

HOUSING

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Housing is an important determinant of health and wellbeing. There are three main elements to housing: affordability, availability, and quality. Affordable housing is usually defined as housing (rented or owned) that costs no more than 30 percent of a household's gross income [1]. Affordability and availability are closely linked. Where housing supply is low and demand for houses is high, market prices increase. People with limited income may find it more difficult to obtain suitable housing, and changes in relative levels of affordability can also affect the demand for different types of housing [2]. The quality of housing has a strong influence on health and wellbeing outcomes for individuals, whānau, and communities; housing influences social relationships within and beyond the household [3,4]. Good quality housing is warm and dry and provides sufficient space and amenities for the occupants. It also protects the occupants from noise, air pollution (such as second-hand tobacco smoke, emissions from open fires and un-flued gas heaters), and other environmental exposures (such as vibration from heavy transport movements).

Good quality housing can reduce the risk of poor physical and mental health, reduce the number of trips and falls, reduce the number of school days lost to illness, contribute to improved educational attainment, and reduce visits to the GP and other health and social care services [5-9]. Taking a broad view, the quality of housing includes not just the physical structure, but also features of the surrounding area such as access to education, employment, retail outlets, access to transport routes and interchanges, proximity to green spaces and other community amenities, and population density.

Key trends within housing

Household incomes have trended upward in greater Christchurch over the past few years, resulting in generally more favourable housing affordability, compared with New Zealand overall, to mid-2020. However, the recent trend is a decrease in mortgage affordability as interest rates rise again. Rental affordability is little changed nationally over the last 10 years, with Christchurch City, Waimakariri District, and Selwyn District having improved substantially, compared with the national average, from mid-2014. Household crowding is notably lower in Canterbury compared with New Zealand overall. Survey data indicate that most people in greater Christchurch are satisfied or very satisfied with the quality of their housing, particularly in the Selwyn and Waimakariri districts, though slightly less so in Christchurch City (but with a significant improvement between 2017 and 2020).

Key equity issues within housing

There are clear inequalities in exposure to poor quality housing. People with limited financial resources, people of Māori and Pacific ethnicity, people with a long-term health condition or disability, and those living in rental houses are at increased risk of exposure to poor quality housing. Affordability is sensitive to welfare and policy settings and other changes that can place people's income under pressure.

What this means for wellbeing

The supply of good-quality, affordable housing in greater Christchurch is a key determinant of health and wellbeing.

Indicators in this domain

- **Change in housing affordability**
- **Housing-related spending**
- **Rental property supply**
- **Household crowding**

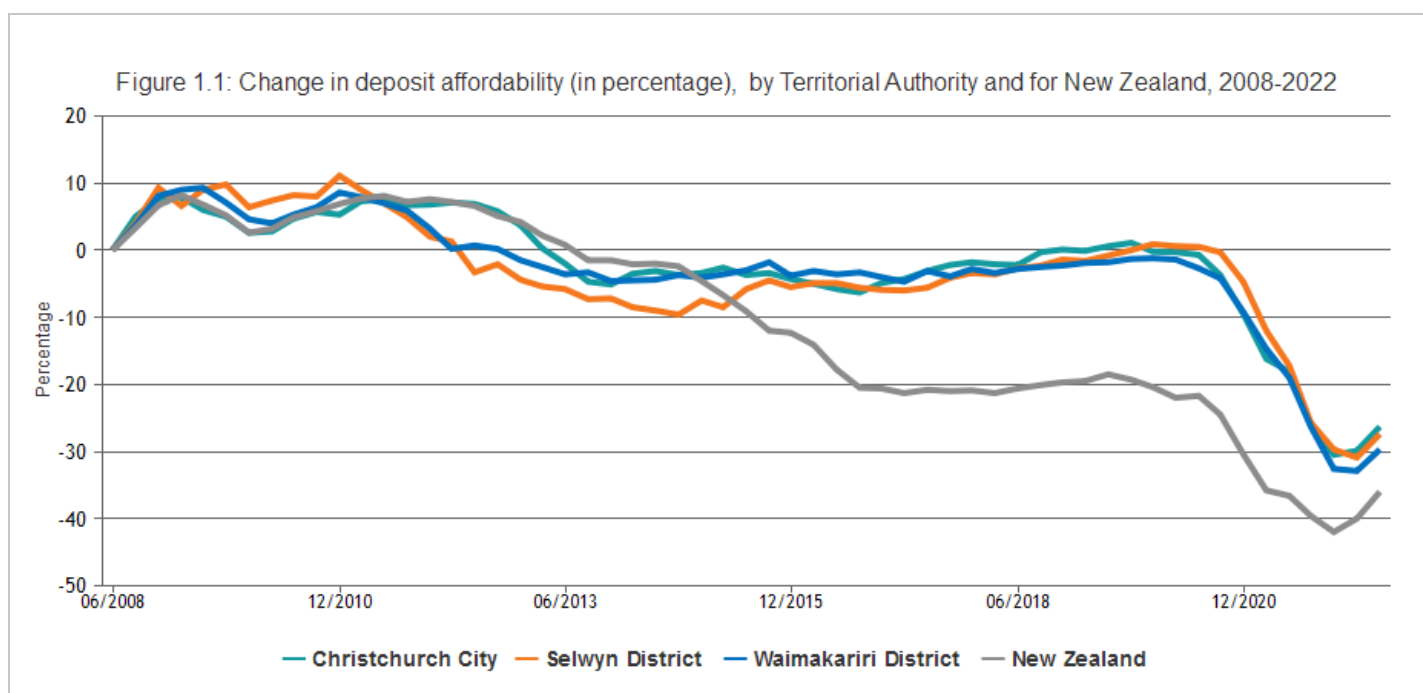
- **Housing quality**

CHANGE IN HOUSING AFFORDABILITY

The Change in Housing Affordability indicators show that the affordability of renting a home, saving for a deposit, and servicing a mortgage for people entering the market has changed over time. Each indicator compares price change with growth in median household income. These three indicators provide insight into affordability nationally and by Territorial Authority (note 2008 has been selected as the baseline/reference year in figures 1.1–1.3) [10]. An increase in affordability index means that the aspect in question has become more affordable. The indicators do not set a level at which housing is or is not affordable. Determining affordability depends on each household's circumstances and expectations of what qualifies as a socially accepted standard of living (i.e., rating what goods and services are necessary is subjective). Individual experiences of affordability will vary, for example if a household's income does not change in line with the national median. The indicators track whether affordability is improving or worsening in an area but not how affordable an area is at a point in time. Currently, breakdowns by demographic variables, including ethnicity, are not available.

Change in deposit affordability

This indicator, *change in deposit affordability*, compares changes in house sales prices with the growth in median household disposable (after tax) income (the two main factors that can affect deposit affordability). Positive changes in the affordability index imply greater affordability as incomes are increasing faster than house sales prices; negative changes imply declining affordability as house sales prices are rising faster than incomes.

