survey (NZGSS) indicates a clear relationship between income levels and voting behaviour. In the 2011 General Election, 35.2% of unemployed individuals did not vote, compared to 19.9% of those employed. Additionally, people with personal incomes of \$30,000 or less have a higher non-voting rate (22.8%) compared to those earning over \$70,000 (9.5%). Research by LGNZ has highlighted that older, wealthier, and property-owning residents dominate local election turnout by a factor of 3-4.
- The draft plan refers to “a thriving and resilient future”, which we strongly endorse. We propose that two important conditions of a thriving and resilient community are food security |kai motuhake and affordable housing, neither of which are mentioned in the LTP or in the Community Outcomes.
- Where affordability is mentioned in the LTP, it is in relation to the council’s balance sheet and rates – i.e. from the perspective of the council and ratepayers. An equally valid perspective on affordability is that of the whanau and household budget.
- The way council plans, funds and delivers services can have a significant impact on wider wellbeing issues. In particular, the efficient and effective provision of 3 waters infrastructure is a key driver of affordable housing, especially in more deprived areas.
- We urge Waikato District Council to report to the public on a regular basis on housing affordability in its district and the relative contribution its infrastructure and services, including a new joint 3 waters CCO, are making to improving affordability.

New Water Services Entity

The LTP includes a proposed joint 3-waters CCO with Hamilton City. This proposal reflects the requirements of the Local Government (Water Services Preliminary Arrangements) Act 2024, and the need for the council, by September 2025, to submit detailed Water Service Delivery Plans which show how they will meet existing and significant new regulatory requirements for water services.

Our interest in this process is to ensure that the outcomes and impacts of the new Water Services Entity are as intended by the legislation and align with what communities of the Waikato district might reasonably expect in terms of real-world results. These outcomes are somewhat defined in the legislation (Section 8¹) as:

- (b) (i) ensures that the territorial authority will meet all relevant regulatory quality standards for its water services; and*
- (ii) is financially sustainable for the territorial authority; and*
- (iii) ensures that the territorial authority will meet all drinking water quality standards; and*
- (iv) supports the territorial authority's housing growth and urban development, as specified in the territorial authority's long-term plan.*

Infrastructure provision is at best a means to an end. While water 'managed' well is extremely important, local government also needs to keep a watchful eye on the ends (impacts) which that infrastructure is intended to facilitate. If the ends are not being met, the means need to change.

The Link between Activities and Outcomes

Strategies, outcome statements and frameworks are often complex and hard to understand. In 1969, Norman Kirk famously said:

"Basically, there are four things that matter to people: they have to have somewhere to live, they have to have food to eat, they have to have clothing to wear, and they have to have something to hope for."

In 2018-19, the WWP developed a series of wellbeing goals and targets. These were supported by community conversations across the region, and expert technical analysis. These provide an indication of the real-world outcomes people of the Waikato region expect, irrespective of who provides them. These can be summarised as (with relevant Sustainable Development goals in parentheses):

- *None of our children are hungry (SDG 1/2)*
- *Our people are healthy and well (SDG 3)*
- *All of our young people are engaged and productive, they are learning or earning a livelihood, their mana is enhanced, and they are on a positive pathway to have many life options (SDGs 4/8/10)*
- *"I am the river, and the river is me. If the river is unwell, I am unwell" (SDG 6)*

¹ [Local Government \(Water Services Preliminary Arrangements\) Act 2024 No 31, Public Act Part 2 Water services delivery plans and foundational information disclosure requirements – New Zealand Legislation](#)

- *All of our people, including those on fixed incomes (like the elderly and unemployed), can live in a warm energy efficient home, with reliable affordable clean energy. (SDG 7)*
- *All of our people will be well housed, meaning timely access to habitable, affordable, accessible, culturally appropriate, appropriately located, housing with security of tenure. (SDG 11)*
- *Our region is producing less waste through designing waste out of our daily lives, we're reusing things where we can, and we're using innovative and effective systems for recycling (SDG 12)*
- *Our people will be doing their part to transition to a cleaner, healthier, climate resilient region. (SDG 13)*
- *Our coastal ecosystems are healthy, reflecting the mauri from the mountains to the sea and provide for the enjoyment by people for swimming, collecting food and other activities (SDG 14)*
- *Our land is restored, our water is clean, and our native vegetation and flora and fauna thrive. (SDG 15)*

There are similarities between these and Waikato District's Community Outcomes, although the latter are expressed more from the perspective of council services. While we respect that local government cannot, and should not address every aspect of wellbeing, there is an opportunity for WDC to link their activities to real world outcomes which the community understands and experiences in their own language, making the contribution towards these specific and clear.

