

# Quarterly Monitoring Report on Urban Development Indicators Report No.6

**March 2022**

## National Policy Statement on Urban Development



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth  
District Council**



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## Executive Summary

This report provides an overview of New Plymouth housing and business development capacity for the March 2022 quarter. The report is designed to meet the monitoring requirements of the Government's *National Policy Statement on Urban Development 2020*, which requires local authorities to be well informed about urban development activity and outcomes. As such, this report uses a selection of nationally agreed indicators.

This is our sixth quarterly report reviewing statistical indicators of house prices, housing affordability and housing development, as well as business land (retail, commercial, and industrial) and floor space for the New Plymouth district. Statistical analysis of each data set provides a qualitative overview of our monitoring and the implications for the district.

Summary of findings:

The New Plymouth district is expected to experience moderate population growth.

- **Housing** indicators for New Plymouth show a mixture of growth and decline. Both the dwelling price and number of dwellings constructed have increased consistently over the past ten years whilst the number of dwellings sold and average floor size of a dwelling has seen a decline
- **Rent** has continued to increase but the rate of rental affordability remains slower than the cost of building or buying a home.
- **Affordability** is decreasing with the ever-increasing cost of buying and renting. Whilst the cost of renting is currently more affordable than purchasing your first home
- **Provision** of new homes and capacity realised: Both infill and greenfield development are occurring at a similar rate alongside rural development.
- **Business growth** has seen a slight resurgence in employment growth in the short term and medium term, with the exception of the retail trade.
- **Business space** has increased for both commercial and industrial while retail availability has dropped.

## Introduction

The *National Policy Statement on Urban Development 2020* (NPS-UD) came into effect on 20 August 2020. It replaced the *National Policy Statement on Urban Development Capacity 2016* (NPS-UDC) which was introduced by the Ministry for the Environment (MfE) in 2016. Under the current NPS-UD, New Plymouth district is defined as a tier 2<sup>1</sup> Council.

As a tier 2 local authority, the NPS-UDC requires councils to assess housing and business demand and capacity across the district. The New Plymouth District Council and the Taranaki Regional Council must provide sufficient development capacity for the New Plymouth district to meet demand over a 30-year period.

Both the New Plymouth District Council and Taranaki Regional Council recognise that affordable housing is important for people's well-being. For example, high housing costs can leave lower income households with insufficient income to meet other basic needs. Expenditure on housing is a major component of household spending and a key factor in the assessment of housing affordability.

To determine the level of development capacity required to meet the estimated population growth of the New Plymouth District, the NPS-UD requires the New Plymouth District Council and Taranaki Regional Council to:

Every tier 1, 2, and 3 local authority must monitor, quarterly, the following in relation to each urban environment in their region or district:

- (a) The demand for dwellings
- (b) The supply of dwellings
- (c) Prices of, and rents for, dwellings
- (d) Housing affordability
- (e) The proportion of housing development capacity that has been realised:
- (f) Available data on business land

## Purpose

The purpose of this report is to review indicators on house prices, housing affordability and housing development, as well as business land (retail, commercial, and industrial) and floor space in the New Plymouth district, for the quarter ending March 2022. The report fulfils the requirements of Clause 3.9 in the NPS-UD, summarising quarterly information for a range of indicators including:

- current house and rental prices and residential and business land capacity by location and type, including changes over time;
- the number of subdivision consents and building consents granted for urban development relative to population growth;
- Indicators of housing and rental affordability; and supply of business space.

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<sup>1</sup> The three tiers were informed by population size and growth rates according to the NPS-UD

## Scope and structure of quarterly report

This report contains updated residential and business indicators for the March 2022 quarter. To identify and understand trends, and better develop an overview of the impacts for the New Plymouth District, indicators are organised into groups.

The five residential baseline indicator groups are:

- Housing.
- Rentals.
- Price Efficiency.
- Housing Affordability.
- Provision of new houses.
- Housing Capacity Realised

The two business baseline indicators groups are:

- Employment and growth.
- Supply of business space.

Each data set data is presented graphically and accompanied by written explanation or analysis, as well as the data source. Data used in this report is from 2011 to 2021 and is sourced from a variation of sources. Including but not limited to the Ministry of Housing and Urban Development (HUD) dashboard. A dashboard on the HUD website provides information on a range of market indicators. The data is drawn from:

- Data purchased from Corelogic on housing sales, rating valuation and property attributes.
- The Ministry of Business, Innovation and Employment (MBIE) tenancy bond database
- Statistics New Zealand

The data published in this report is from the dashboard and was refreshed in February 2022.

To understand general trends around New Zealand and for comparative purposes, this report includes information on other tier 2 urban environments of a similar size and growth rate as the New Plymouth District; namely, Whangarei, Hastings and Nelson.

For the purpose of this report, all indicators relate to the wider New Plymouth District area.

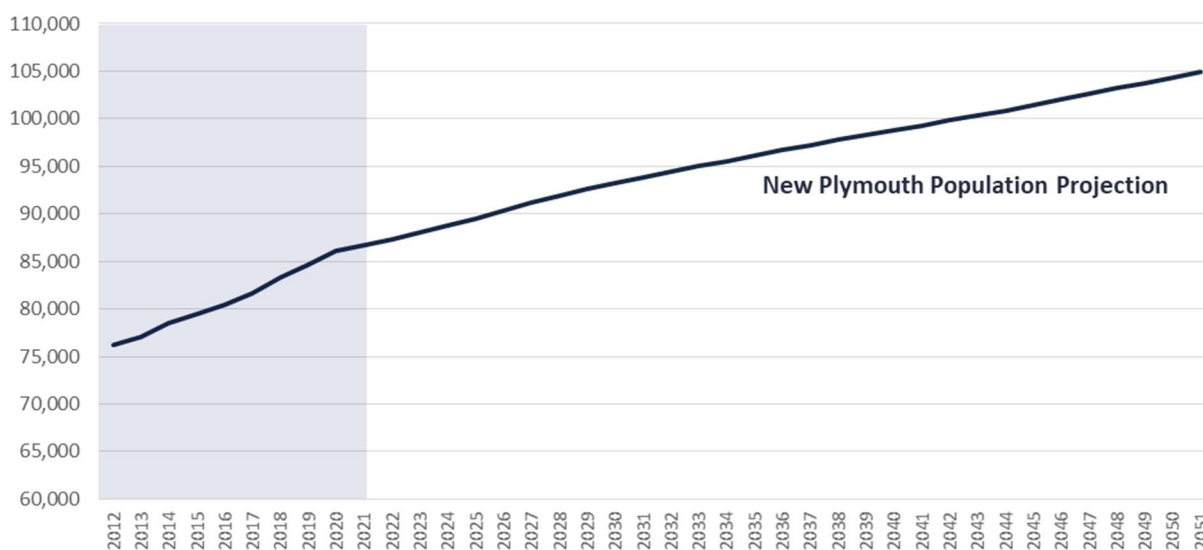
## Overview of population growth in the New Plymouth District

The New Plymouth District is situated in the wider Taranaki region and covers an area of 2,205 square kilometres, including both rural and urban areas. One of the resource management issues the district faces is planning for growth and development, whilst ensuring that the needs of the community are met and any adverse effects on the environment are avoided, remedied or mitigated.

NPDC, Venture Taranaki, South Taranaki District Council, Stratford District Council and Taranaki Regional Council we engaged Infometrics to provide us with population projections out to 2051 for all three districts. These forecasts were provided to Council officers before the Covid-19 pandemic impacted New Zealand significantly and the various alert level lockdowns. New Plymouth District Council have now adjusted the forecast based on the wider economic modelling that has been understand to understand the economic impact of Covid-19. We have taken the 'medium' projection from Infometrics and have reduced net migration in the lead up to the 2021 and the following four years.

The New Plymouth district is forecast to grow by 7,200 people (or 8.3 per cent) over the next 10 years to around 93,000. The population is then expected to grow to 104,900 over the next 30 years by the end of 2051.

### New Plymouth District Population Growth



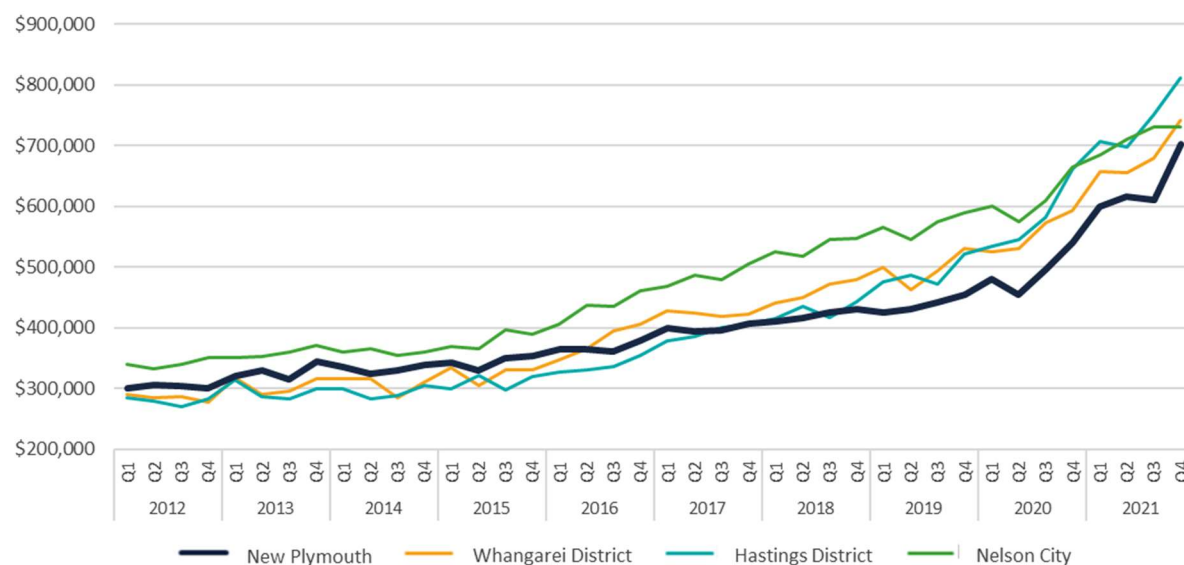
Source: Statistics NZ Population Estimates and Infometrics Projections

## Residential Indicators

This section summarises information on residential trends on supply and demand sourced from Ministry for the Environment (MFE) NPS-UD Dashboard, Internal NPDC data and Statistics NZ. It has been supplemented by specific local authority measures of housing age and type.