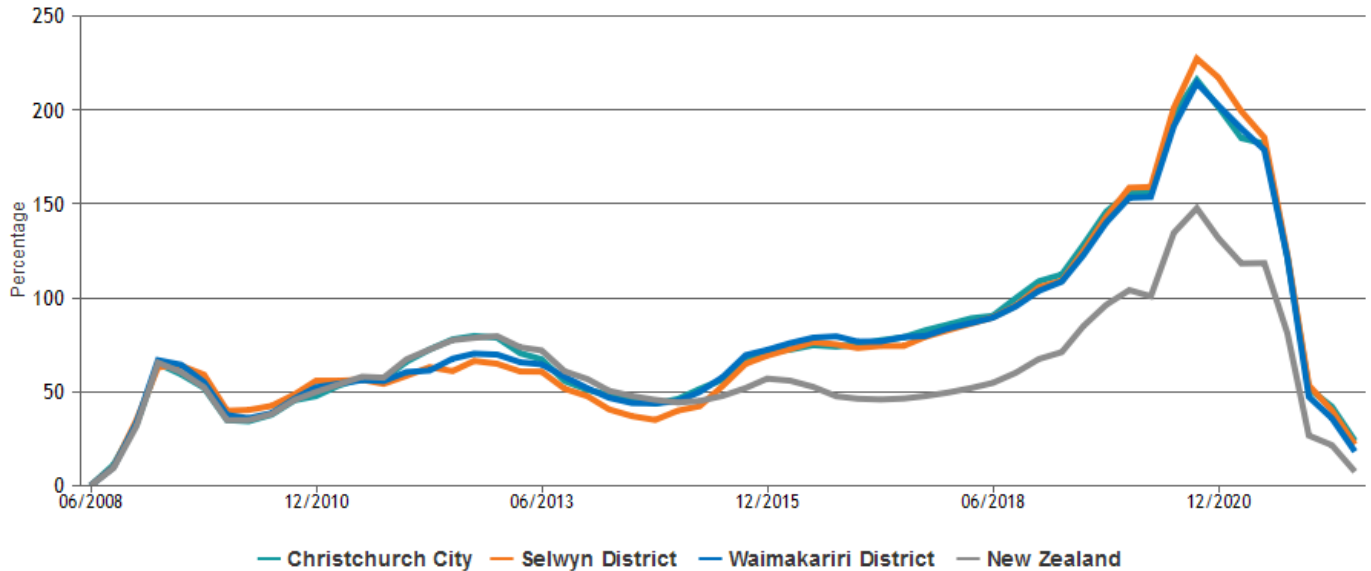


The figure shows that deposit affordability has declined substantially since 2009, as house sales prices have increased at a faster rate than household income. Deposit affordability in the three Territorial Authorities in greater Christchurch was notably higher than for New Zealand overall for the period 2015 through to 2020, however, notable convergence towards New Zealand overall is evident from 2020 onwards (Christchurch City, -26.3%; Waimakariri District, -29.7%; Selwyn district, -27.4%, 2022; New Zealand, -36.0, all compared with 2008 affordability levels).

Change in mortgage serviceability

This indicator, *change in mortgage serviceability*, compares changes in the purchasing power of mortgage interest payments for new home loans, with the growth in median household disposable (after tax) income. Positive changes in the affordability index imply greater affordability as incomes are increasing faster than the interest price index; negative changes imply declining affordability as the interest price index is rising faster than incomes.

Figure 1.2: Change in mortgage serviceability (in percentage), by Territorial Authority and for New Zealand, 2008–2022

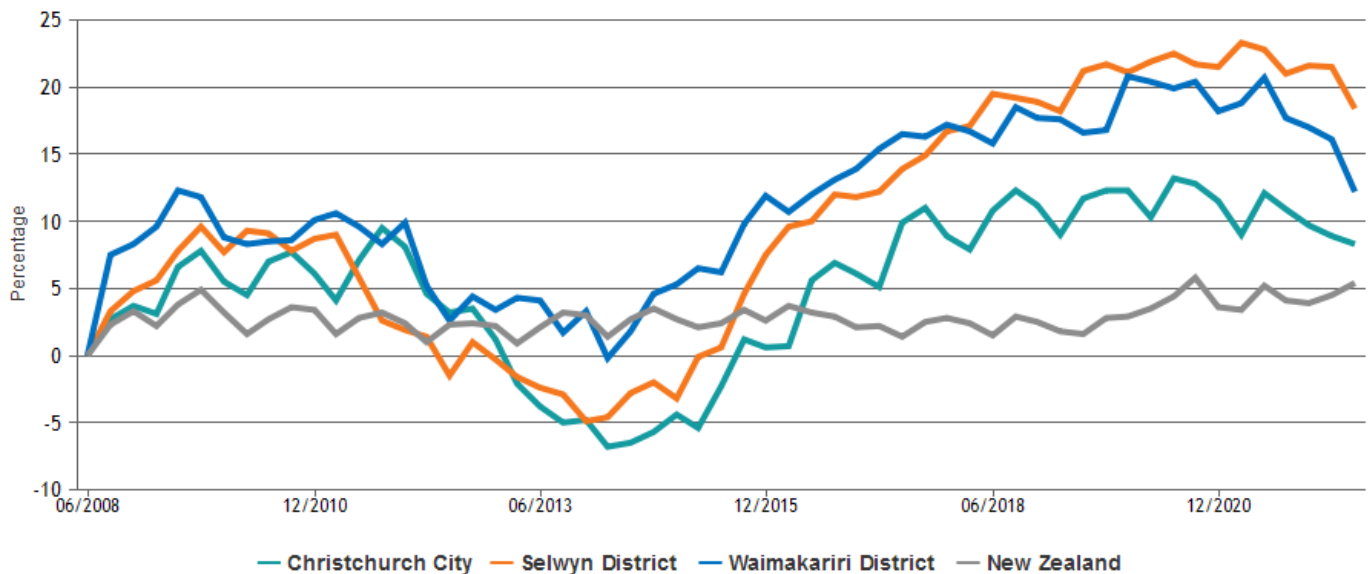


The figure shows that mortgage serviceability across New Zealand overall improved notably from mid-2019 to mid-2020 as interest rates fell, but the recent trend is a reversal as interest rates rise again. Mortgage serviceability was higher in the three Territorial Authorities in greater Christchurch compared with New Zealand overall, for the period 2015 to 2021. However, the figure shows notable convergence in levels of mortgage serviceability across greater Christchurch towards the New Zealand average from 2020 onwards (Christchurch City, +23.9%; Waimakariri District, +18.2%; Selwyn district, +22.0%, New Zealand, +7.5% in 2022, all compared with 2008 serviceability levels).

Change in rental affordability

This indicator, *change in rental affordability* (Rental Affordability Index), compares changes in new tenancy rental prices with the growth in median household disposable (after tax) income. Positive changes in the affordability index imply greater affordability as incomes are increasing faster than rent prices; negative changes imply declining affordability as rent prices are rising faster than incomes.