The UN Declaration on Sustainable Development (2015) notes that all 17 goals are integrated and indivisible, describing eradicating poverty *"in all its forms and dimensions, including extreme poverty... the greatest global challenge and an indispensable requirement for sustainable development."*

Consistent with our own goals and adopting the clarity of Kirk, the WWP is focused on a small subset of the SDGs, reflecting both the significant importance of poverty² reduction but also the universal human rights of access to good food and affordable housing. Our work in these areas is set out in our 2025-26 Business Plan³.

Research undertaken by the WWP in late 2024 has shown that food deprivation affects at least 18,000 households in the Waikato region and between 10 and 12% of its population. This effect will not be felt evenly and will tend to be concentrated in those areas of deprivation. Twelve percent of Waikato district's population is approximately equivalent to the combined populations of Rahui Pookeka | Huntly and Te Kauwhata being continuously food deprived.

According to the Census 2023 Socioeconomic Deprivation Index, more than 7,000 Waikato district residents are in the highest deprivation quintile (dep 9,10), representing 20% of the district's total population. The map below shows the geography of deprivation in the district, where darker colours represent higher levels of deprivation. Huntly West (pop 3,183) is a decile 9 (very high) deprivation area, but cannot be easily seen at this scale.

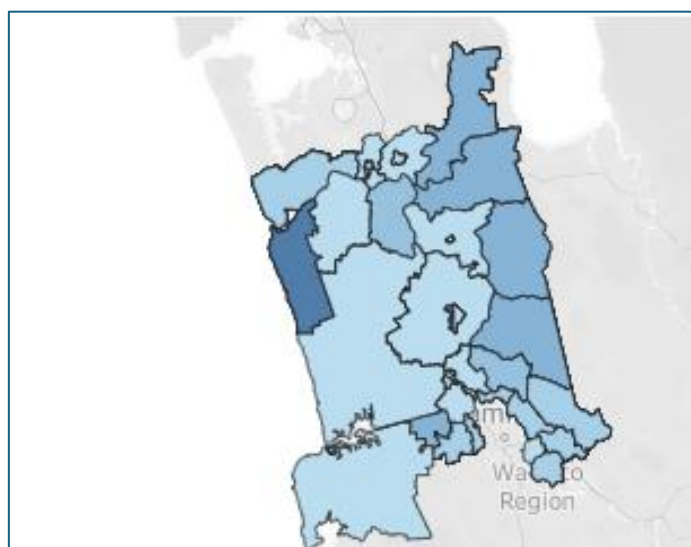
Food deprivation is not an issue of individual choice. From the perspective of almost every household/whanau, having sufficient income available for food is the end-result of the

² As a high-income economy, New Zealand, measures relative poverty. This is defined in the Child Poverty Reduction Act (2018) as the percentage of children living in households with less than 50 percent of the median equivalised disposable household income, before and after housing costs are deducted. This is different to absolute poverty.

³ [WWPBusinessPlan2025-26FINAL.pdf](#)

affordability of all other household items, especially housing costs. This is why poverty metrics are calculated both before and after housing costs are accounted for. The affordability of housing affects both people's ability to have shelter, and their ability to feed themselves and their family.

Research by the WWP has shown that while food prices in New Zealand are high compared to other countries, paradoxically, the rate of food price increase between 2014 and 2024 has been less than the increase in the median household income over the same period. The household factors which have increased much faster than incomes in that time are house prices and especially rents⁴. The Waikato's food insecurity issues are in many ways a housing affordability issue at their root.



Affordable Housing is Key to Wellbeing

“Affordable” is a product of income and house price/rent cost. Households with higher incomes therefore will have greater housing options across the housing continuum and will also spend less of their income on housing related costs. Households with lower incomes are less able to enter and stay in the market (either to rent or to own) and there are fewer options for them.

Waikato District Council's 2024 Housing Strategy includes a principle of affordable housing⁵ and accurately describes how affordability has reduced in the district, due to increasing demand and limited infrastructure, amongst other factors.

The test of these strategies therefore needs to be: can people of the Waikato district afford housing in 2025? If not- does the council's strategic approach need to change?