### Residential Indicators Group 1: Housing

Indicator 1: Price for housing-dwelling sale price (actual)



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

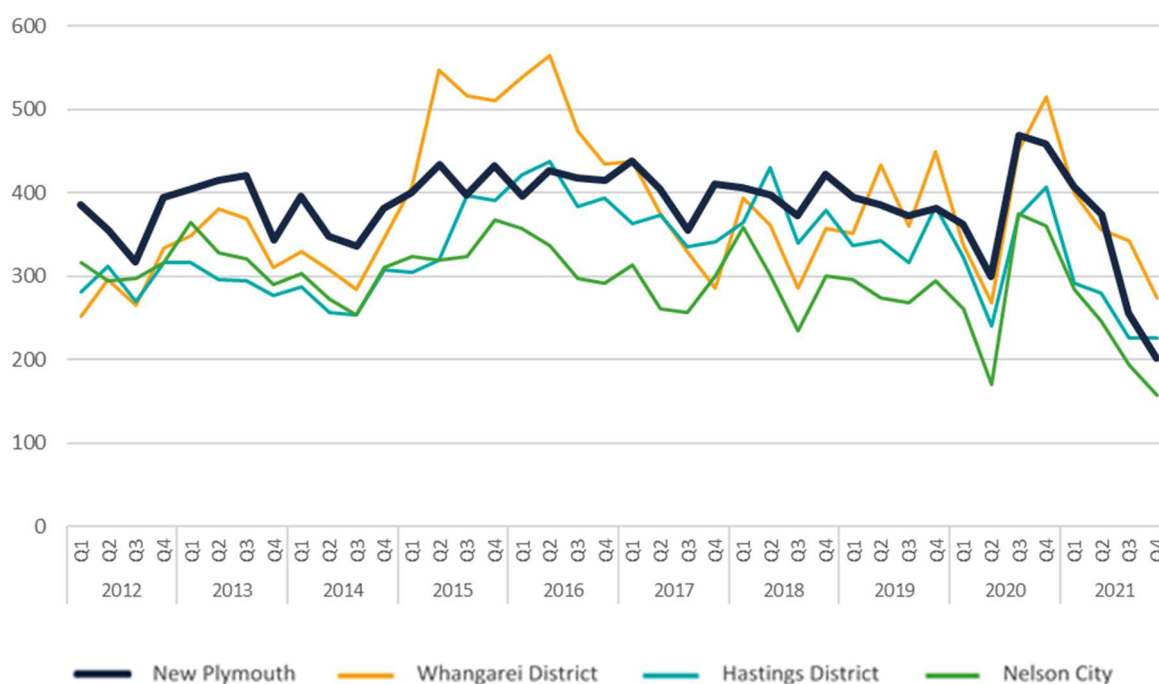
### Observations

	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>Sale Price</b>					
<b>New Plymouth</b>	\$302,300	\$420,000	\$631,700	50% ↑	109% ↑
<b>Whangarei</b>	\$283,800	\$458,300	\$683,100	48% ↑	140% ↑
<b>Hastings</b>	\$279,600	\$427,400	\$741,300	73% ↑	165% ↑
<b>Nelson</b>	\$340,800	\$532,500	\$713,700	34% ↑	109% ↑

Between 2012 and 2021, there was an increase in house prices across the New Plymouth District both in the short to medium term. However, the average house price has remained lower than other 'high' growth areas such as Whangarei and Nelson. The table below shows the sale prices for different housing types within the New Plymouth district. Over the ten-year period, the average annual increase in New Plymouth district house prices was 10.9 per cent per annum, versus the 10.9-16.5% versus districts of similar size.



## Indicator 2: Dwellings sold



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

### Observations

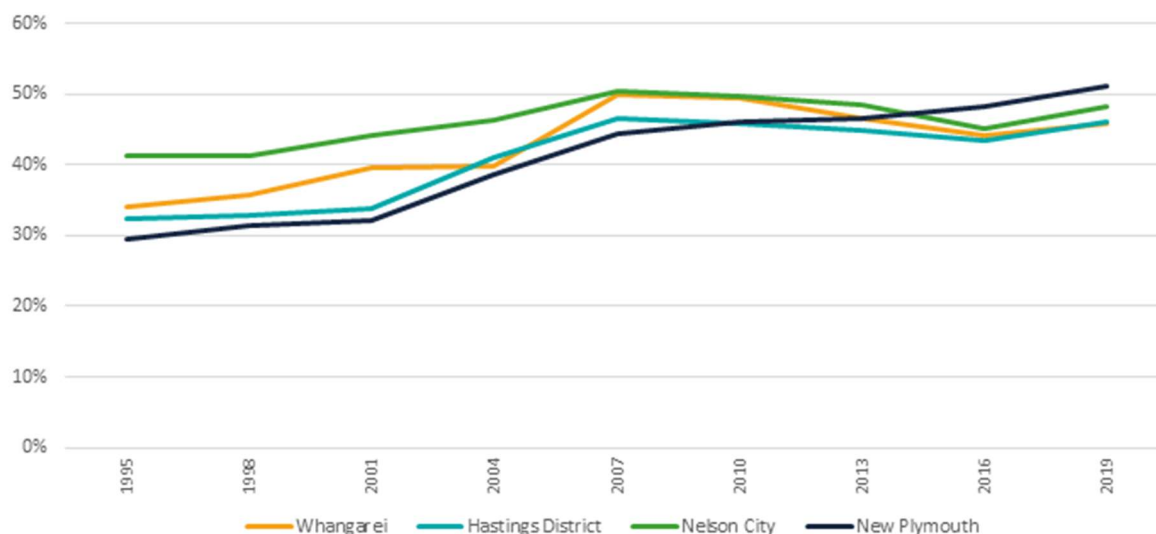
Dwellings Sold	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
New Plymouth	1,450	1,600	1,240	-23% ↓	-14% ↓
Whangarei	930	1,440	1,370	-4% ↓	47% ↑
Hastings	1,020	1,410	1,020	-28% ↓	0% ↔
Nelson	1,070	1,130	880	-22% ↓	-18% ↓

In the last ten years, on average, 385 dwellings were sold across the New Plymouth District, per quarter (or 1,538 per annum). Trends show a decrease in the number of house sales in 2020, this is across all comparative districts after the halt of all house sales during the level four lockdown in March/April 2020 due to Covid-19. This peaked again at the end of 2020 at nearly 500 sales in the third quarter. Going forward into 2021 the number of sales seems to be on the decline with a drop of 23% in the short term to below 2012 sales.

There is a consistent decrease in the number of house sales in the fourth quarter of each year. This is common in the property market, generally coinciding with the beginning of the Christmas season.

Often the number of dwellings sold can relate to both the housing-dwelling sale price, and the equilibrium between supply and demand of housing in these areas. Generally, the number of dwellings traded in the housing market is positively related to changes in price. For example, in the event of decreasing or stagnant house prices, the number of dwellings traded tends to decrease. Since we are starting to see a drop in sales it will be interesting to see if house prices follow suit as they are currently still increasing.

### Indicator 3: Land value as percentage of capital value



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

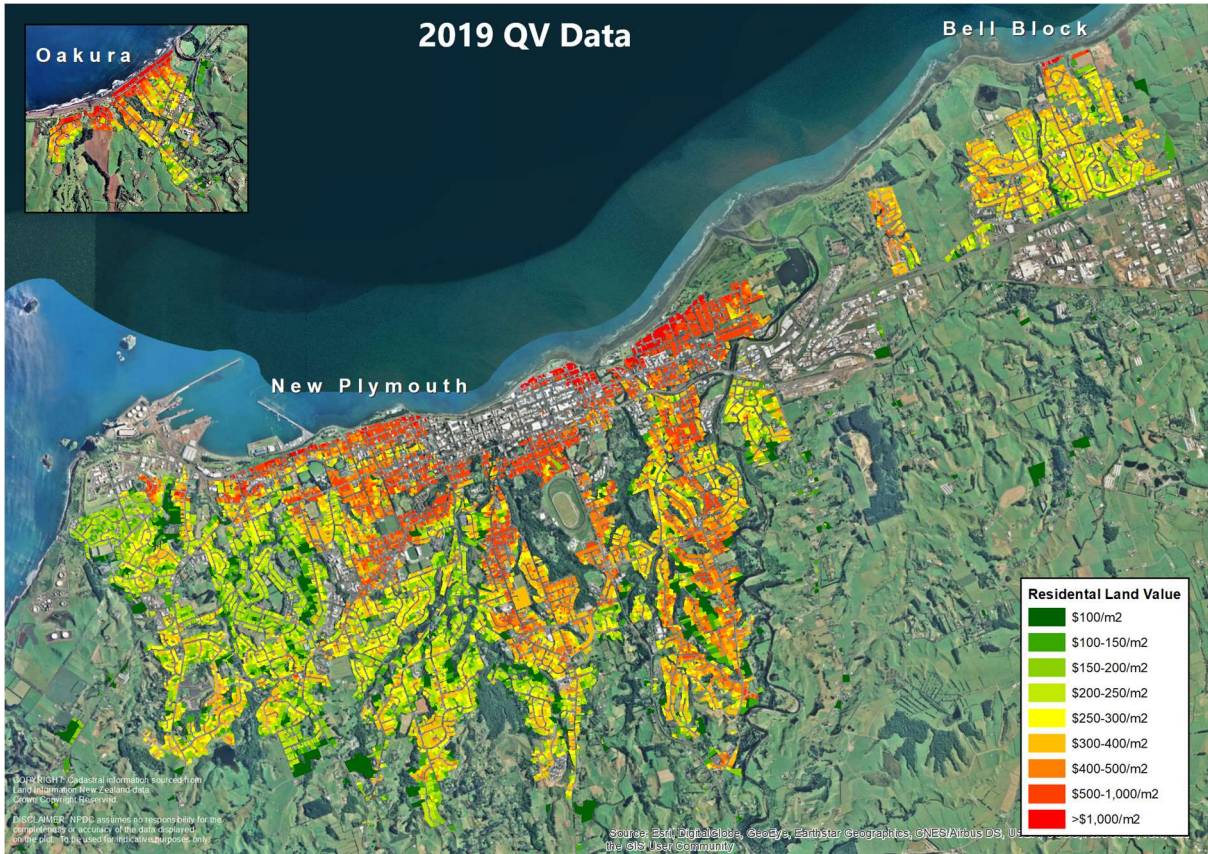
Data on land value as a percentage of capital value is sourced from Quotable Value on a three-yearly basis. The next update is due in 2022.

Available data on this indicator shows the estimated proportion of house values related to land prices at each valuation period. A higher ratio indicates that land is more valuable in relation to the buildings that occupy it.

#### Observations

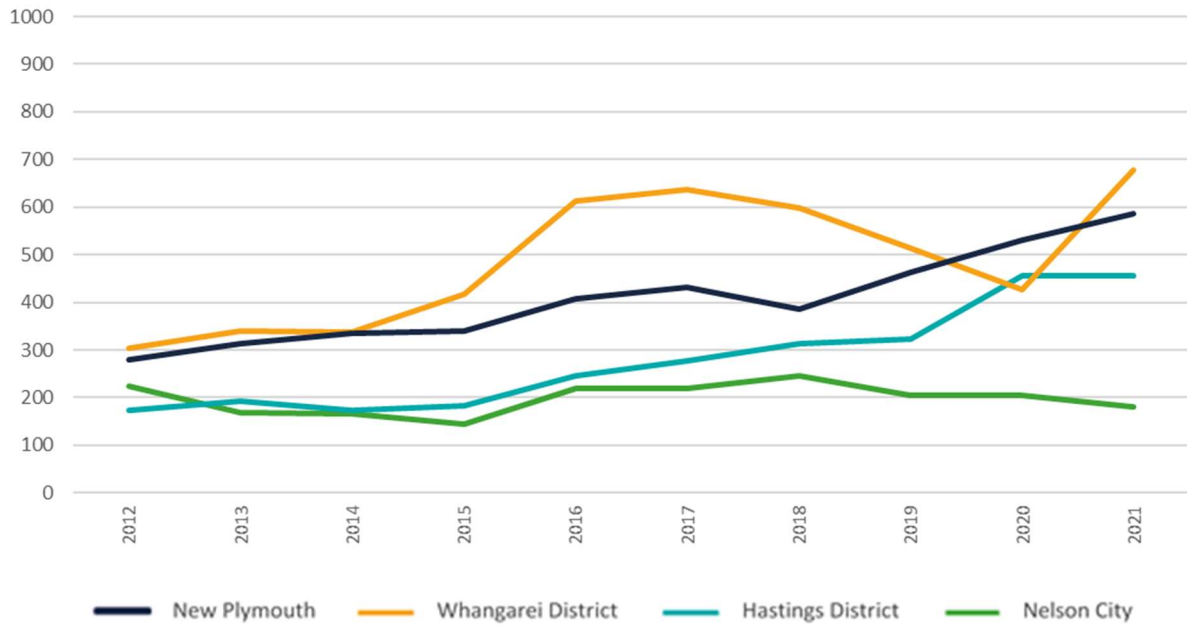
LV % CV	2010	2016	2019	Short Term % Change 2016-2019	Medium Term % Change 2010-2019
<b>New Plymouth</b>	<b>46%</b>	<b>48%</b>	<b>51%</b>	<b>6% ↑</b>	<b>11% ↑</b>
<b>Whangarei</b>	49%	44%	46%	4% ↑	-7% ↓
<b>Hastings</b>	46%	43%	46%	6% ↑	1% ↑
<b>Nelson</b>	50%	45%	48%	7% ↑	-3% ↓

Land value as a percentage of capital value slowly increased across the New Plymouth District in the nine years between 2010 and 2019. The higher ratio indicates that over time, land is becoming more valuable in relation to the buildings that occupy it. Increases in land value is mainly related to the proximity of properties to specific amenities such as the beach, sea views or the city centre, as shown in the map below.