Figure 1.3: Change in rent affordability (in percentage), by Territorial Authority and for New Zealand, 2008-2022



The figure shows that at a national level, over the past decade, rental affordability is little changed, with an increase overall since approximately 2015. This indicates that median household income growth has broadly kept pace with rental price growth. However, the national aggregated result hides regional variations; and rent affordability in Christchurch City, Waimakariri

District, and Selwyn District has improved substantially compared with the national average from mid-2014 (Christchurch City, 8.3%; Waimakariri District, 12.2%; Selwyn District, 18.4%; New Zealand, 5.4% 2022, all compared with 2008 affordability levels). Notable convergence back towards the New Zealand percentage can be seen from 2020 onwards.

Taken together, the three housing affordability indicators show that affordability for owner and renter households in greater Christchurch improved steadily from mid-2014 to 2020, from which point a notable decline in housing ownership affordability is evident across greater Christchurch and for New Zealand overall. Rent affordability for greater Christchurch and New Zealand overall remains relatively stable.

Data Sources

Source: Ministry of Housing and Urban Development.

Survey/data set: Summary statistics are created by Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development using tenancy bonds data, data supplied by CoreLogic, the Reserve Bank of New Zealand, Statistics New Zealand, and Inland Revenue. Access publicly available data from the Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development website <https://www.hud.govt.nz/stats-and-insights/change-in-housing-affordability-indicators/affordability-indicators/#tabset>.

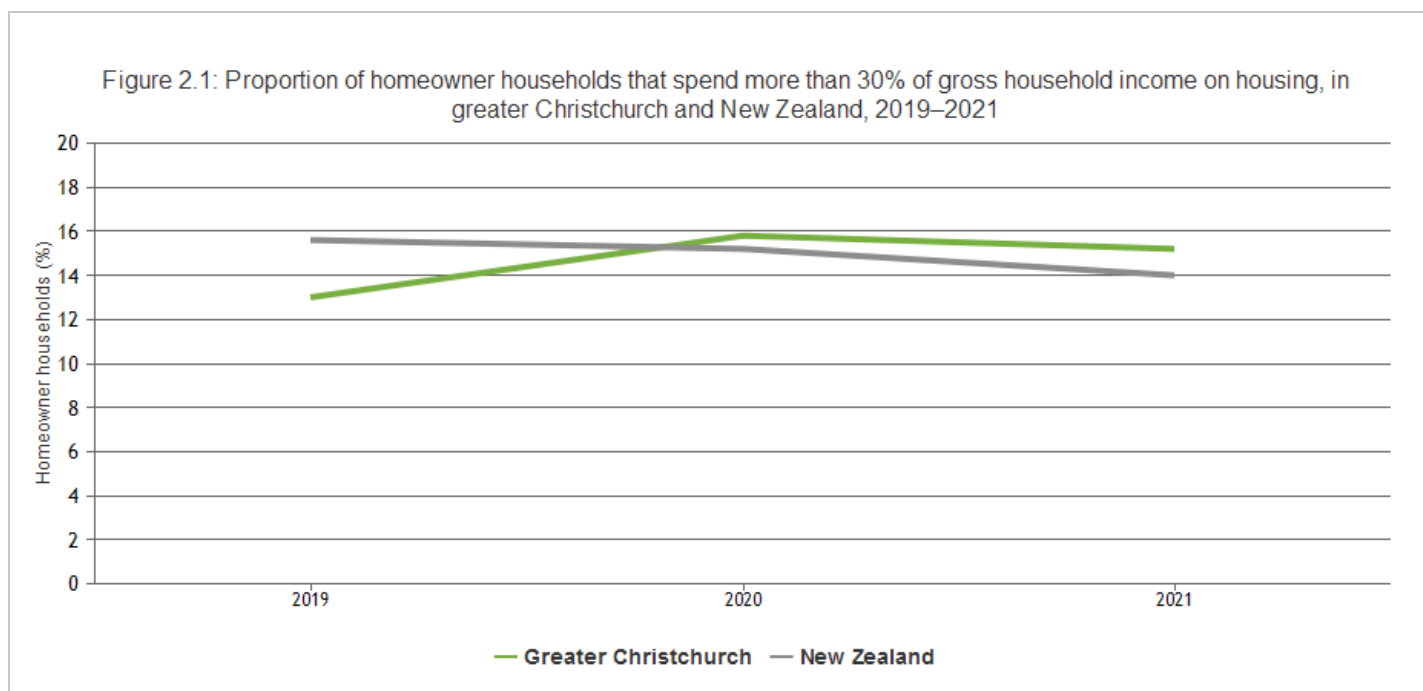
Source data frequency: Calculated quarterly.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/index-data>

HOUSING-RELATED SPENDING

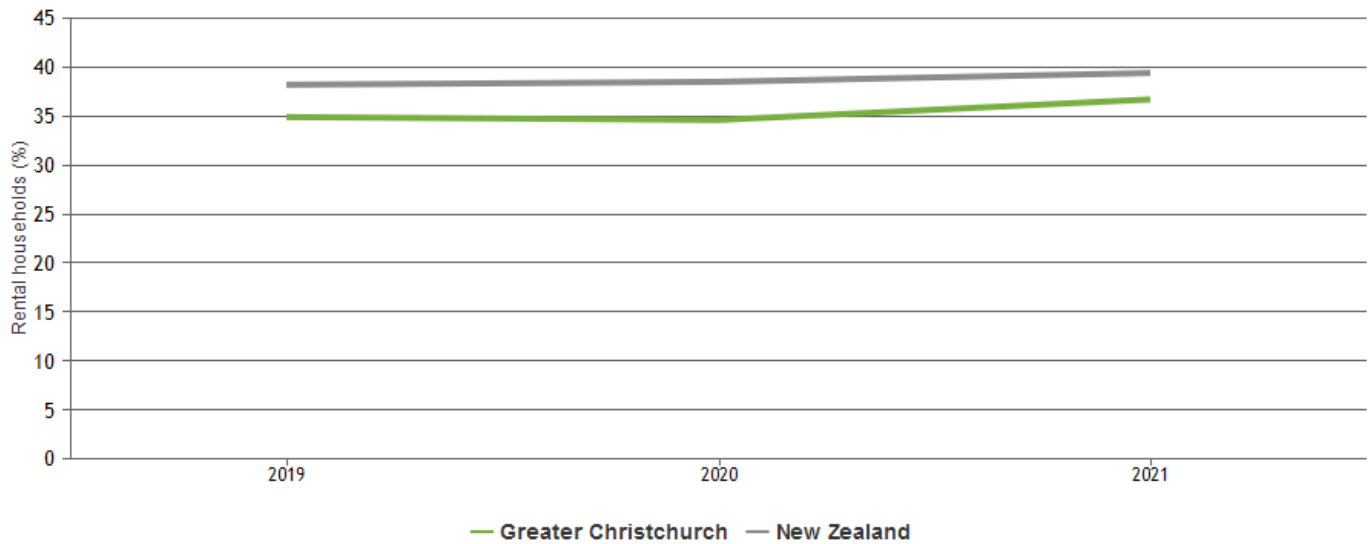
Housing affordability is largely influenced by income, supply, and demand, and is sensitive to any changes that can place people's income under pressure. The 'spending on housing' indicator provides a picture of whether housing is becoming more or less affordable over time for renters and home owners (based on income data, rent/mortgage payments, rates and insurance; adjusted for household size). The 'spending on housing' indicator considers whether a household is spending more or less than 30 percent of its gross household income on housing costs. The 30 percent threshold does not imply that spending 30 percent of gross household income is or is not affordable. Determining affordability depends on each household's circumstances and expectations of what qualifies as an acceptable standard of living [11].