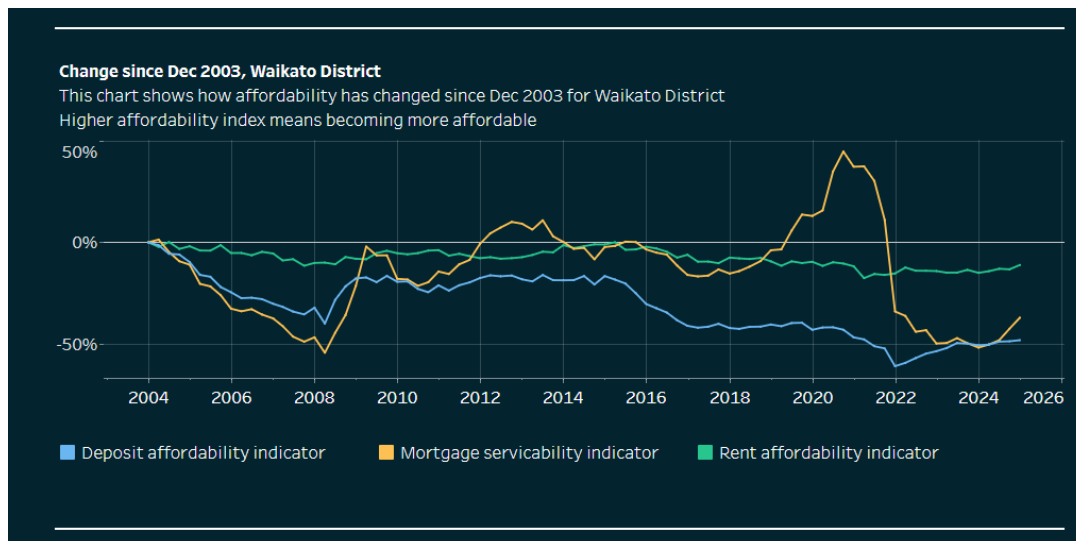
Ministry of Housing and Urban Development data shows housing (to own or rent) is, on average, unaffordable in Waikato district. The chart below shows a range of housing related metrics and their changes (in percent) since December 2003:

- **Average house prices** have increased 363%

⁴ Other factors such as domestic energy, insurance and rates have also outpaced either wages growth or inflation.

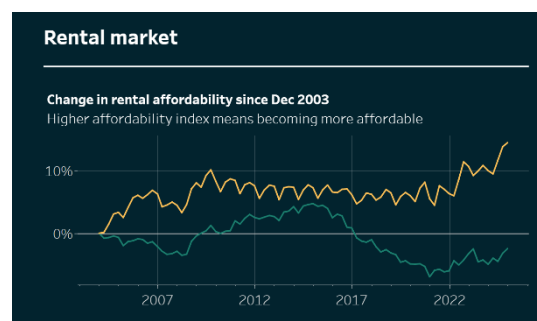
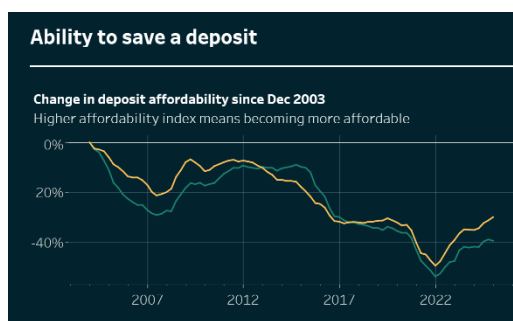
⁵ [housing-strategy-2024.pdf](#)

- **Average interest prices** have risen 282%
- **Median household incomes** have risen 140% (i.e. house prices have risen at more than twice the rate of incomes)
- **The rent price index** had increased by 170% (i.e. more than changes in income)
- **Rental affordability** has reduced by 11%
- **Mortgage serviceability** has reduced by 37% and **deposit affordability** has reduced by 48%



Compared with the rest of New Zealand, the Waikato region has gone from being more affordable, to being persistently less affordable. As examples below, while the ability to save a deposit in the Waikato region has improved in the past 2 years, it has reduced by 40% (green line), and only by 30% for the rest of New Zealand (yellow line) since 2003.

Significantly, since 2003, rental affordability in the Waikato region has reduced by 3%, but has improved for the rest of New Zealand over the same time by 14%. In other words, renting is 17% less affordable in the Waikato region than for the rest of New Zealand. This will be a function of absolute prices but also relative income differences. The lowest income areas will be the least affordable to rent in.



Data from the Waikato Housing Initiative⁶ shows that in 2023 Waikato district had a housing shortfall of more than 1,200 houses. Work undertaken by Market Economics for FutureProof

⁶ [Stocktake_FINAL](#)

evaluated current and future capacity as required by the National Policy Statement on Urban Development (NPS-UD 2022). The most recent assessment included an analysis of how planning decisions and provision of infrastructure affects the affordability and competitiveness of the local housing market.