Source: QV 2019 Data

**Indicator 4: Number of residential dwelling building consents**



Source: Statistics NZ (InfoShare), February 2022

The number of consents for residential dwelling construction across the New Plymouth District per calendar year can be determined up to 2021. These are classified as: dwellings, houses, apartments, townhouses, units and others dwellings. We have separated the rest home villas and townhouse building consents from the overall new residential building's consents and are displayed individually in the next section.

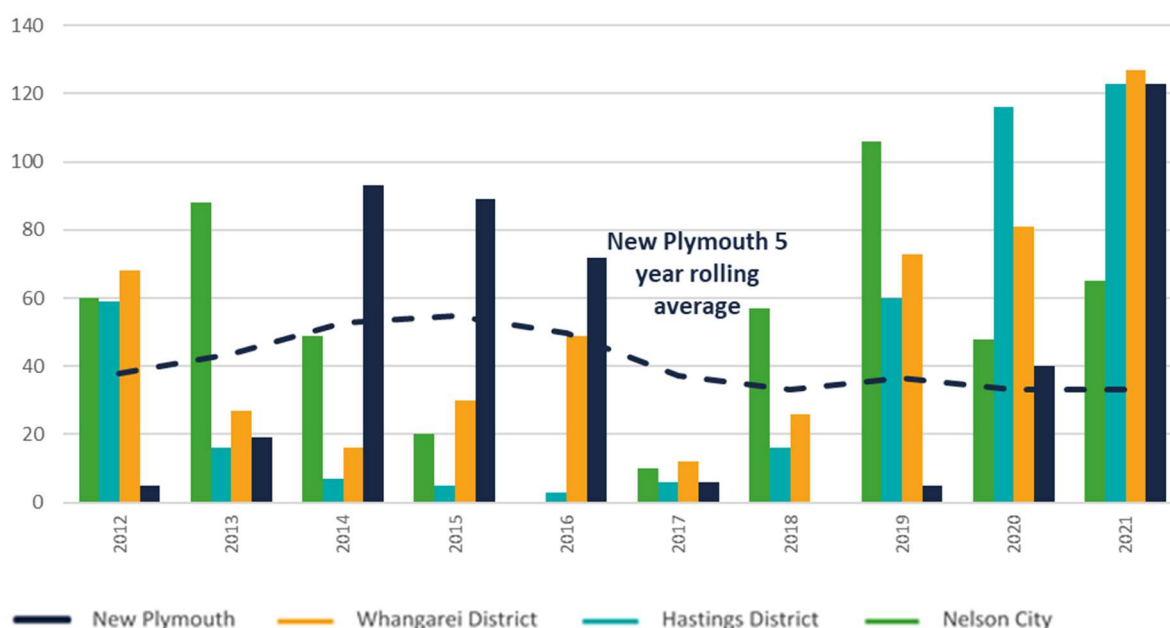
### Observations

Building consents for residential dwellings	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>New Plymouth</b>	<b>279</b>	<b>387</b>	<b>585</b>	<b>51% ↑</b>	<b>110% ↑</b>
Whangarei	303	599	677	13% ↑	123% ↑
Hastings	174	314	457	46% ↑	163% ↑
Nelson	225	246	181	-26% ↓	-20% ↓

Over the past ten years we have on average 400 residential building consent for new dwellings excluding retirement village villa and townhouses. This has been on the rise in the past ten years.

### Retirement Villages

We have removed the building consent application for retirement village villas and townhouses from the overall consent applications. In 2021 we had an application from a retirement village in Bell Block for over 120 villas, cottages and serviced apartments which are classified as new dwellings. These dwellings are still under construction with many still not completed and will be ongoing in 2022. In 2018 we receive no applications for these types of dwellings which in contrast to 2021 creates significant spikes in data which is why we have removed them from residential dwelling data. If we look at a five year rolling average we would expect around 40 new retirement village dwellings per year.

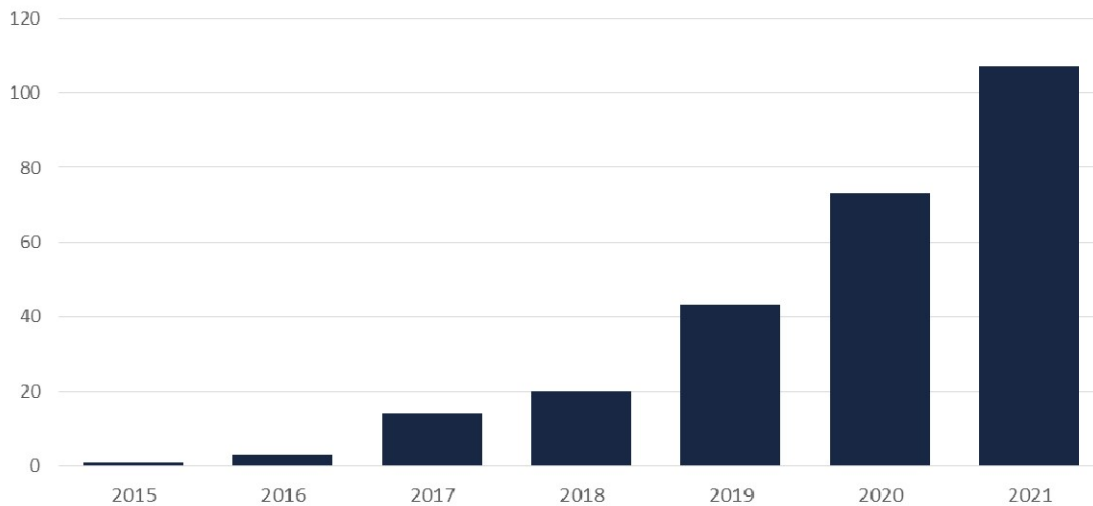


Source: Statistics NZ (InfoShare), February 2022



## Transportable/prefabricated Dwelling Building Consents

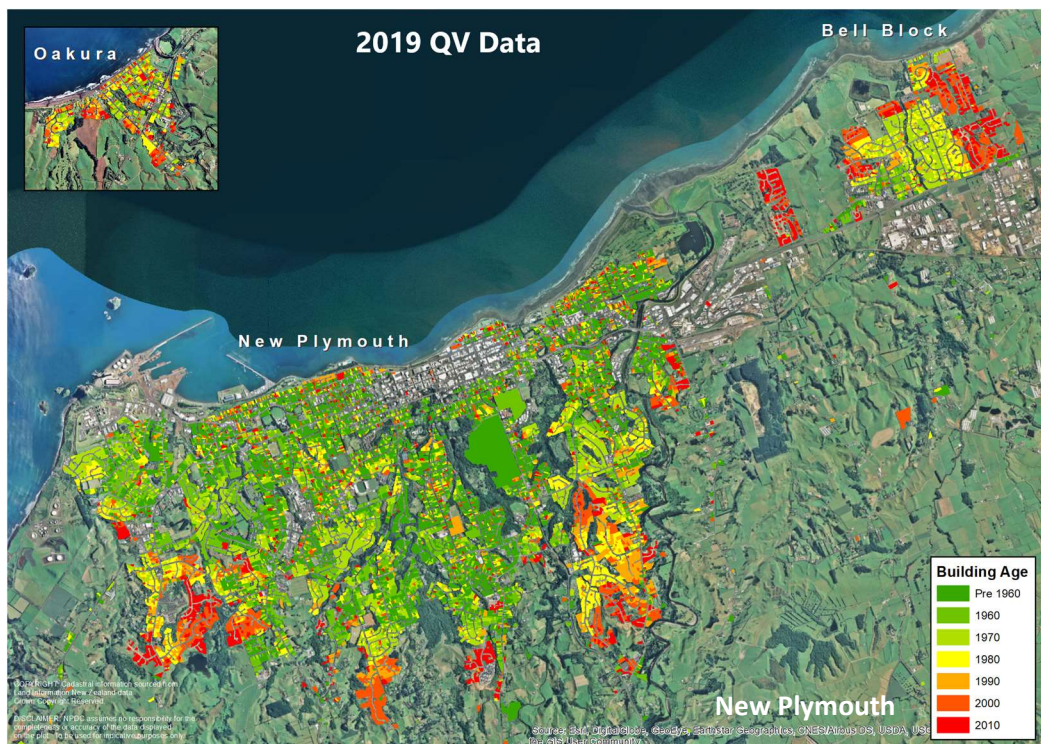
In New Plymouth District we have a few onsite building manufacturers who build transportable/prefabricated houses. We have seen a large increase in the number of consents over the past seven years. These are all counted as new residential building consents even if they don't stay in the District. The transportable/prefabricated dwellings are counted where they are built (factory) not the destination, which may be in a different territorial authority area.



Source: NPDC Internal Data, January 2022

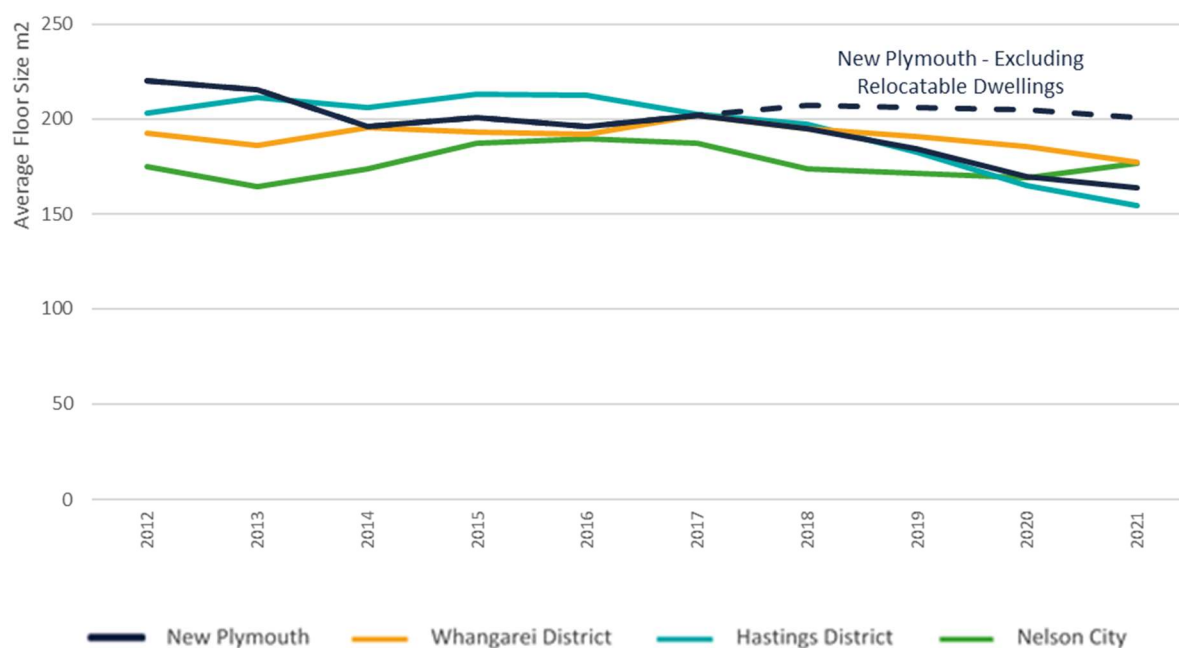
This trend is expected to continue with the increasing demand for smaller homes and shorter building times.

