

Appendix 2 – Auckland Analysis

In Auckland¹ there are 29,921 primary tenants (47% of primary tenants overall); of these:

- Segment One: 33% have some ongoing need for social housing
- Segment Two: 48% have a need for social housing but have the potential to move in the medium term
- Segment Three: 18% have the potential to move from social housing in the short term

Table 1: Primary tenant segments in Auckland compared to the rest of New Zealand

		Auckland (29,921 primary tenants)	Rest of New Zealand (34,394 primary tenants)
Segment One	NZS recipients	19% - 5,820 primary tenants	19% - 6,567 primary tenants
	SLP recipients	14% - 4,169 primary tenants	22% - 7,539 primary tenants
Segment Two	SPS recipients	17% - 5,123 primary tenants	17% - 5,824 primary tenants
	JSS & other recipients	19% - 5,653 primary tenants	16% - 5,564 primary tenants
	Non-beneficiaries with a high IRRS	12% - 3,623 primary tenants	3% - 1,011 primary tenants
Segment Three	Non-beneficiaries with a low-medium IRRS	14% - 4,111 primary tenants	16% - 5,365 primary tenants
	Non-beneficiary market renters	4% - 1,221 primary tenants	6% - 2,020 primary tenants
	Beneficiary and NZS market renters	1% - 201 primary tenants	1% - 504 primary tenants

The story in Auckland is similar to the rest of New Zealand, with the following exceptions:

- Compared to the rest of New Zealand there is a lower proportion of SLP clients with an ongoing need for social housing - 14% compared with 22% overall. This means that more of the stock is currently tenanted by people who can move on in the short-medium term.
- There is a slightly lower proportion with the potential to move in the short term (segment three) compared to the rest of New Zealand (19% compared with 22%), but those that can move on would free up social housing places in high demand areas. In some areas this may require an affordable housing response.
- Nearly half of primary tenants in Auckland have the potential to move in the medium-term (segment two), which is due to the higher concentration of Jobseeker Support recipients and non-beneficiaries with a high IRRS compared to the rest of New Zealand. Just over a third of the SPS and JSS tenants in this segment are in WFCM, and there is opportunity to increase this proportion and move more into employment.

¹ Auckland is defined as the Auckland Super City and is made-up of the Rodney, North Shore, Waitakere, Auckland City, Manukau, Papakura and Franklin territorial authorities.

Table 2: Average market rent, IRRS subsidy and rent paid in Auckland compared to the rest of New Zealand.

	Auckland (29,921 primary tenants)	Rest of New Zealand (34,394 primary tenants)
Average market rent	\$373 per week	\$270 per week
Average IRRS subsidy	\$259 per week	\$174 per week
Average rent paid	\$127 per week	\$109 per week

The difference in market rent, IRRS subsidy and rent paid for Auckland compared to the rest of the country is significant. The average market rent in Auckland is 38% higher than in the rest of the country, with the average IRRS subsidy 49% higher in Auckland. This demonstrates that the affordability issues are the most acute in Auckland and innovative responses in high demand areas might be required for the supply of social housing places in the future.

South Auckland analysis

In South Auckland² there are 12,801 primary tenants (19% of primary tenants overall). Of these:

- Segment One: 26% have some ongoing need for social housing
- Segment Two: 52% have a need for social housing but have the potential to move in the medium term
- Segment Three: 22% have the potential to move from social housing in the short term.

Table 3: Primary tenant segments in South Auckland compared to the rest of New Zealand

		South Auckland (12,081 primary tenants)	Rest of New Zealand (52,234 primary tenants)
Segment One	NZS recipients	14% - 1,669 primary tenants	21% - 10,718 primary tenants
	SLP recipients	12% - 1,508 primary tenants	20% - 10,200 primary tenants
Segment Two	SPS recipients	22% - 2,686 primary tenants	16% - 8,261 primary tenants
	JSS & other recipients	18% - 2,183 primary tenants	17% - 9,034 primary tenants
	Non-beneficiaries with a high IRRS	12% - 1,436 primary tenants	6% - 3,198 primary tenants
Segment Three	Non-beneficiaries with a low-medium IRRS	16% - 1,963 primary tenants	14% - 7,513 primary tenants
	Non-beneficiary market renters	5% - 548 primary tenants	5% - 2,693 primary tenants
	Beneficiary and NZS market renters	1% - 88 primary tenants	1% - 617 primary tenants

² South Auckland is defined as Manukau, Papakura and Franklin territorial authorities

The South Auckland story is similar to the story for Auckland:

- there is a lower proportion of clients with an ongoing need for social housing (segment one) compared to the rest of New Zealand
- nearly half of the primary tenants in South Auckland have an ongoing need for social housing (segment two), which is a higher proportion than the rest of the country, similar opportunities present to increase the WFCM for SPS and JSS recipients in this group
- the proportion of clients who have the potential to move from social housing in the short term (segment three) is about the same as the rest of the country.

Table 4. Average market rent, IRRS subsidy and rent paid in South Auckland compared to the rest of New Zealand.

	South Auckland (12,081 primary tenants)	Auckland (includes South Auckland) (29,921 primary tenants)	Rest of New Zealand (52,234 primary tenants)
Average market rent	\$372 per week	\$373 per week	\$305 per week
Average IRRS subsidy	\$252 per week	\$259 per week	\$205 per week
Average rent paid	\$132 per week	\$127 per week	\$114 per week

The average market rent and average IRRS subsidy in South Auckland are almost the same as those for Auckland as a whole. Like in Auckland, the higher South Auckland market rent demonstrates the higher affordability barrier that tenants in South Auckland would face if they did transition into equivalent accommodation in the private market in South Auckland, compared to the rest of the country.