For Waikato District, the report ⁷ projects a generally improving level of affordability out to 2052, as more capacity is made available. But this is limited to households with incomes above \$70,000 (green line, left hand image below). The supply improvements are also not even (green area, right hand image below). In real terms, there is already a shortfall of about 1,420 homes under \$600,000 in the district, relative to demand. By 2052, this shortfall grows to 4,220 homes less than \$800,000.

To put this in perspective, the mean household income in Waikato district is currently \$130,120 and the median home value is \$746,912, an income: price ratio of 5.7⁸. This ratio is defined by Demographia as “*severely unaffordable*”⁹ There will be parts of the district where household incomes are far lower and this ratio is consequently far higher.



The provision of 3-waters infrastructure in certain parts of the district will undoubtedly influence the availability and affordability of housing. And as described above, the unaffordability of housing can, in turn, exacerbate other significant wellbeing issues including food insecurity. ‘Water done well’ should mean more affordable housing.

A recent report by Hamilton City Council has clearly identified areas of the city where infrastructure constraints will limit the amount of housing (including affordable housing) which is possible. In that case, these areas also tend to be coincident with areas of high deprivation,

⁷ [FINAL Residential HBA - December 2023](#)

⁸ ‘Affordable’ is usually defined as a multiple of income to house price of between 3 and 5

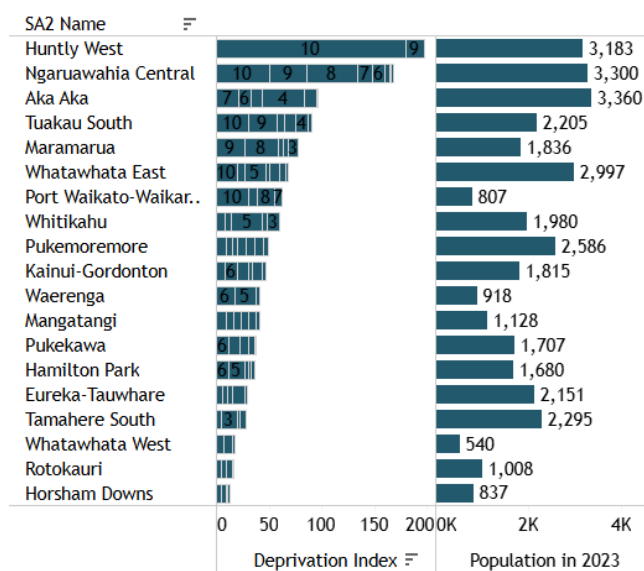
⁹ [Demographia International Housing Affordability, 2024 Edition](#)

meaning the impacts of infrastructure restricted housing will be felt more by those who are least able to afford them.

It is less evident which parts of Waikato district's 3 waters infrastructure could restrict further housing. The council's 3 waters capacity assessment process¹⁰ refers to Tuakau and Pokeno *"facing significant pressure on their wastewater infrastructure as development continues."* The Council's 2021 3-Waters Asset Management Plan¹¹ indicates either regulatory or technical limitations on wastewater and stormwater system for most settlements in the district.

The most recent FutureProof strategy indicates that many of the needed infrastructure upgrades in these areas are now funded in the council's Long-Term Plan, while also stating that significant additional investment may yet be needed in Te Kauwhata, Huntly, Ngaaruawahia and Raglan¹².

The census data on deprivation helps to illustrate those parts of the district with the greatest needs for affordable housing and other key element of wellbeing. In rank order from most to least derived SA2 areas, the relative deprivation of parts of the Waikato District are shown below.



Anything that enables the provision of affordable housing, especially in higher deprivation/lower income areas, needs to be addressed with urgency, to ensure both the shortfall and the lack of affordable housing is not exacerbated and ideally reversed.

To ensure equitable housing and wellbeing outcomes, the council LTP and the new joint 3 waters CCO need to ensure that improvements in 3 waters services are focused on enabling an outcome of affordable houses right across the housing continuum, especially in high deprivation areas.

¹⁰ [Three waters capacity assessment](#)

¹¹ [EXECUTIVE SUMMARY](#)

¹² [Our strategic direction | Future Proof](#)

The Waikato Wellbeing project requests:

- The Statement of Intent for the joint 3-waters CCO includes a commitment to contribute towards improved housing affordability in Waikato district (and Hamilton City), by ensuring that infrastructure capacity is prioritised in areas with higher deprivation and less opportunity/capacity at present for affordable housing development.
- Waikato District Council reports to the public on a regular basis on housing affordability and the relative contribution its infrastructure and services, including a new joint 3 waters CCO, are making to improving affordability.

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Harvey Brookes

Executive Director

Waikato Wellbeing Project