## Age of dwellings by location to 2019



Source: Quotable Valuation Data 2019 next update will in 2023

## Indicator 5 –Average Floor Size per Residential Building



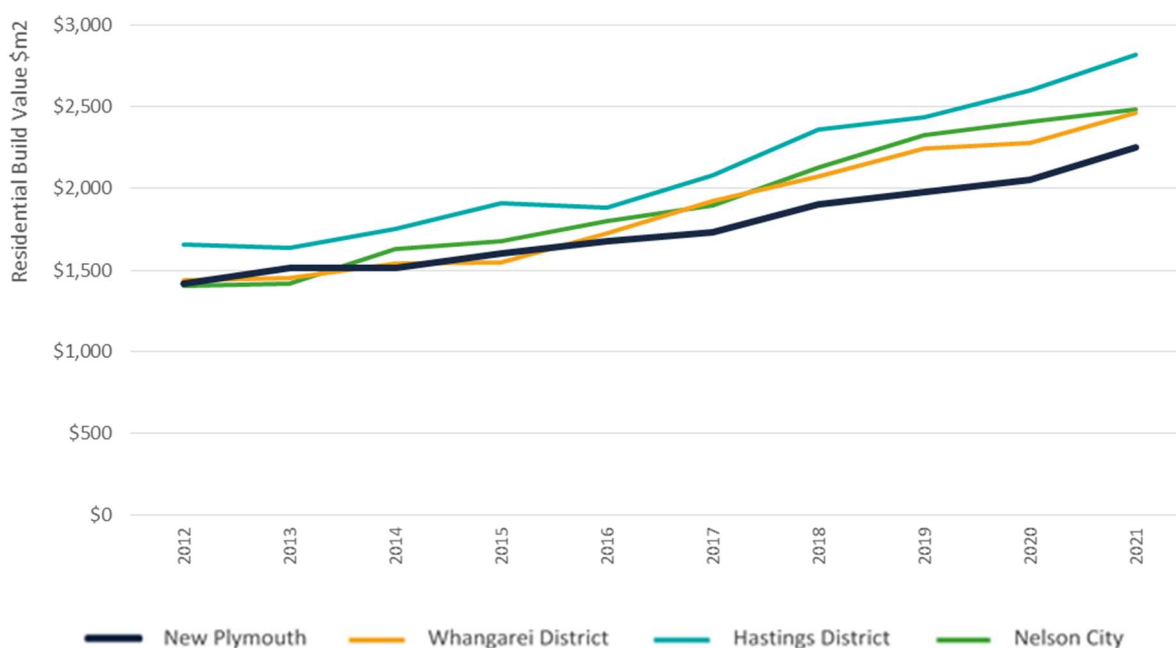
Source: Statistics NZ (InfoShare), February 2022

### Observations

Average Floor Size	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>New Plymouth</b>	<b>220m<sup>2</sup></b>	<b>195m<sup>2</sup></b>	<b>164m<sup>2</sup></b>	<b>-16% ↓</b>	<b>-25% ↓</b>
<b>Whangarei</b>	193m <sup>2</sup>	195m <sup>2</sup>	178m <sup>2</sup>	-9% ↓	-8% ↓
<b>Hastings</b>	203m <sup>2</sup>	197m <sup>2</sup>	154m <sup>2</sup>	-22% ↓	-27% ↓
<b>Nelson</b>	175m <sup>2</sup>	174m <sup>2</sup>	177m <sup>2</sup>	2% ↑	1% ↑

The average house size across New Plymouth District has been on a slow decline over the past ten years. Two types of dwellings are a major influence on this reduction of floor size. One is the increasing number of prefabricated dwellings as indicated above which have a smaller floor area which enables them to be transported. With over 100 prefabricated/transportable dwelling building consent applications in 2021, which have an average floor size of only 82m<sup>2</sup> (ranging from as little as 27m<sup>2</sup> to 155m<sup>2</sup>). The other is the increasing number of townhouse and villas that are being built in the last two years by retirement villages. They tend to have a smaller floor area to accommodate the older generation of couples and single person households. These two types of dwellings are increasing in demand due to building costs, section size and aging population. If we removed these types of dwellings from the total floor remains at around 205m<sup>2</sup> for a standalone dwelling in New Plymouth over the past ten years.

## Indicator 6: Average value per square meter for residential building dwelling consent



Source: Statistics NZ (InfoShare), February 2022

### Observations

Average Build Cost \$m2	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
New Plymouth	\$1,421	\$1,903	\$2,255	19% ↑	59% ↑
Whangarei	\$1,442	\$2,076	\$2,462	19% ↑	71% ↑
Hastings	\$1,655	\$2,364	\$2,819	19% ↑	72% ↑
Nelson	\$1,408	\$2,129	\$2,487	17% ↑	77% ↑

The average build cost per square meter for residential houses across the New Plymouth District over the past ten years has increased, at an average of around 5.9% per annum. The average build cost is lower than Whangarei, Nelson and Hastings.

### Summary on housing indicators for New Plymouth District

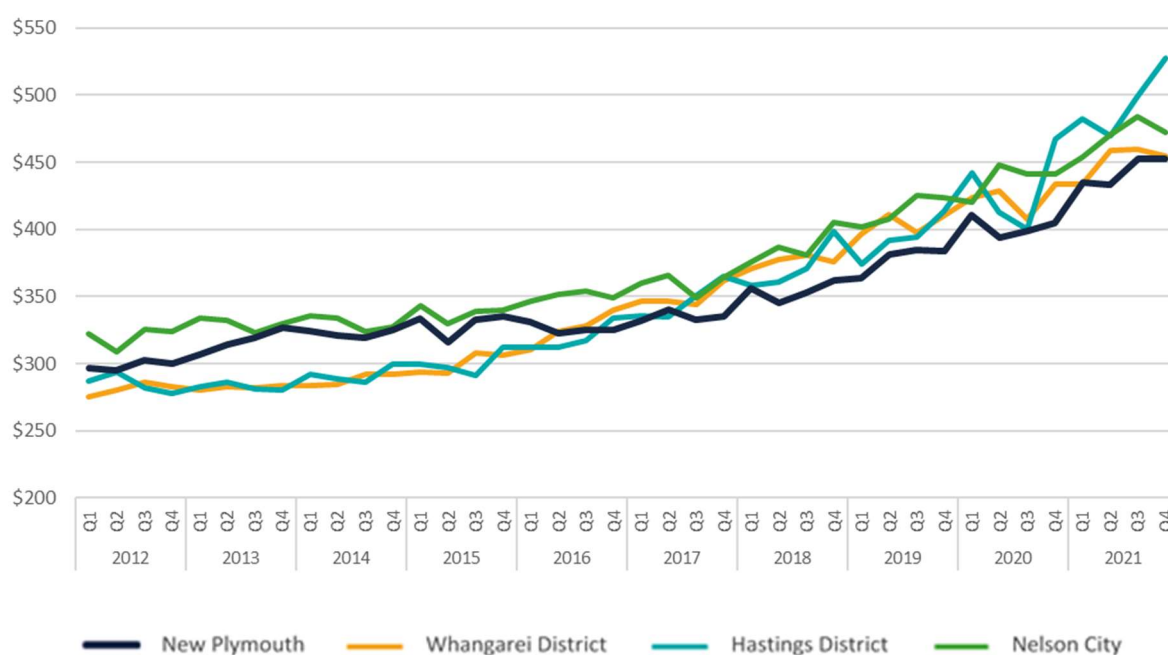
	New Plymouth District	
	Short Term % Change	Medium Term % Change
1. Dwelling sales price	↑	↑
2. Dwellings sold	↓	↓
3. LV % CV	↑	↑
4. Number of Consents	↑	↑
5. Average floor size	↓	↓
6. Average value \$m2	↑	↑

In summary, the housing indicators discussed above provide information on the relative 'health' of the property market across the New Plymouth District, including major trends and how they could be influenced by growth and development.

The housing indicators for New Plymouth show a mixture of growth and decline. Both the dwelling price and number of dwellings constructed have increased consistently over the past ten years whilst the number of dwellings sold and average floor size of a dwelling has seen a decline. Consequently, the cost of building or buying a home in New Plymouth has become more expensive. The number of dwellings sold could indicate a potential drop in the housing market but that has yet to be seen in the sales price.

## Residential Indicators Group 2: Rent

### Indicator 7: Dwelling Rents



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

### Observations

Average Rent	2012	2018	2021	Short Term % Change (2018-2021)	Medium Term % Change (2012-2021)
<b>New Plymouth</b>	<b>\$299</b>	<b>\$354</b>	<b>\$444</b>	<b>25% ↑</b>	<b>48% ↑</b>
<b>Whangarei</b>	\$281	\$377	\$452	20% ↑	61% ↑
<b>Hastings</b>	\$285	\$372	\$495	33% ↑	73% ↑
<b>Nelson</b>	\$320	\$387	\$470	21% ↑	47% ↑

Rents across the New Plymouth District have increased over the past ten years, at an average rate of around 5% per annum. However, the overall increase in rent is less than the overall increase in house



prices (10.9%). Rents are expected to continue to increase in the long term, as they have done previously, alongside an increase in general commodity.

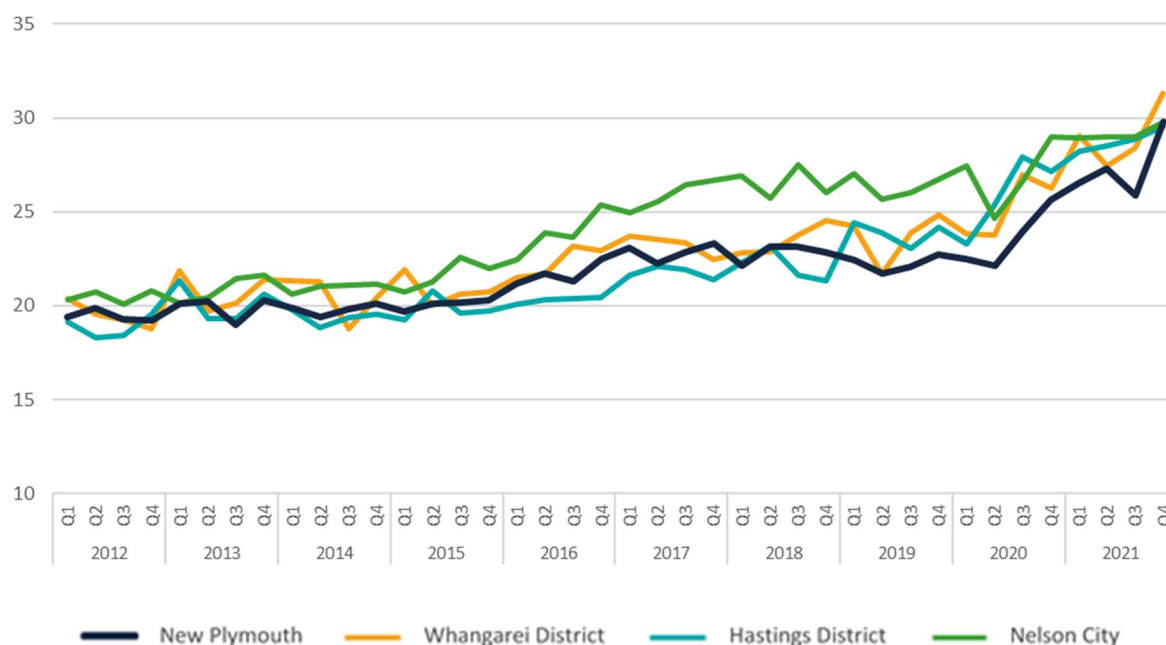
### Indicator 8: Rentals per dwelling type New Plymouth

	Median Rent Feb 19	Median Rent Feb 20	Median Rent Feb 21	Median Rent Feb 22
One bedroom	\$248	\$268	\$268	\$255
Two bedrooms	\$321	\$335	\$360	\$424
Three bedrooms	\$389	\$420	\$495	\$517

Source: Tenancy New Zealand – Market Rent Data, February 2022

Increases in rental costs can be seen on 2-3 bedroom, but a small decrease in one-bedroom dwellings. This could just be an outlier due to lack of data for 1-bedroom dwellings so we will continue to monitor this data set.