This indicator presents the proportion of households that spend more than 30 percent of gross household income on housing, for renters and for homeowners, for greater Christchurch and New Zealand. Higher proportions indicate less affordable housing.



The figure shows that the proportion of all homeowner households in greater Christchurch that spent over 30 percent of their gross household income on housing costs decreased from 15.8 percent in 2020 to 15.2 percent in 2021. By this measure, for the period 2020 to 2021, home ownership appears to have been less affordable in greater Christchurch compared with New Zealand overall.

Figure 2.2: Proportion of renter households that spend more than 30% of gross household income on housing, in greater Christchurch and New Zealand, 2019–2021



The figure shows that the proportion of renter households in greater Christchurch spending over 30 percent of their gross household income on housing costs was relatively stable between 2019 and 2021 (34.6 percent in 2019, 36.7 percent in 2021). By this measure, for the period 2019 to 2021, spending on rental housing has generally been lower for greater Christchurch renters compared with renters in New Zealand overall.

Data Sources

Source: Statistics New Zealand. This work is based on/includes customised Stats NZ's data which are licensed by Stats NZ for re-use under the Creative Commons Attribution 4.0 International licence.

Survey/data set: Household Economic Survey to June 2021. Custom data request for greater Christchurch region.

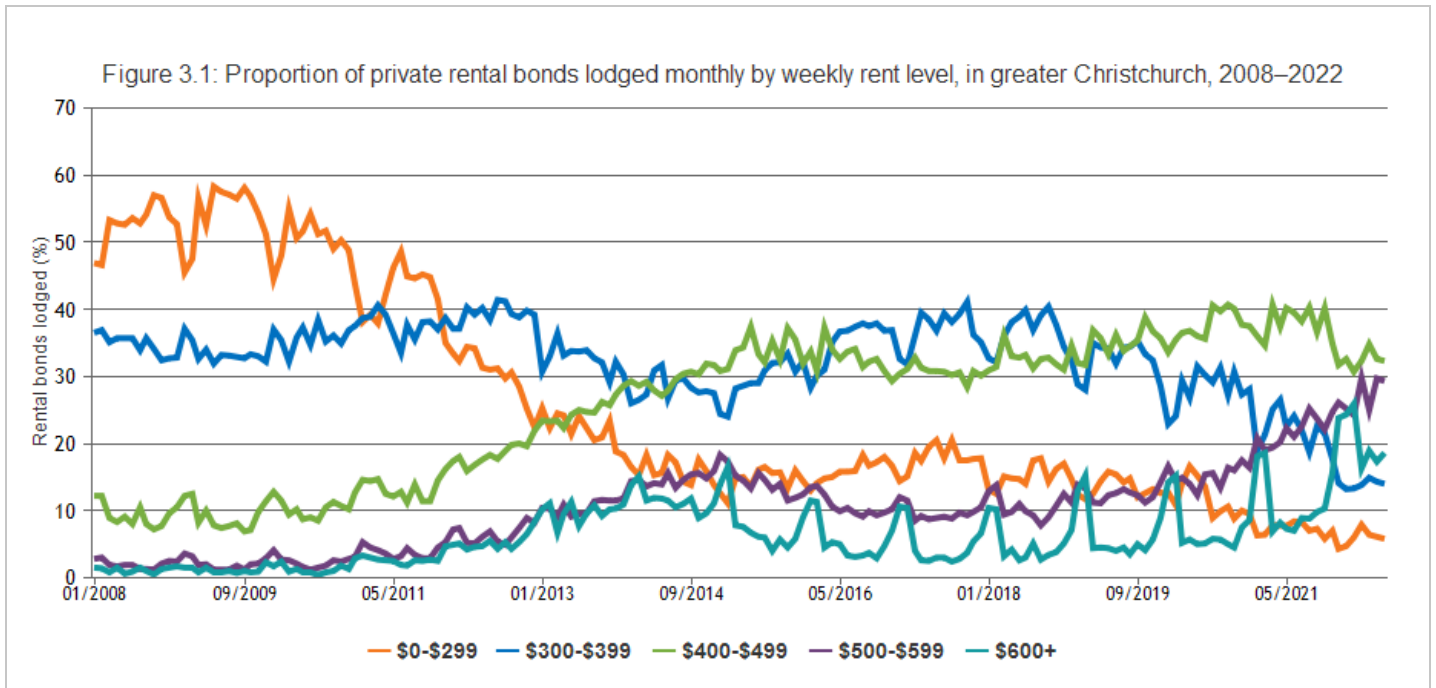
Source data frequency: Annually.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/index-data>

RENTAL PROPERTY SUPPLY

The tenancy bond dataset held by the Ministry of Business Innovation and Employment (MBIE) includes rental properties from private sector landlords, individuals in state housing, and rentals owned by local governments and government entities. It is estimated that bonds are lodged for around 85 percent of all tenancies (excluding tenancies with a fixed term of less than six months, and individuals that have a family member as a landlord)[12]. MBIE provides monthly updates on bond lodgements and current market price for rental properties.

This indicator presents the proportion of private sector rental bonds lodged monthly, by weekly rent level, in greater Christchurch, from 2008 to 2022.



The figure shows that the availability of low-cost private sector rental properties (\$0–\$299 weekly rent) within greater Christchurch has declined markedly over the last 10-12 years and these properties now account for just 5.8% of the rental property supply. The supply of mid-level rentals (\$300-\$399 and \$400–\$499 weekly rent) stabilised between 2015 and 2019, however, availability in each of these price bands has declined over the mid-2019 to mid-2022 period (\$300-\$399, 14.0%; \$400–\$499, 31.3%, May 2022). The proportion of higher-cost properties available for rent has increased steadily since 2017, including properties in the range \$500-\$599 (29.3%) and those properties over \$600 per week (18.6%) in 2022.

Data Sources

Source: Ministry of Business Innovation and Employment.

Survey/data set: Data set created for research purposes from MBIE's tenancy bond database. Access publicly available data from the Ministry of Business Innovation and Employment website www.mbie.govt.nz/building-and-energy/tenancy-and-housing/rental-bond-data/

Source data frequency: Monthly.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/index-data>

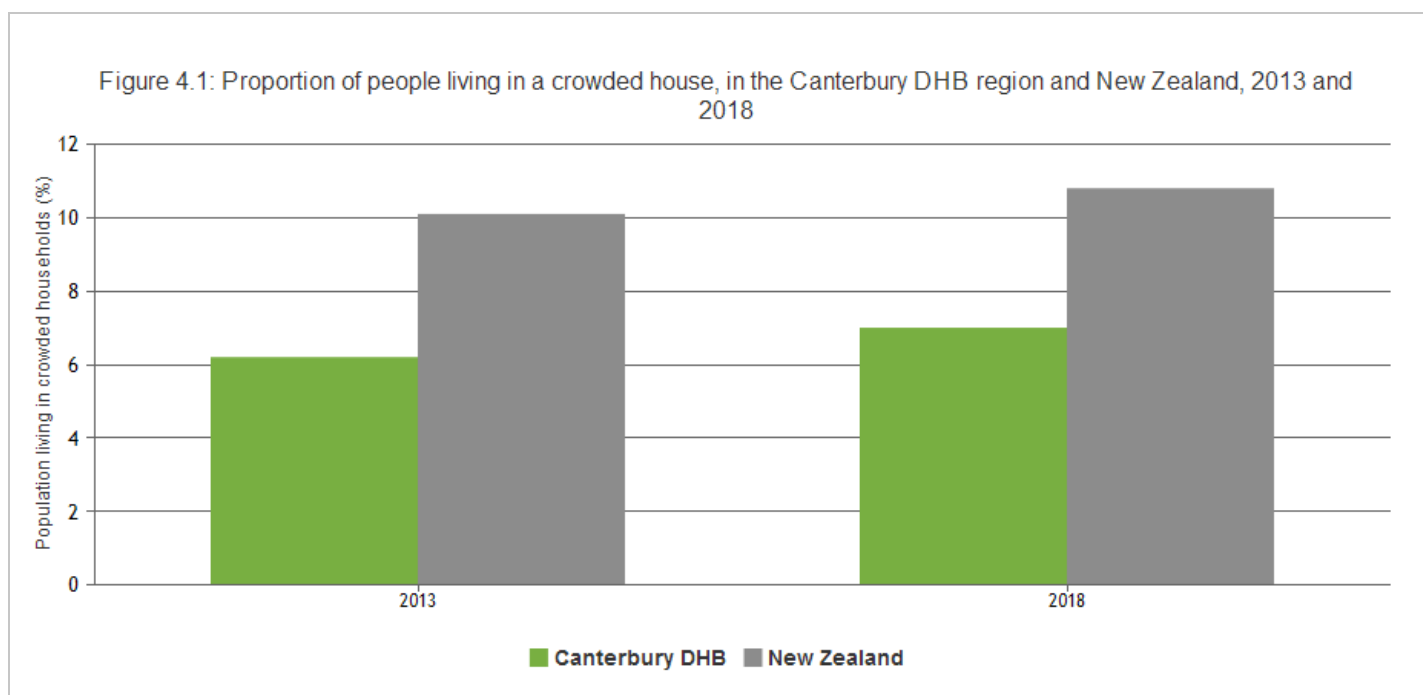
HOUSEHOLD CROWDING

Household crowding increases the risk of infectious diseases spreading (such as bronchiolitis, pneumonia, gastroenteritis, and meningococcal disease), particularly among children [13]. Household crowding also increases the likelihood of adverse psychological responses to living in high-density conditions, such as stress and feelings of lack of privacy [14,15].

Household crowding is measured with census data, by applying the Canadian National Occupancy Standard (based on a formula that includes the number of bedrooms, and the number of occupants and their gender, age, and relationships). Crowding is defined as needing one or more bedrooms; severe household crowding is defined as needing two or more bedrooms.

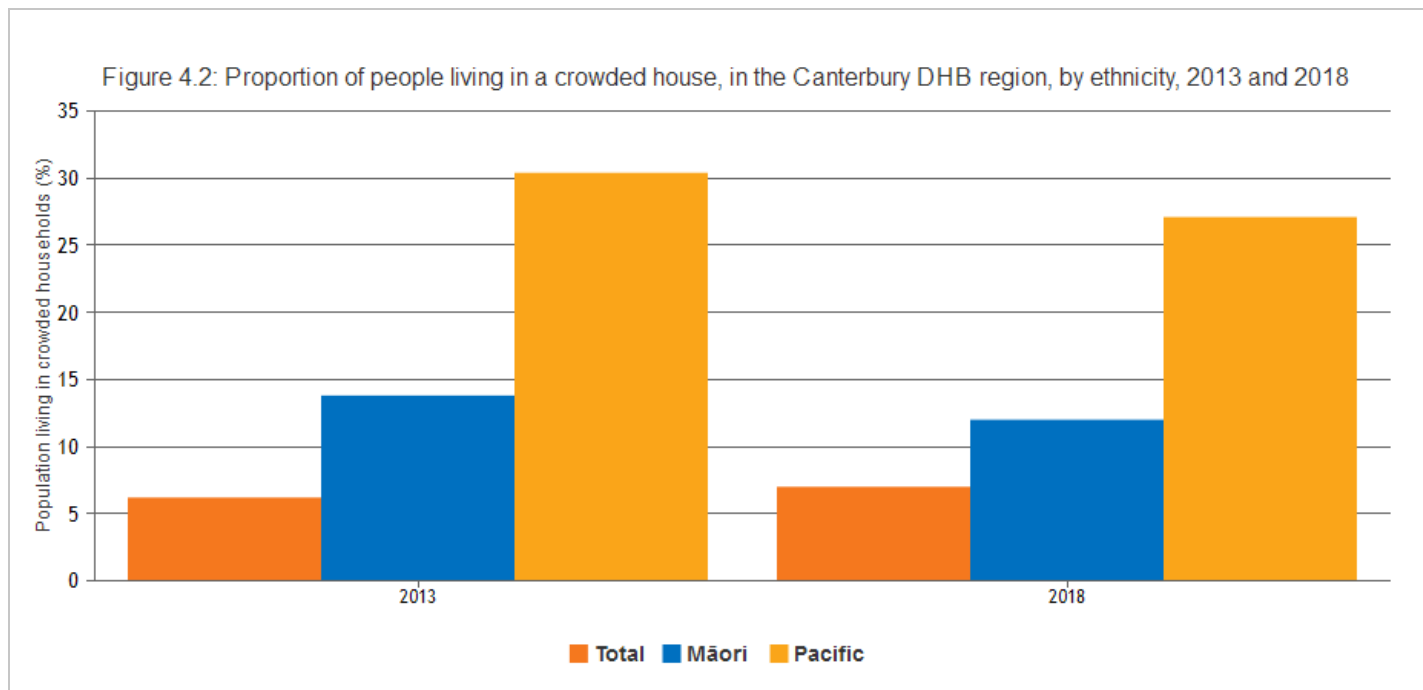
The complexity of the relationship between household crowding and negative health and wellbeing outcomes makes it difficult to separate the effects of crowding from other factors. Related factors include the physical condition and type of housing, socioeconomic factors, and risk behaviours such as smoking [15]. Despite these complexities, household crowding remains a useful overall indicator of people's exposure to poor housing conditions.

This indicator presents the proportion of the population living in a crowded household (needing one or more bedrooms based on the Canadian National Occupancy Standard) for the Canterbury District Health Board region, in 2013 and 2018.



The figure shows the proportion of those exposed to household crowding for the Canterbury DHB region compared with New Zealand as a whole. In 2013, 6.2 percent of the Canterbury DHB population and 10.1 percent of the New Zealand population overall, lived in crowded households, increasing to 7 percent and 10.8 percent, respectively, in 2018. The relative difference remains unchanged.

Breakdown by ethnicity



The figure shows that the distribution of exposure to household crowding in the Canterbury DHB region is uneven, with higher levels for Pacific peoples and Māori, relative to the total population. Proportions living in homes defined as crowded in 2013 and 2018 were 30.4 and 27.1 percent for Pacific peoples, 13.8 and 12.0 percent for Māori, and 6.2 and 7.0 percent for the total population, respectively.

Data Sources

Source: Statistics New Zealand.

Survey/data set: Census of Population and Dwellings. Custom request for Canterbury DHB region.

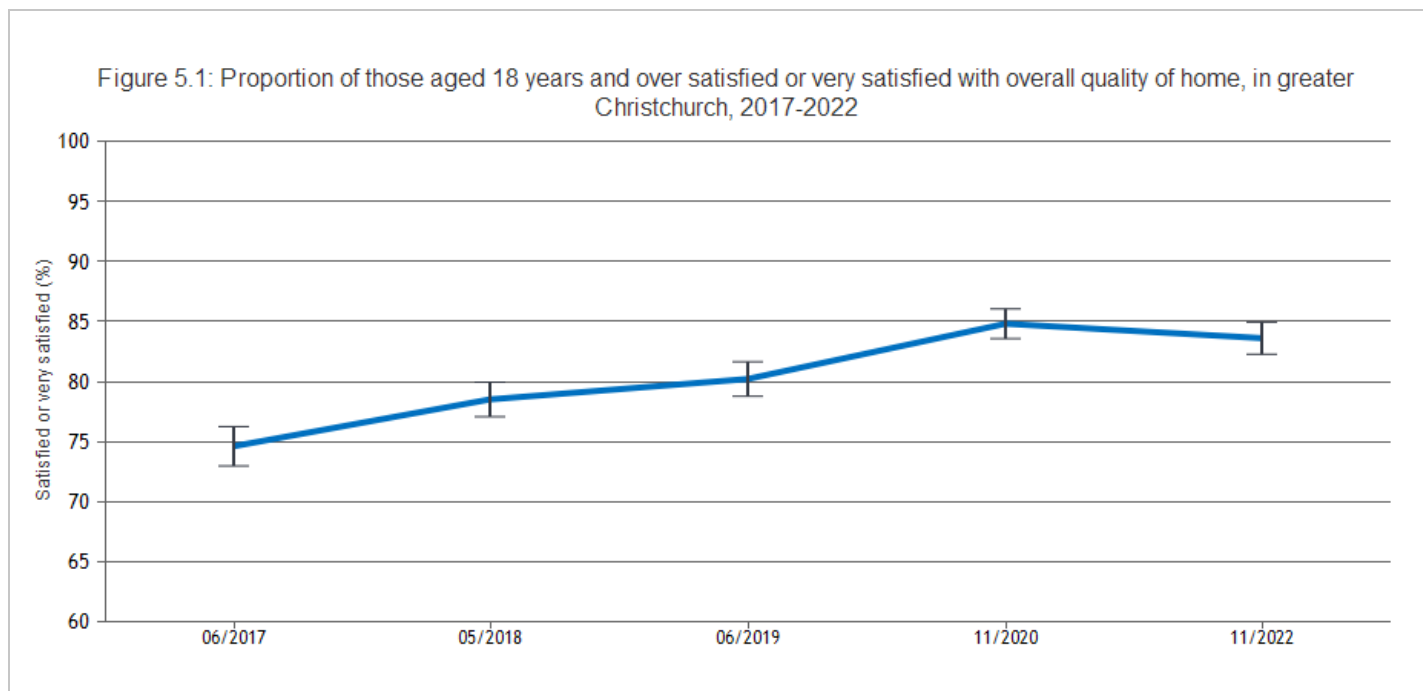
Source data frequency: Census conducted every 5 years.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/index-data>

HOUSING QUALITY

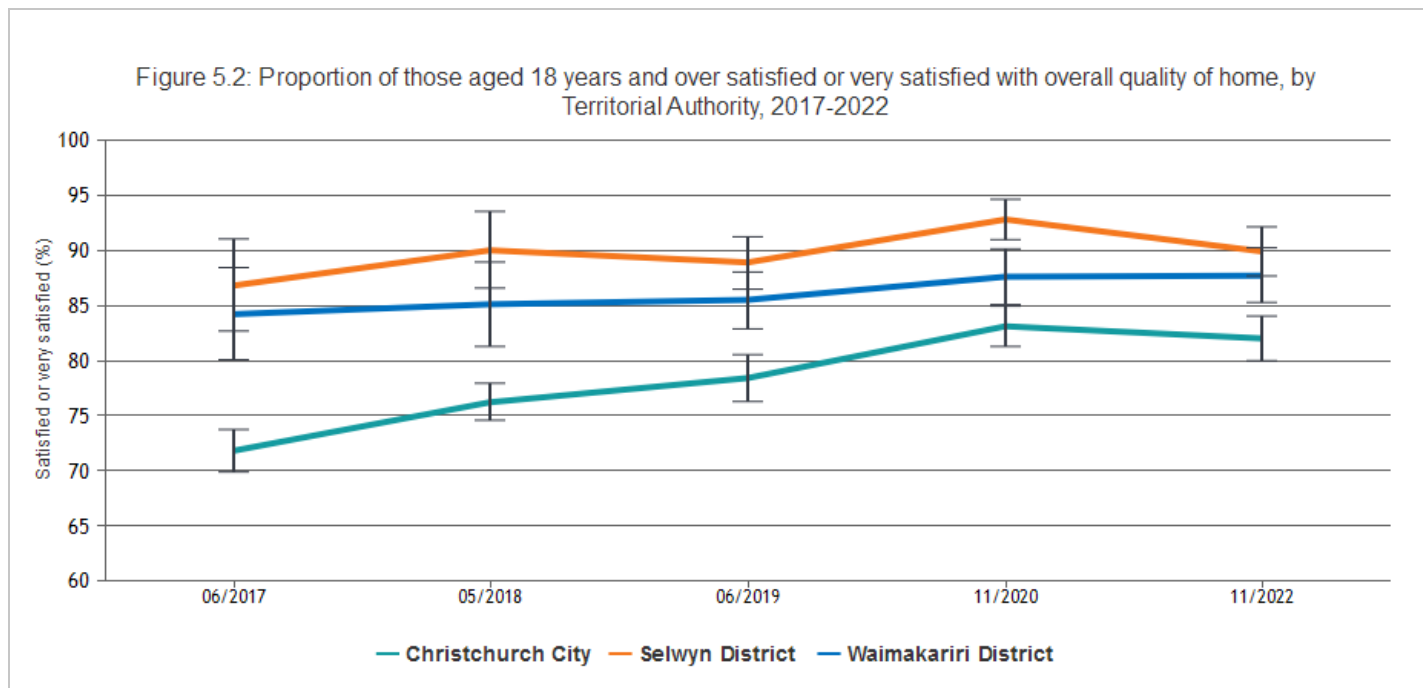
Good quality housing is warm and dry and provides sufficient space and amenities for the occupants. A question included in the Canterbury Wellbeing Survey [16] asks respondents to rate their satisfaction with the overall quality of the home in which they live (in terms of warmth, insulation, heating, moisture levels, and weather tightness).

This indicator presents the proportion of those 18 years and over indicating that they were either satisfied or very satisfied with the overall physical quality of the home in which they lived, as reported in the Canterbury Wellbeing Survey from 2017 to 2022.



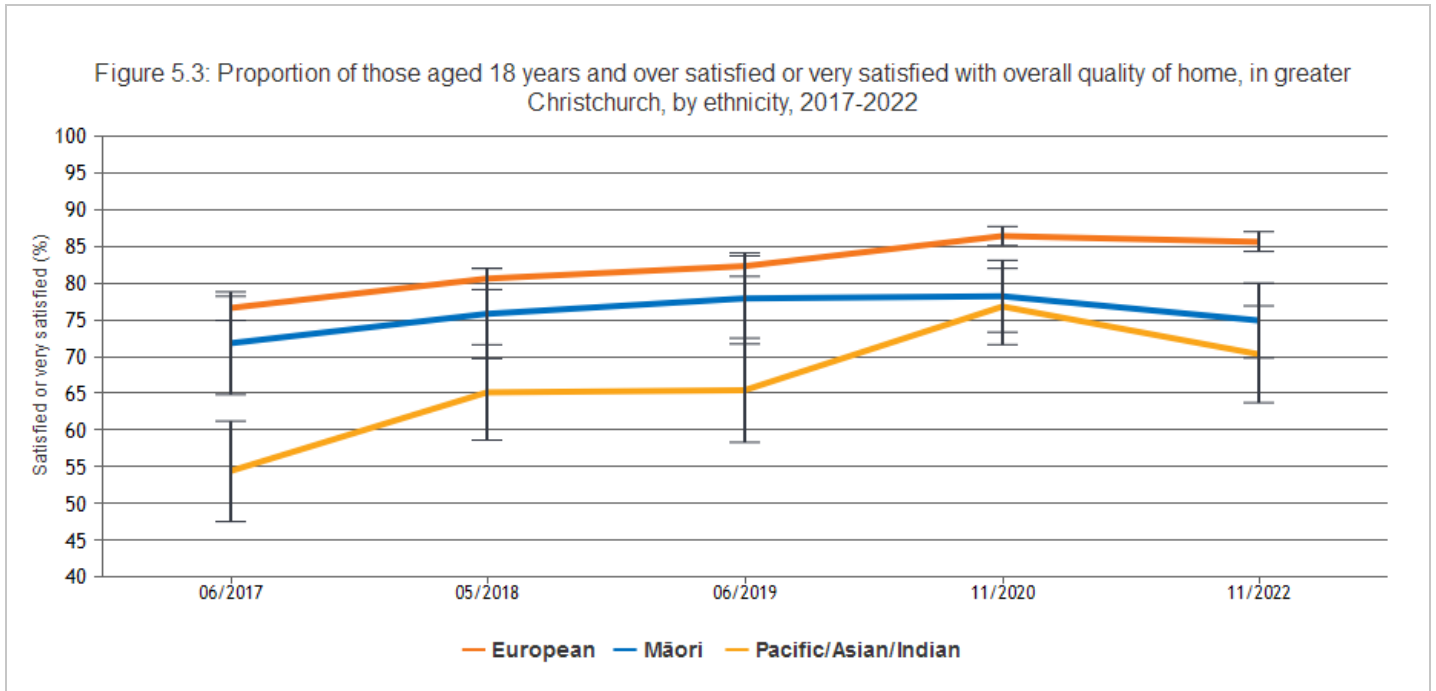
The figure shows that in November 2022, 83.6 percent of survey respondents indicated that they were either satisfied or very satisfied with the overall quality of the home in which they lived. This represents a statistically significant increase from June 2019 (80.2%).

Breakdown by Territorial Authority



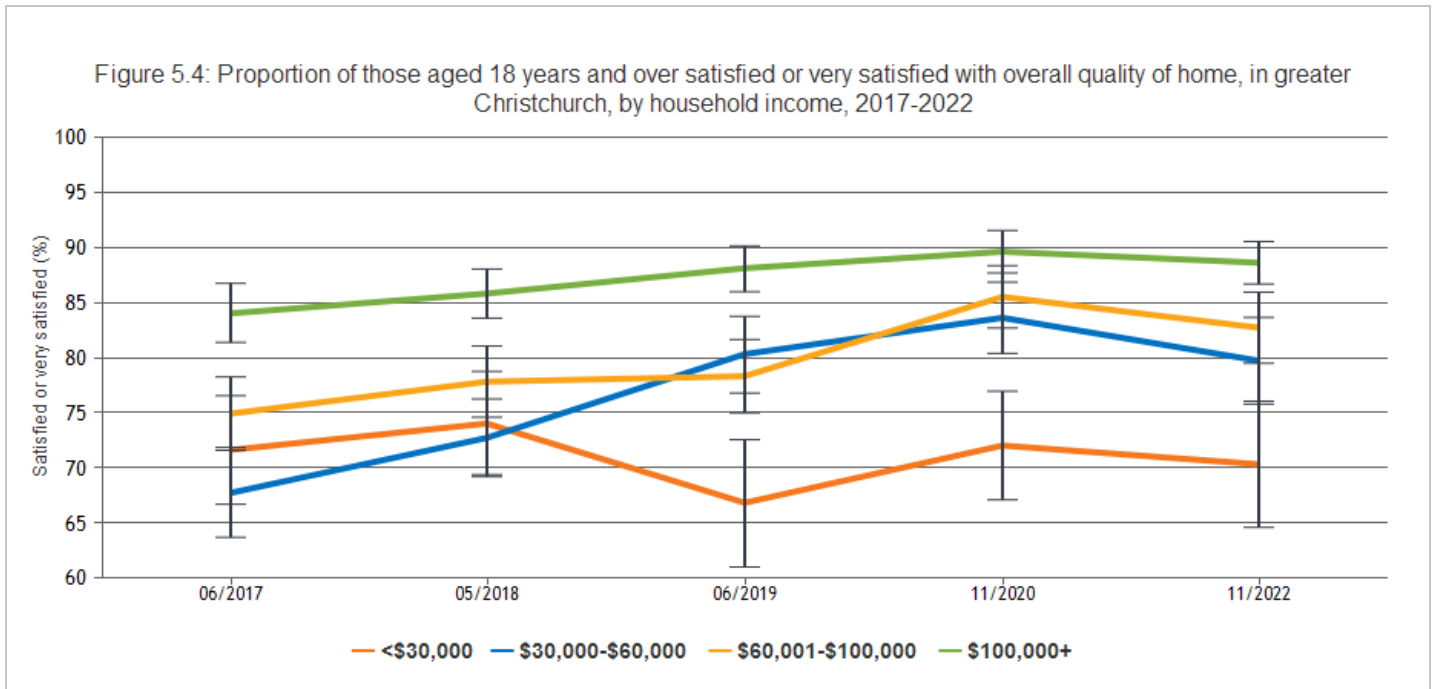
The figure shows that in November 2022, the majority of Christchurch City respondents indicated that they were satisfied or very satisfied with the overall quality of the home in which they lived. Respondents living in Selwyn District and Waimakariri District were statistically significantly more likely to indicate that they were satisfied or very satisfied with the overall quality of their home (Selwyn 89.9%; Waimakariri 87.7%) compared with Christchurch City residents (82.0%). The proportion of Christchurch City residents reporting that they were satisfied or very satisfied with the overall quality of their home has increased statistically significantly over the time series shown (from 71.8% in 2017 to 82.0% in 2022).

Breakdown by ethnicity



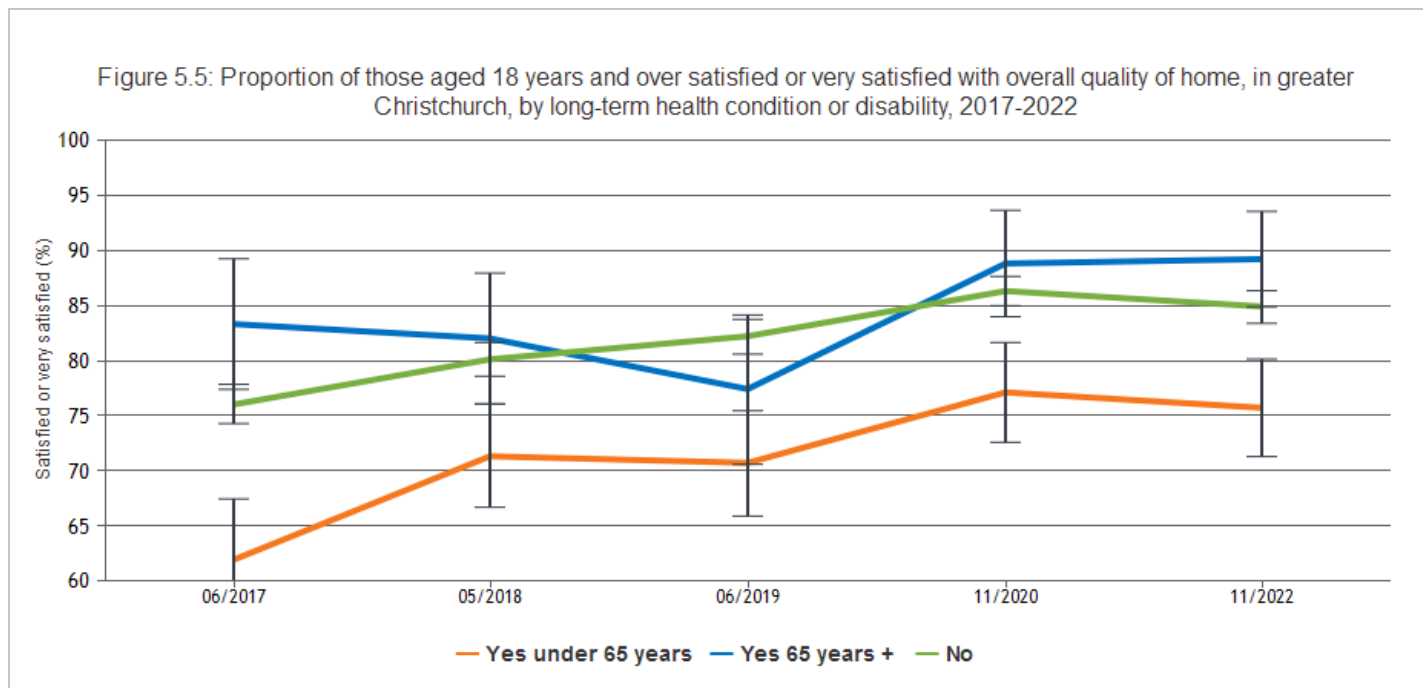
The figure shows that in November 2022, 85.6 percent of European respondents indicated that they were satisfied or very satisfied with the overall quality of the home in which they lived. Approximately 70 percent of Pacific/Asian/Indian and 75 percent of Māori respondents indicated that they were satisfied or very satisfied with the physical quality of the home in which they lived (in 2022, 70.3% and 74.9% respectively) and these satisfaction levels were statistically significantly lower than for European respondents. A statistically significant increase in satisfaction was observed among Pacific/Asian/Indian and European respondents between 2017 and 2020 (decreasing slightly to 2022). Satisfaction with housing quality among Māori respondents has not changed statistically significantly over the time series shown.

Breakdown by income



The figure shows an overall pattern of increased satisfaction with the quality of the home with increasing household income. The proportion of respondents in the less than \$30,000 income bracket satisfied or very satisfied with housing quality was statistically significantly lower than that for respondents from the two higher income groups in 2022.

Breakdown by disability



The figure shows that in November 2022, there was a statistically significant difference in satisfaction with the quality of the home for greater Christchurch respondents with a long-term health condition or disability aged under 65 years compared to those with a long-term health condition or disability aged 65 years and over, and those without.

Data Sources

Source: Te Whatu Ora Waitaha Canterbury - formerly the Canterbury District Health Board.

Survey/data set: Canterbury Wellbeing Survey to 2022. Access publicly available data from the Te Mana Ora | Community and Public Health website www.cph.co.nz/your-health/wellbeing-survey/

Source data frequency: Annually.

Metadata for this indicator is available at <https://www.canterburywellbeing.org.nz/index-data>

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FIND OUT MORE

> **MBIE Tenancy and Housing data**

This Ministry of Business, Innovation and Employment webpage provides data and statistics about rental bonds.

> **MHUD Housing data**

This Ministry of Housing and Urban Development webpage provides links to research and data about the housing sector, including housing affordability measures.

> **Statistics New Zealand Housing data**

This Statistics New Zealand webpage contains links to a variety of housing-related information.

> **Environmental health indicators (EHINZ)**

A Ministry of Health-funded Massey University website that provides data at a national and regional level on a number of environmental health-related indicators including household crowding.

> **Christchurch City Council housing-related data**

This webpage provides links to various statistics about housing in the Christchurch City Council area.

> **Community and Public Health housing information**

This webpage presents information about housing from a public health perspective.

> **BRANZ reports**

Each year BRANZ invests the Building Research Levy in research as part of its vision to inspire the industry to provide better buildings for New Zealanders. The website reports on topics such as housing quality as well as providing technical reports.