### Indicator 9: Ratio of dwelling sales prices to rent



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

### Observations

	2012	2018	2021	Short Term % Change (2018-2021)	Medium Term % Change (2012-2021)
<b>New Plymouth</b>	<b>19.5</b>	<b>22.8</b>	<b>27.4</b>	<b>20% ↑</b>	<b>41% ↑</b>
Whangarei	19.5	23.5	29.1	24% ↑	49% ↑
Hastings	18.9	22.1	28.8	30% ↑	53% ↑
Nelson	20.5	26.5	29.2	10% ↑	43% ↑

The ratio of dwelling sale prices to rents in New Plymouth is currently 27.4, which indicates that the median house price is 27.4 times the mean annual rent paid. The ratio has increased in the short to

medium term. While both house prices and market rentals have increased, the data suggests that it is currently more affordable to rent in New Plymouth than to purchase a home.

### Summary on rental indicators for New Plymouth District

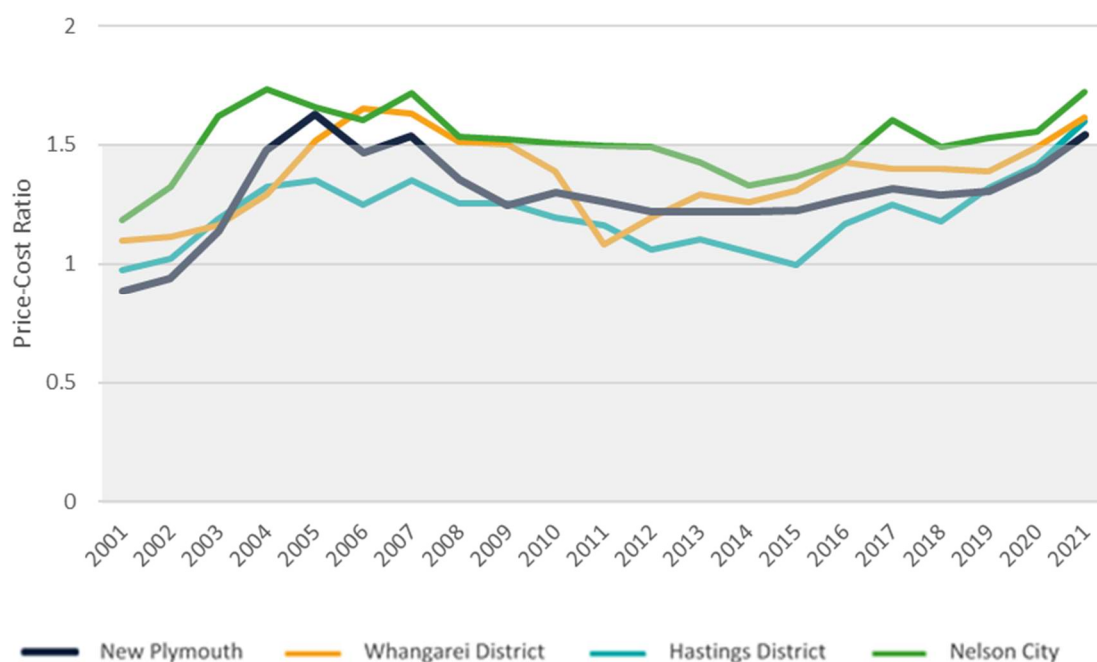
	Short Term % Change	Medium Term % Change
7. Dwelling rents	↑	↑
8. Rentals per dwelling type		↑
9. Ratio of dwelling sale prices to rent	↑	↑

In summary, over the past ten years rental costs have increased but the ratio of dwelling sale prices to rents has increased also. This is because the rental price in New Plymouth has not increased at the same rate of purchasing a new home.

### Residential Indicators Group 3: Price Efficiency

The price efficiency indicators provided by the Urban Development dashboard to help Councils to understand how their local markets are responding to growth.

#### Indicator 12: Price Cost Ratio



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

The price-cost ratio, which compares the extent to which construction costs or land costs contribute to house prices.

The methodology used to develop price-cost ratios for housing in New Zealand urban areas and territorial authority can be found here <https://www.hud.govt.nz/assets/Urban-Development/NPS-UDC/595209f7f3/National-Policy-Statement-on-Urban-Development-Capacity-Price-efficiency-indicators-technical-report-Price-cost-ratios.pdf>

The key components of the price-cost ratio are illustrated below:

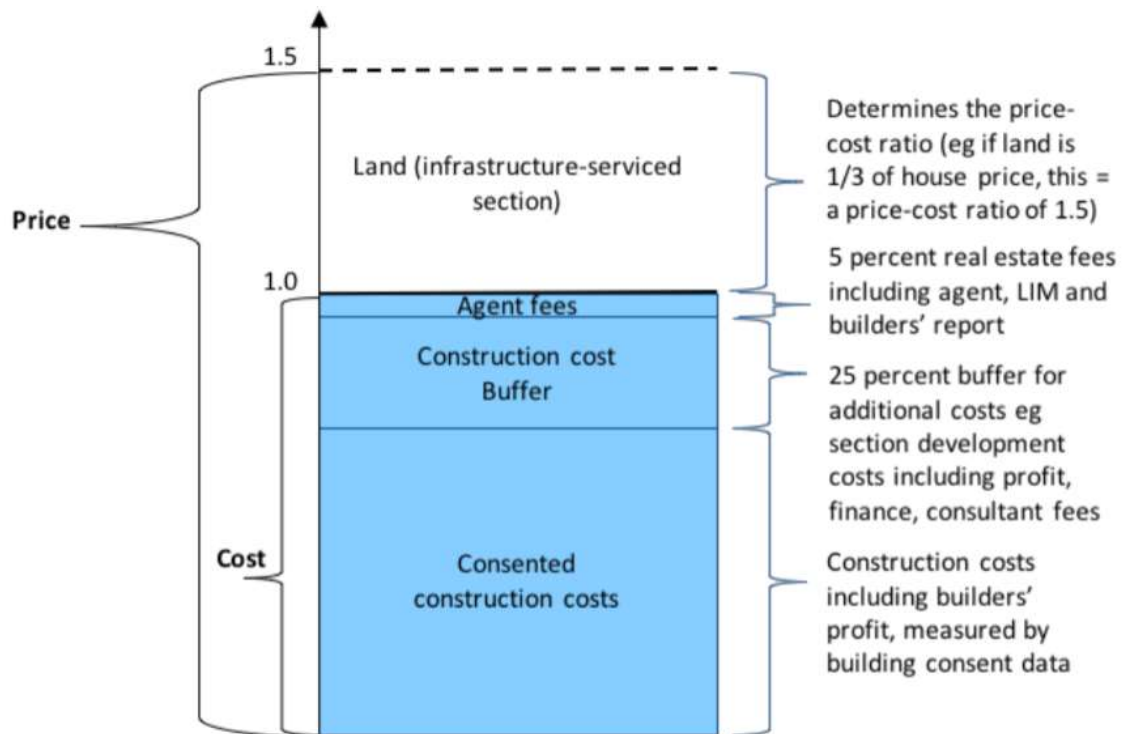


Figure 0.1: The components of the price-cost ratio

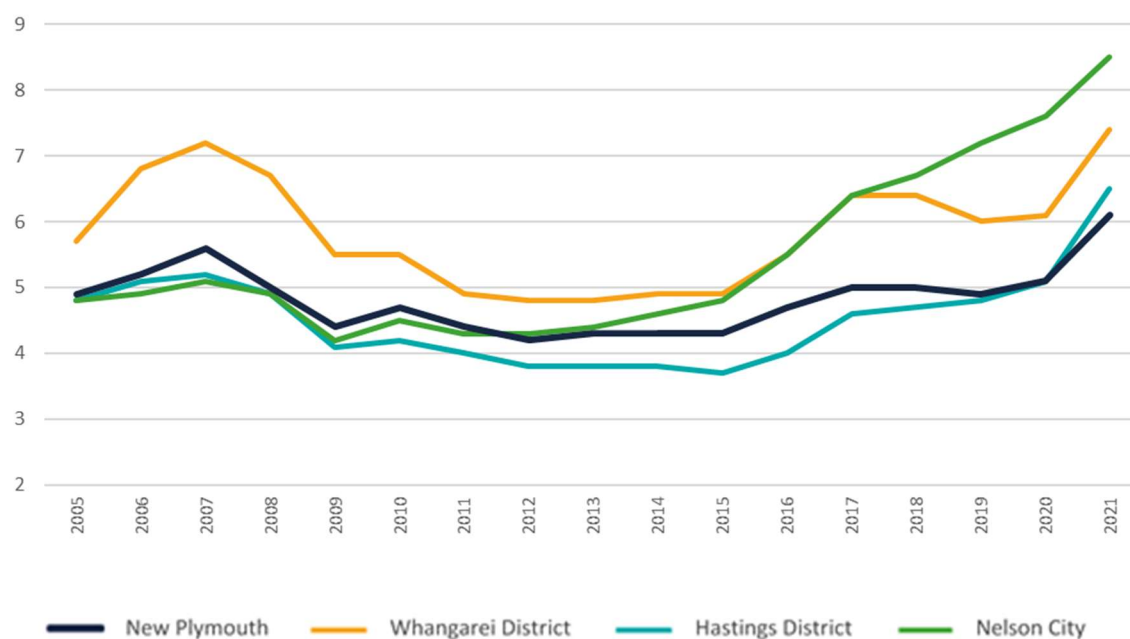
Over time, except during periods of rapid growth most areas show price cost ratios below 1.5 (where the cost of sections comprises less than one third of the price of a house). These results suggest a threshold of 1.5, below which land markets are operating well, and above which it appears there are constraints on the supply of infrastructure-serviced sections relative to demand. New Plymouth follows a trend along with similar sized TA in New Zealand. It previously breached the 1.5 threshold back in 2005 but dropped back down again till it recently rose back above 1.5 again in 2021.

#### Residential Indicators Group 4: Housing Affordability Index

Affordable housing is important for people's well-being. For lower-income households, high housing costs relative to income are often associated with severe financial difficulty, and can leave households with insufficient income to meet other basic needs such as food, clothing, transport, medical care and education. High outgoings-to-income ratios are not as critical for higher-income earners, as there is sufficient income left for their basic needs.

This section investigates the affordability of buying and renting in New Plymouth. By comparing average current house values and rent with mean household income. A higher ratio, therefore suggests cost and rents are greater than typical incomes, which indicates lower affordability.

### Indicator 13: Housing Affordability Index (HAI) – Buy



Source: Infometrics: Taranaki Region Economic Profile, February 2022

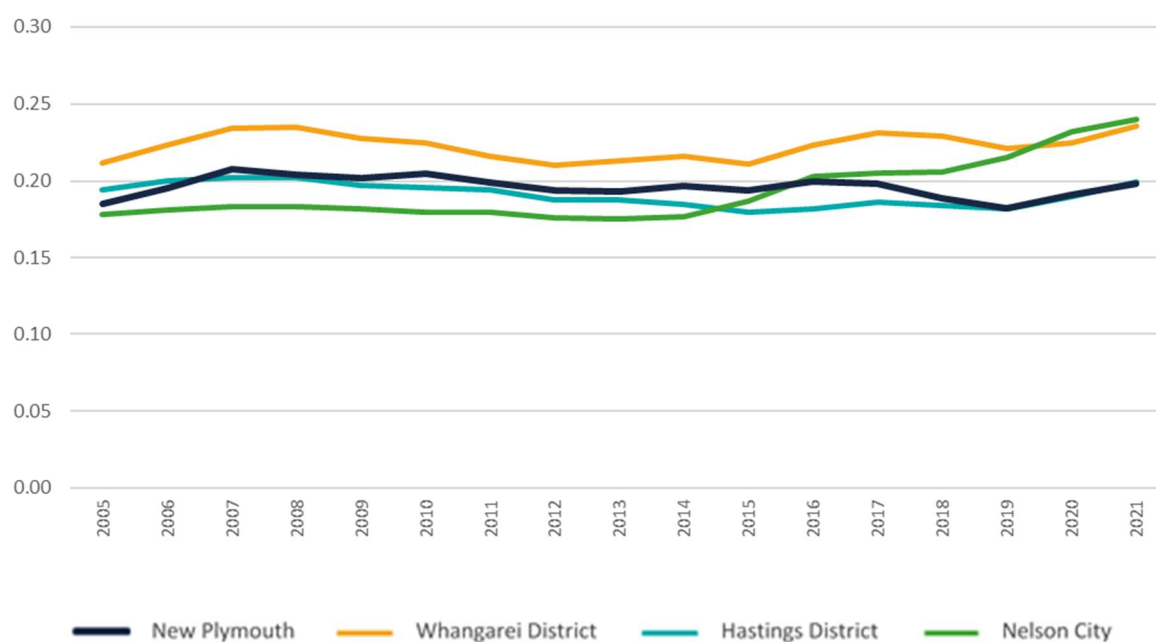
This section compares the average current house values with mean household income. We present a housing affordability index which is the ratio of the average current house value to average household income.

#### Observations

HAI - Buy	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>New Plymouth</b>	<b>4.2</b>	<b>5.0</b>	<b>6.1</b>	<b>22% ↑</b>	<b>45% ↑</b>
Whangarei	4.8	6.4	7.4	16% ↑	54% ↑
Hastings	3.8	4.7	6.5	38% ↑	71% ↑
Nelson	4.3	6.7	8.5	27% ↑	98% ↑

The cost of buying an average house in New Plymouth is 6 times the average household income, compared with back in 2012 when it was only 4.2. The cost of buying a first home in New Plymouth has increased, with in turn means housing affordability has decreased. While this is consistent with national trends New Plymouth HAI is lower than similar Districts and the current national average for New Zealand of 7.8 in 2021.

## Indicator 14: Housing Affordability Index (HAI) – Rents



Source: Infometrics: Taranaki Region Economic Profile, February 2022

This section compares the average weekly rents with average weekly household income. We present a rental affordability index which is the ratio of the average weekly rent to average household income.

### Observations

HAI - Rent	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
New Plymouth	0.194	0.189	0.198	5% ↑	2% ↑
Whangarei	0.210	0.229	0.236	3% ↑	12% ↑
Hastings	0.188	0.184	0.199	8% ↑	6% ↑
Nelson	0.176	0.206	0.240	17% ↑	36% ↑

Even though the cost of renting in New Plymouth has increased over the past ten years, rental affordability has been fairly stationary in the short to medium term. This is because rental increases have increased alongside household income.

As mentioned above, the housing affordability index for renting in New Plymouth has not increased at the same rate of buying. Therefore, it is currently more affordable to rent in New Plymouth than to purchase a home.

### Summary of housing affordability for New Plymouth District

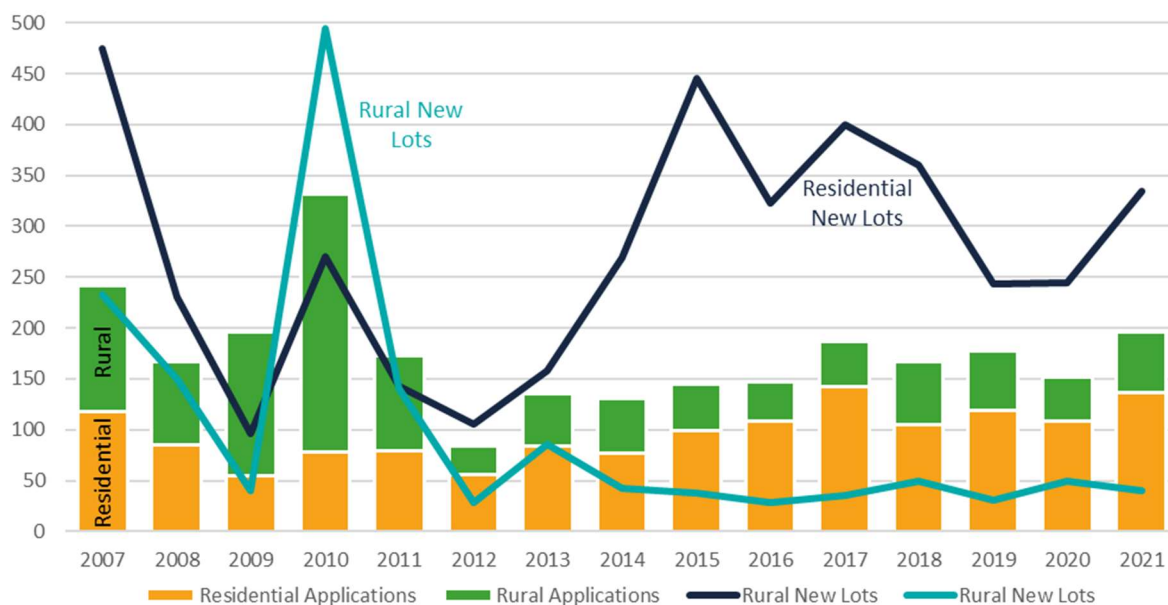
	Short Term % Change	Medium Term % Change
13. HAI - Buy	↑	↑
14. HAI - Rent	↑	↑

In summary, both house prices and rents have increased. The housing affordability measure has just increased at a much higher rate than the rental affordability.

## Residential Indicators Group 5: Provision of new houses

### Indicator 15: Residential and Rural subdivision consents

The number of residential and rural subdivision applications and estimated number of new lots since 2007.



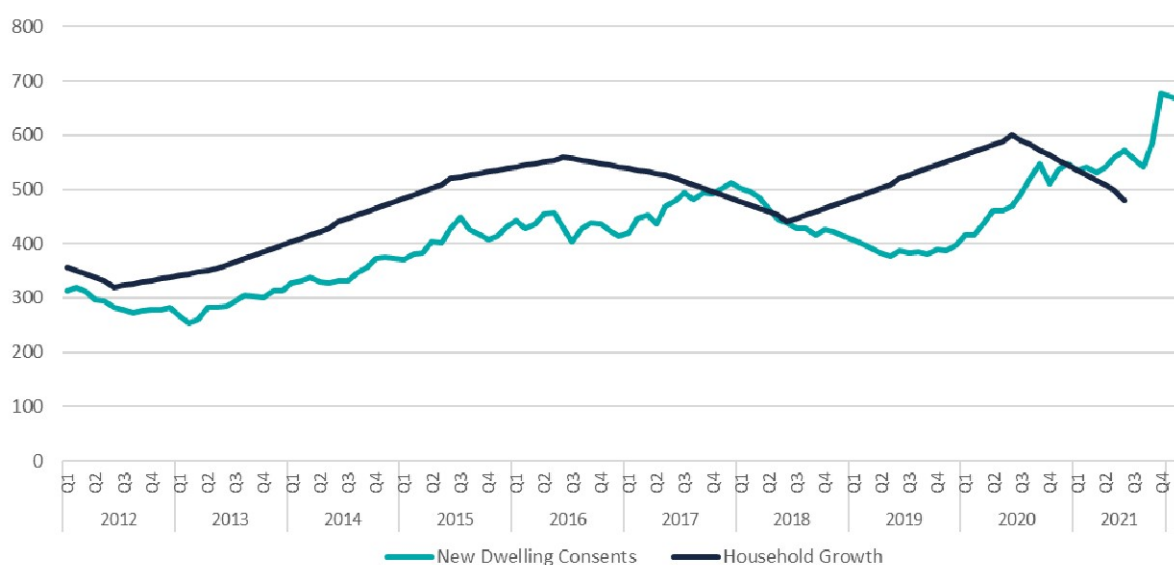
Source: NPDC Data, March 2022

### Observations

	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>Applications</b>	<b>84</b>	<b>167</b>	<b>196</b>	<b>17% ↑</b>	<b>133% ↑</b>
Residential	56	105	137	30% ↑	145% ↑
Rural	28	62	59	-5% ↓	111% ↑
<b>Estimated New Lots</b>	<b>134</b>	<b>409</b>	<b>374</b>	<b>-9% ↓</b>	<b>179% ↑</b>
Residential	105	360	334	-7% ↓	218% ↑
Rural	29	49	40	-18% ↓	38% ↑

The number of residential/rural subdivision applications across the New Plymouth District over the previous ten years has been slightly varied. A significant increase in the number of rural lots in 2010 was in response to a plan change. Since 2015 around two thirds of all applications were in the residential environment with the remaining third in the rural environment. The number of estimated new rural lots is much lower than residential as majority of the rural applications are for two lots subdivision. This is the division of a larger rural lot with a new single smaller lot for a new dwelling. While residential subdivision applications vary with some applications for over 100 new lots and a mixture of smaller developments with around 2-3 lots.

### Indicator 16: New dwellings compared to household growth.



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

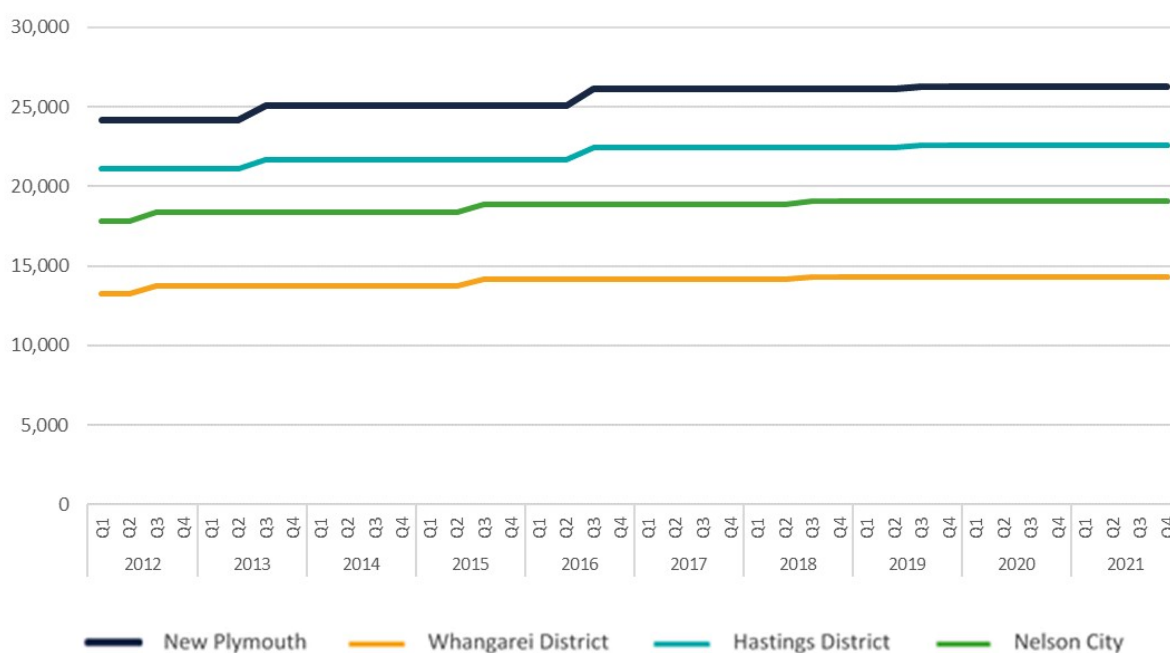
### Observations

	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
<b>Household growth</b>	320	440	480	9.1% ↑	50.0% ↑
<b>New consents*</b>	290	447	582	30.1% ↑	100.3% ↑
<b>% Comparison</b>	110%	98%	83%		

Generally, over the past ten years, the rate of household growth has been slightly above that of new dwellings consented. During 2020, the number of consented dwellings has started to climb well above that of household growth. In the past year, we have seen a record number of residential consents, which should assist maintaining reasonable sale prices and housing affordability.

\* Data on the quantity of building consents for new dwellings across the New Plymouth District has a six-month lag. This accounts for the time taken from consent approval to completion, as recommended by MBIE. Data from previous reports changed slightly due to updates in census Population data.

## Indicator 17: Dwelling stock



Source: HUD Urban Development Capacity Dashboard, Last updated February 2022

### Observations

Dwelling stock	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
New Plymouth	24,129	26,110	26,277	1% ↑	8% ↑
Whangarei	13,478	14,260	14,323	0% ↑	6% ↑
Hastings	21,143	22,426	22,602	1% ↑	6% ↑
Nelson	18,091	18,941	19,041	1% ↑	5% ↑

Available housing stock in the New Plymouth District has increased, mirroring increases in population. This increase has been consistent over the past ten years, but much lower than the actual increase in residential building consent applications. This data seems to only be updated on a three-year bases with an average of 215 new dwellings per annum.

### Summary in the provision of new houses in the New Plymouth District

	Short Term % Change	Medium Term % Change
15. Subdivision consents	↓	↑
16. Growth v. consents	Combined measure	
17. Dwelling stock	↑	↑

A small decrease in sub-dividable lots available in the short term and in residential consent applications indicates an increase in the number of dwellings available across the New Plymouth District. This level of change is evident in positive changes in both Group 1 and Group 2 Indicators for housing provision.



## Residential Indicators Group 6: Housing development capacity realised

This section helps us understand where recently development has occurred and how much capacity identified in the last 2021 HCA remains for future development. Around 55% of all the residential building consents in 2021 occur within the identified capacity. They are fairly evenly split between both infill development 26% and undeveloped residential land 26%. This leaves a remaining estimated 13,145 feasible dwellings in the long term.

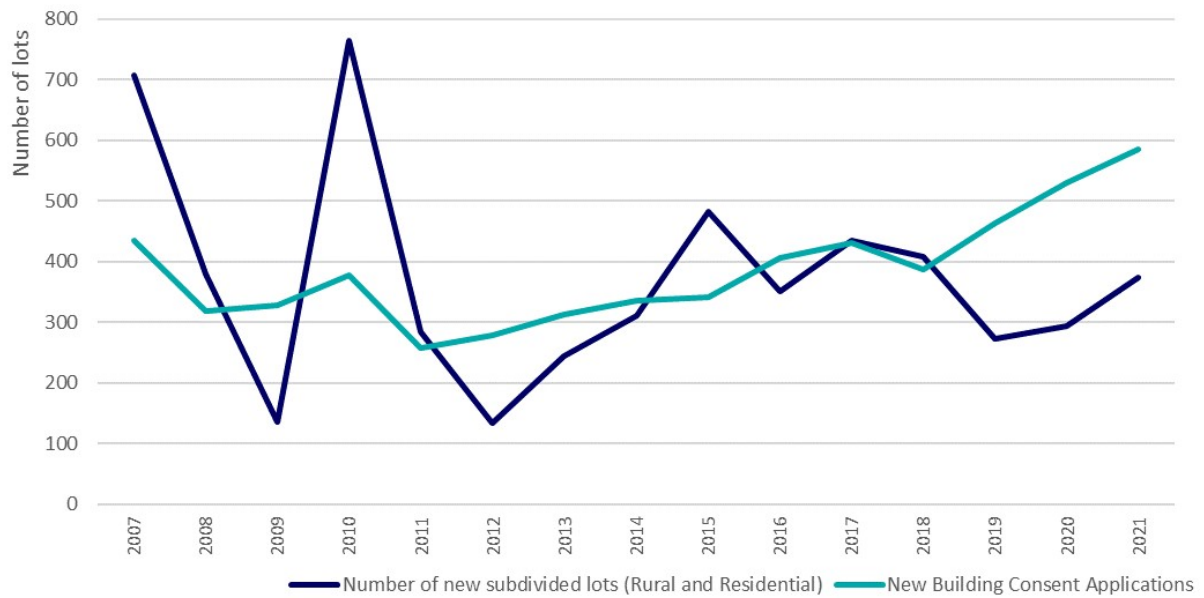
### Indicator 18: 2021 Housing Development Realised

	Feasible Yield	2021 Building Consents	Percentage By Type	Remaining Capacity
Rural Lifestyle	181	0	0%	181
Infill	3,074	153	26%	2,921
Undeveloped Residential Land	2,946	150	26%	2,796
Area Q Undeveloped Residential Land	670	11	2%	659
Rezoned Residential Land in the Proposed District Plan	680	3	1%	677
Patterson Road Growth Area	218	0	0%	218
Junction Stage 1 Growth Area	150	3	1%	147
Carrington Growth Area	267	0	0%	267
Junction Stage 2 Growth Area	119	0	0%	119
Frankley/Cowling Growth Area	708	0	0%	708
Area R Growth Area	480	0	0%	480
Oakura Growth Areas	472	1	0%	471
Waitara Growth Area	323	0	0%	323
Smart Road Growth Area	3,179	1	0%	3,178
	<b>13,467</b>	<b>322</b>	<b>55%</b>	<b>13,145</b>
<i>Not identified in the 2021 Housing Capacity Assessment</i>				
Rural		102	17%	
Transportable/prefabricated Buildings		123	21%	
Demolish and Re-builds		29	5%	
Rezoned Industrial Land		9	2%	
		<b>263</b>	<b>45%</b>	

The remaining development, 45% of all the building applications in 2021 occur outside identified feasible capacity. They are in either the rural environment 17% or are relocatable/transportable dwellings 21%. These consents are not within the urban boundary and are not connected to the infrastructure services of New Plymouth District Council. Around 5% of all new builds are estimated to be rebuilding a previously demolished dwelling. This does not create any additional dwelling stock for the district and is expected to continue in the future.

### Indicator 19: New Lots compared to New Dwellings

Presented below is the number of new residential and rural subdivided lots compared against the number of new residential building consents.



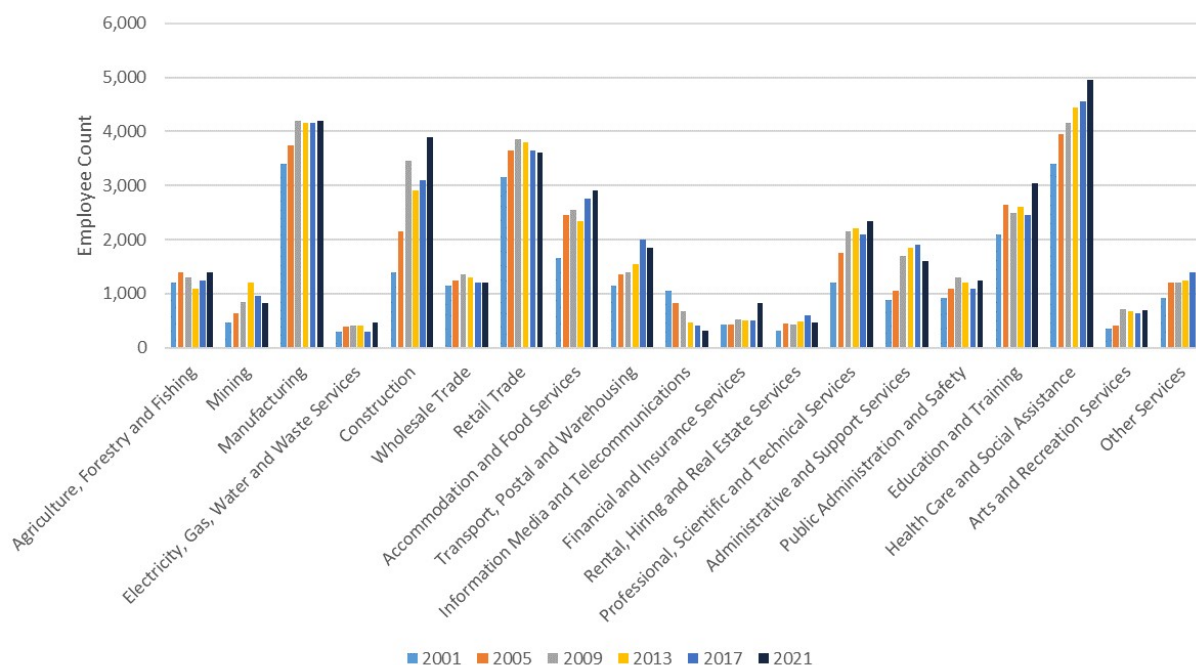
The average total number of estimated new lots (residential and rural) per annum is 370 over the past ten years. Compared to the average number of residential building consents which is closer to 400. If we consider that a small percentage of new dwellings will be built on a site where an existing dwelling was demolished, or some transportable dwellings may be removed from the district. These two data sets follow a similar pattern. We have seen an increase in residential consents in comparison to new lots over the past two years but majority of this increase can be explained by the increase in transportable dwelling consents.

## Business Indicators

This section summarises information on business trends, business supply and demand, and specific local authority measures of business capacity, freely available from various sources.

### Business Indicators Group 1: Employment and growth

#### Indicator 1: Employment current economy and recent past



Source: Statistics New Zealand, March 2022

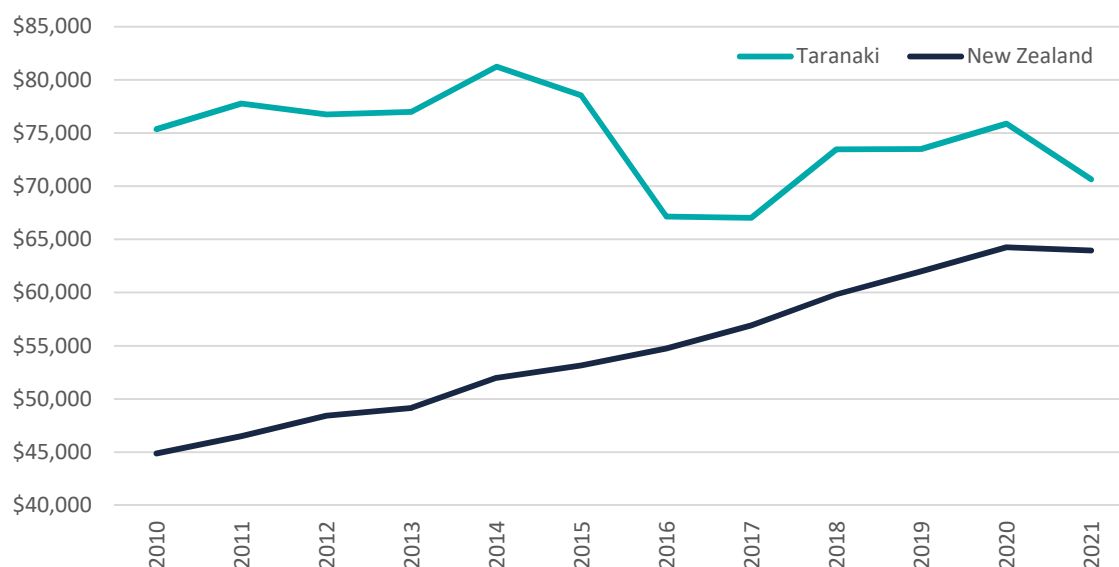
#### Observations

Employment Growth	2012	2018	2021	Short Term % Change 2018-2021	Medium Term % Change 2012-2021
Agriculture	1,100	1,350	1,400	3.7% ↑	27.3% ↑
Manufacturing	4,100	4,200	4,200	0.0% ↑	2.4% ↑
Construction	3,100	3,300	3,900	18.2% ↑	25.8% ↑
Retail Trade	3,850	3,650	3,600	-1.4% ↓	-6.5% ↓
Accommodation & Food Services	2,250	2,950	2,900	-1.7% ↓	28.9% ↑
Health Care	4,400	4,550	4,950	8.8% ↑	12.5% ↑
<b>Overall</b>	<b>34,110</b>	<b>35,820</b>	<b>37,350</b>	<b>9.9%</b>	<b>15.4%</b>

The New Plymouth District has seen a slight resurgence in employment growth in the short term and medium term, with the exception of the retail trade.

#### Indicator 2: Regional Gross Domestic Product (GDP)

Gross domestic product (GDP) is New Zealand’s official measure of economic growth. It helps a range of data users including policy makers, understand and manage the New Zealand economy. The GDP represents the value of all goods and services produced in the region and New Zealand.



Source: Infoshare Statistics NZ, March 2022

### Observations

GDP per capita	2012	2018	2021	Short Term % Change 2016-2019	Medium Term % Change 2010-2019
<b>Taranaki</b>	\$76,757	\$73,472	\$70,626	-3.9% ↓	-8.0% ↓
<b>New Zealand</b>	\$48,431	\$59,839	\$63,955	6.9% ↑	32.1% ↑

Regional GDP dropped in 2016, but there has been an increase in the short term. Taranaki’s GDP remains ahead of the national average.

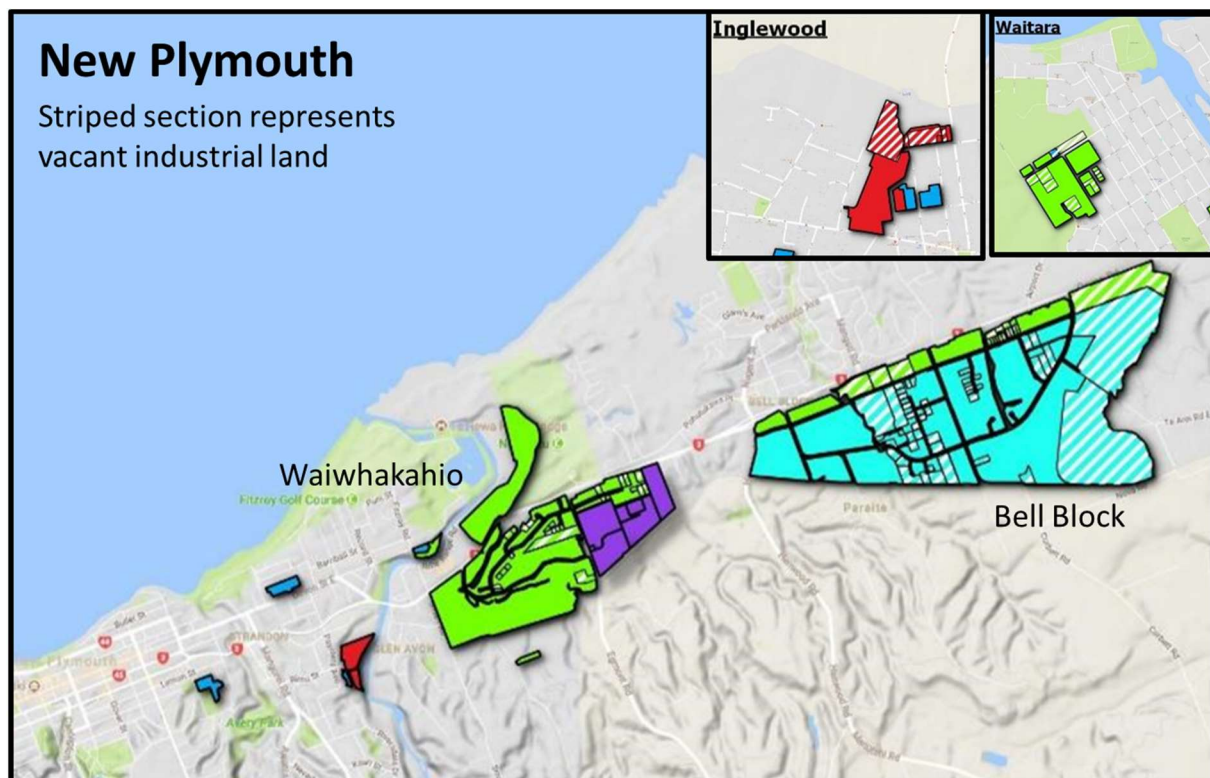
### Summary of employment and growth for the New Plymouth District

	Short Term % Change	Medium Term % Change
1. Employee current economy and recent past	↑	↑
2. Regional GDP	↓	↓

In summary, we have seen an increase in employment growth and GDP in the New Plymouth District over the short term.

## Business Indicators Group 2: Supply of business space

### Indicator 3: Vacant industrial land by location



Area (ha)	Operative District Plan
Vacant Land Bell Block	170.8
Vacant Land Inglewood	3.8
Vacant Land Waitara	4.4
Vacant Land Waiwhakaihō	12.7
<b>Total</b>	<b>191.8</b>

Source: Internal GIS Analysis, October 2018

This data will be updated alongside the third version of the HBCA which is due in 2024.

#### Indicator 4: Capacity within existing and new built facilities – industrial

To understand retail, industrial and commercial capacity within existing built facilities, we utilised data from Real Estate NZ<sup>2</sup>. This data set includes the majority of listings that are currently for lease or sale by multiple real estate agencies, including the location and estimated gross floor area (GFA) of listings. Because it assumes that any existing capacity would be listed for lease or sale via a real estate agency, this measure may not capture 100 per cent of potential capacity, but is a good tool for indicating vacancy.

<sup>2</sup> [www.realestate.co.nz](http://www.realestate.co.nz)

Suburb	Vacant Gross Floor Area SQM 2022	Percentage %
Bell Block	56,930	67%
Glen Avon	889	1%
Moturoa	2,088	2%
New Plymouth	1,698	2%
Waiwhakaiho	22,401	26%
Westtown	120	0%
Waitara	540	1%
	<b>84,666</b>	

Currently, there is around 84,666 square meters (8.5 ha) of existing vacant industrial or new build facility space available in the New Plymouth District. Combined with Waiwhakaiho, Bell Block holds over 94 per cent of all vacant capacity—the largest proportion in the district. This is an increase from 5ha of vacant industrial land in 2021.

#### Indicator 5: Capacity within existing and new built facilities – retail

As per Indicator 4 above, the following data was obtained from Real Estate New Zealand.

Suburb	Vacant Gross Floor Area SQM 2022	Percentage %
Bell Block	70	1%
Fitzroy	145	2%
New Plymouth	5,984	65%
Waiwhakaiho	1,937	21%
Waitara	0	0%
Welbourn	330	4%
Okato	689	8%
	<b>9,155</b>	

There is currently around 9,155 square meters (0.9 ha) of existing vacant retail or new built facility space in New Plymouth District. The majority of this capacity is located the Central City. This is a significant decrease in vacant retail land from 2021 which was around 1.7ha.

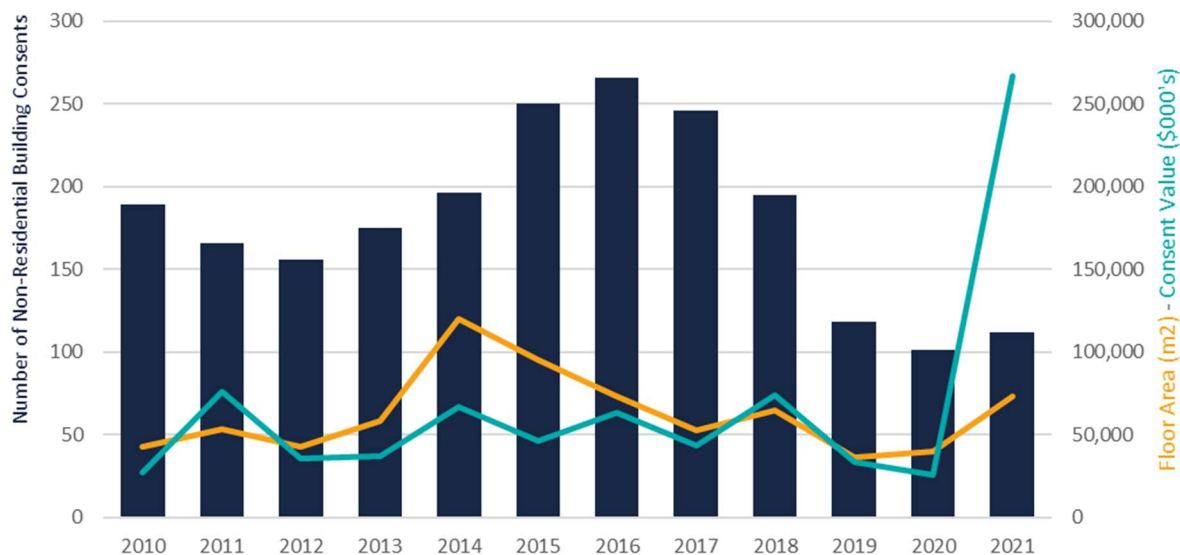
#### Indicator 6: Capacity within existing and new built facilities – commercial/office

As per Indicator 5, the following data was obtained from Real Estate New Zealand.

Suburb	Vacant Gross Floor Area SQM 2022	Percentage %
Bell Block	15,625	47%
Inglewood	149	0%
Moturoa	907	3%
New Plymouth	15,818	47%
Waiwhakaiho	505	2%
Westtown	54	0%
Waitara	141	0%
Lynmouth	200	1%
	<b>33,399</b>	

There is currently around 33,399 square meters (3.3 ha) of existing vacant commercial/office or new built facility space in New Plymouth district. Similar to the other categories commercial/office vacant capacity has increase from 2.1 ha in 2020.

### Indicator 7: Non-Residential Building Consents



Source: NPDC Data, March 2022

### Observations

	2012	2018	2021	Short Term % Change (2018-2021)	Medium Term % Change (2012-2021)
Applications	156	195	112	-43% ↓	-28% ↓
Floor space (m <sup>2</sup> )	43,075	65,063	73,048	12% ↑	70% ↑
Consent Value (\$M)	\$36	\$73	\$266	262% ↑	639% ↑

The number of non-residential building consent applications have decreased over the past three years. In comparison the total floor area and consenting value have increased. We have seen a major increase in consent value in 2021 mainly due the upgrade of the local base hospital.

	Short Term % Change	Medium Term % Change
3. Industrial vacant land	New indicator	
4. Industrial capacity	↑	
5. Retail capacity	↓	
6. Commercial/office capacity	↑	
7. Non-residential Building Consents	↓	↓

In summary, there does not appear to be any shortfall of industrial land in New Plymouth. However, expanded monitoring of these indicators and other datasets will be incorporated into future quarterly reports.

## Future Quarterly Reports

The New Plymouth District Council is committed to improving quarterly reporting over time. As information becomes available, future quarterly reports will be adjusted to incorporate or refine information or data sources for the following indicators: