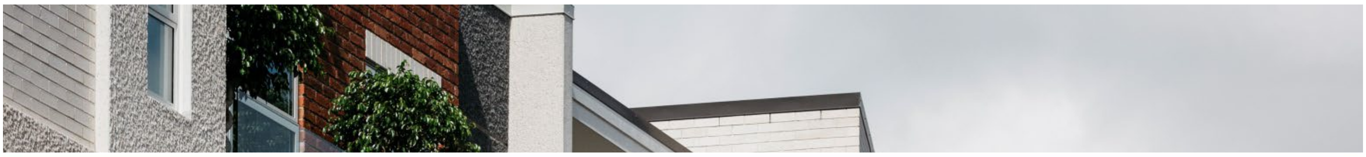


THE AUCKLAND PLAN

DEVELOPMENT STRATEGY

The Auckland Plan | Annual Monitoring Update 2017/18

The 2012 Auckland Plan Development Strategy anticipates where growth will occur in Tāmaki Makaurau / Auckland in the long term (30 years). A quality compact urban form, where development is focused in existing urban areas, is a key aim of the Development Strategy.

This is the sixth and final monitoring update on the 2012 Auckland Plan Development Strategy. This year's update reports on the current reporting year (1 July 2017 - 30 June 2018) and the six years since the Auckland Plan was adopted. In 2019, this update will report on the recently adopted *Auckland Plan 2050* Development Strategy.

Residential dwelling supply

The 2012 Auckland Plan anticipates that Auckland's growing population will require 100,000 new dwellings to be built in the first decade (2012-2021), an average of 10,000 each year. In 2017-2018, consents were issued for 12,368 new dwellings across Auckland (Table 1). Overall the number of dwellings consented each year has been increasing.

Table 1: New dwellings consented in Auckland (region-wide) by reporting year (2012-2018)

Reporting Year	Consented Dwellings
Year 1 (2012/2013)	5,501
Year 2 (2013/2014)	7,078
Year 3 (2014/2015)	8,398
Year 4 (2015/2016)	9,381
Year 5 (2016/2017)	10,121
Year 6 (2017/2018)	12,368
Total (2012-2018)	**52,806**

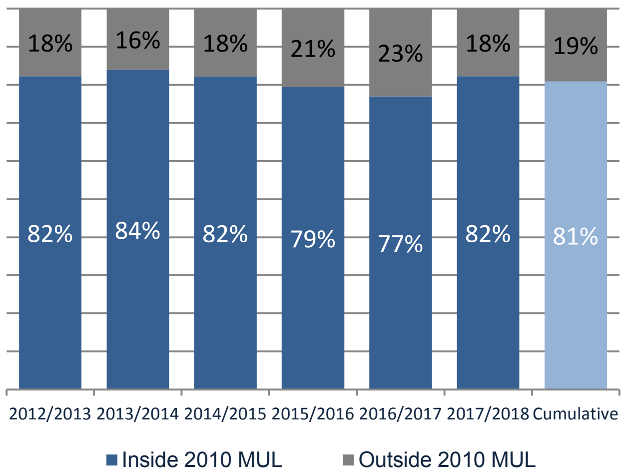
Source: Auckland Council and Statistics New Zealand

Residential form

The housing preferences of Aucklanders are diverse. A broad range of housing types is required, in a variety of locations. Location and typology are also important characteristics of a quality compact urban form.

The 2012 Auckland Plan aims to have up to 70 per cent of dwelling growth inside the 2010 Metropolitan Urban Limit (MUL) and allows for up to 40 per cent outside it over the 30-year period of the plan. In 2017/2018, 82 per cent of new residential dwellings consented were located inside the MUL, with 18 per cent outside it (Figure 1).

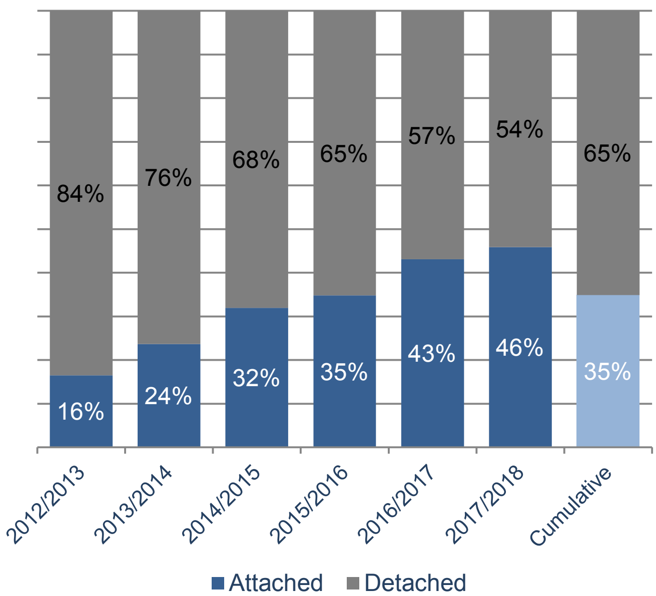
Figure 1: Proportion of dwellings consented inside and outside 2010 Metropolitan Urban Limit (2012-2018)



Source: Auckland Council and Statistics New Zealand

The 2012 Auckland Plan anticipates that up to 61 per cent of all new dwellings built may need to be attached. Across the region, the proportion of attached housing being consented has increased steadily over the last five years (Figure 2). In 2017/2018, 46 per cent of consented dwellings were attached dwellings.[1]

Figure 2: Dwellings consented by dwelling type (2012-2018)



Source: Auckland Council and Statistics New Zealand

[1] The Research and Evaluation Unit has identified that some attached dwellings are mistakenly counted as detached houses due to data input errors which neither Statistics New Zealand nor Auckland Council can re-evaluate. Therefore, the proportion of attached dwellings may be under-represented.

Residential development by Local Board (2017/2018)

The fastest growing Local Board areas (by number of dwellings consented) in 2017/18 were Upper Harbour, Waitematā and Hibiscus and Bays. This is similar to previous monitoring years. Consenting activity increased in nearly all Local Board areas. The outermost Local Board areas of Waitākere Ranges, Waiheke and Great Barrier had the lowest number of new dwellings consented, which was consistent with previous monitoring years.

Figure 3: Heat map of residential development by Local Board (2017/2018)

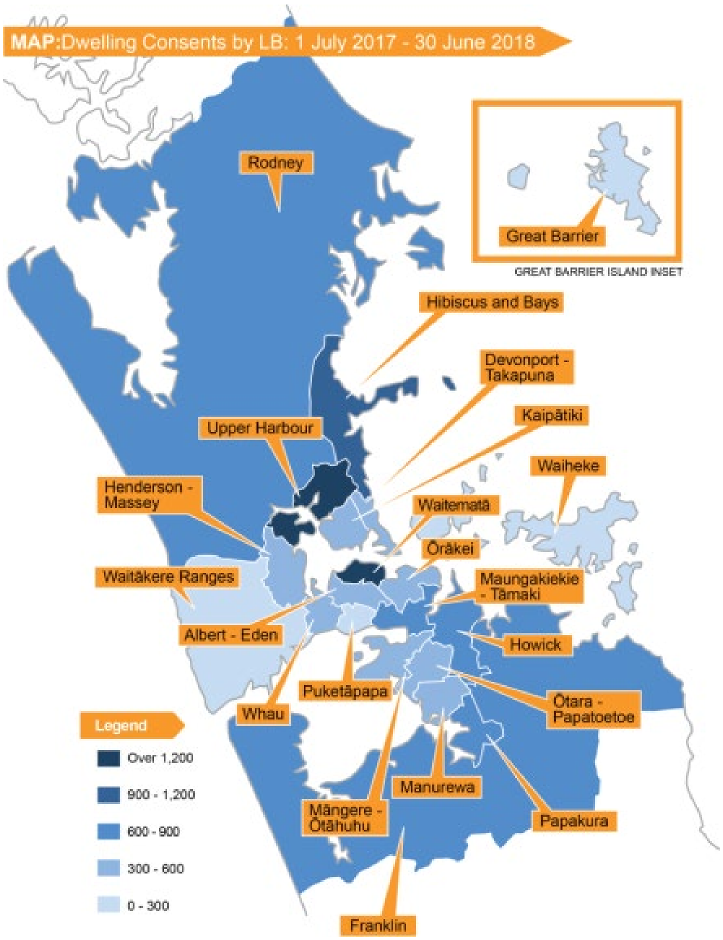
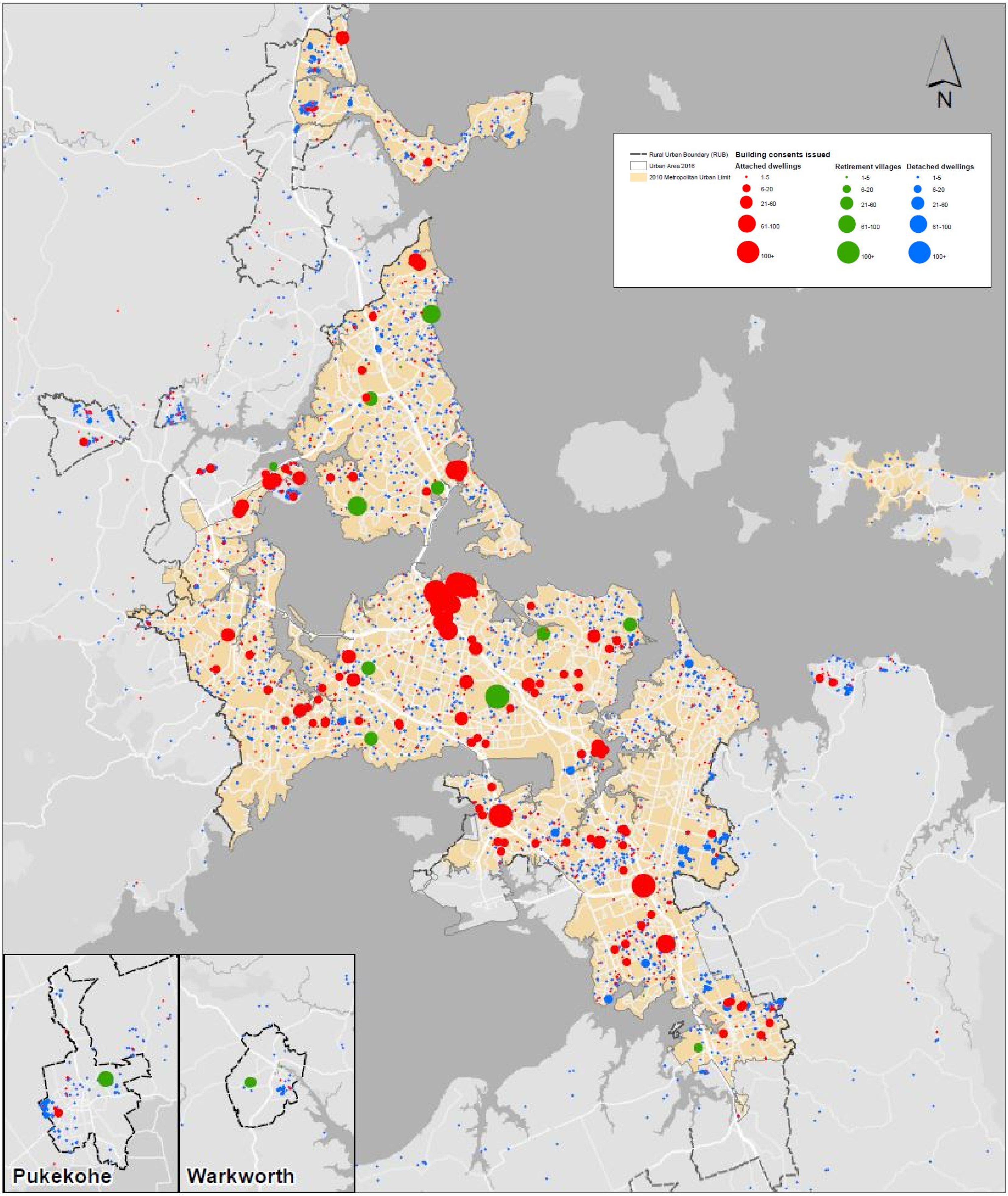


Table 2 (below): Residential dwellings consented by Local Board

New residential dwellings consented by Local Board		
Local Board	Reporting year: July 2017/ June 2018	Cumulative: July 2012 - June 2018
Upper Harbour	1,399	5,900
Waitematā	1,350	5,250
Hibiscus and Bays	1,108	6,490
Howick	846	3,436
Papakura	807	3,404
Rodney	794	4,492
Maungakiekie-Tāmaki	773	2,344
Franklin	699	3,540
Ōtara-Papatoetoe	542	1,483
Albert-Eden	537	1,905
Henderson-Massey	511	2,375
Manurewa	500	1,657
Māngere-Ōtāhuhu	460	1,193
Whau	434	1,898
Kaipātiki	395	1,482
Ōrākei	386	2,274
Devonport-Takapuna	327	1,133
Puketāpapa	289	1,272
Waitākere Ranges	153	899
Waiheke	49	347
Great Barrier	9	32
Total	**12,368**	**52,806**

Figure 4: Residential building consents issued 1 July 2017 to 30 June 2018



Residential building consents issued 1 July 2017 to 30 June 2018

0 1,300 2,600 3,900
Meters

Scale @ A4
= 1:275,000

Date Printed:
14/08/2018

Auckland Council

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Location of consents (2017/2018)

The locations of consents for new dwellings in 2017/2018 are mapped for the Auckland urban area by attached and detached dwelling type (Figure 4: Residential building consents issued 1 July 2017 to 30 June 2018 on previous page). In the first two years of monitoring, consents for attached dwellings were located mainly in the City Centre. In the last four years attached housing developments have become far more widespread across the urban area.

A ring pattern of attached housing developments is emerging in the outer isthmus; stretching from Glen Innes in the east through Panmure, Ellerslie, Royal Oak, Mount Albert and into Avondale and New Lynn in the inner west. This largely reflects the zoning pattern in the operative Unitary Plan, which is beginning to translate into development activity on the ground. Several other larger attached housing developments are located in Browns Bay, Takapuna, Manukau and Manurewa, and the greenfield development areas of Hobsonville Point and Long Bay.

Retirement village units made up 6. 6 per cent of consented dwellings in 2017/18 with 817 consented dwellings (both attached and detached). This activity category has been shown separately.

Code of Compliance Certificates issued (2017/2018)

At the completion of any consented building work a Code of Compliance Certificate (CCC) is usually issued to certify that the work undertaken complies with the consent. It is not a strict requirement to obtain a CCC, and some building works are completed without a CCC ever having been issued. However, insurers, mortgage lenders and other parties are becoming stricter on those undertaking building work to ensure they obtain a CCC, and so it is becoming a more reliable indicator of actual completions.

Table 3 (below) shows the number of consented dwellings issued with a code of compliance certificate in the year 2017/2018. Of these, 75 per cent (7,053 dwellings) had a CCC issued within two years of building consent being issued, 23 per cent were issued within 3-4 years and the remaining 2 per cent were for works consented more than four years previously.

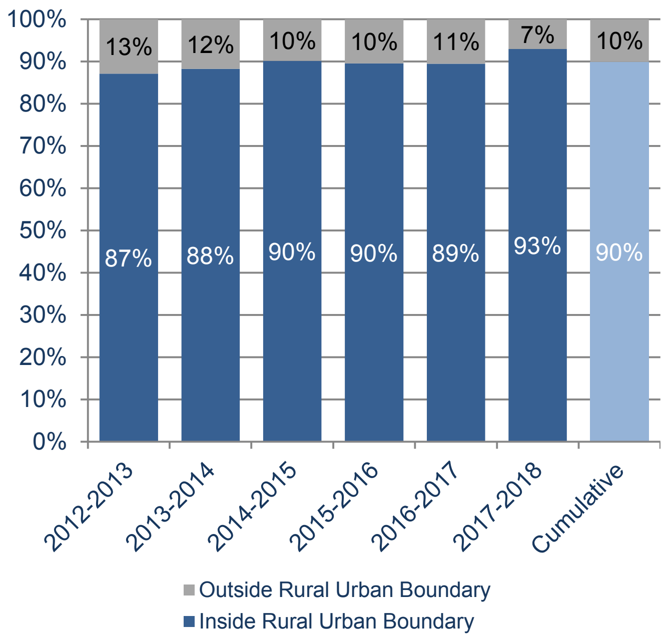
Table 3: Dwellings with Code of Compliance Certificates issued (completions), 2017/2018

Code of Compliance Cert. issued	Building Consents issued within 0-2 years previous	Building Consents issued within 3-4 years previous	Building Consents issued 4+ years previous
9433	7053	2174	206

Rural Areas

The number of new dwellings consented outside the Rural Urban Boundary (RUB) declined in the year 2017/ 2018 to 872 dwellings, or 7 per cent of all residential dwellings consented in the same time period (Figure 5). Of this, 431 were located in rural zones, with the remainder located in small rural and coastal towns and settlements outside the Rural Urban Boundary.

Figure 5: Proportion of new dwellings consented inside and outside the Rural Urban Boundary (July 2012- June 2018)



Future Urban Land Supply Strategy

The Future Urban Land Supply Strategy forms part of the council's wider approach to managing Auckland's growth. The Future Urban Land Supply Strategy provides a strategic approach, indicating when future urban areas will be development ready with live zoning and bulk infrastructure in place. A refreshed Future Urban Land Supply Strategy was adopted on 3 July 2017, incorporating changes through the Auckland Unitary Plan. Rural settlements are included in the refreshed strategy.

The Future Urban Land Supply Strategy sets out the development-ready sequencing of future urban areas. This sequencing reflects a range of considerations specific to each area, including the availability of infrastructure. Special Housing Areas and areas with a live urban zone applied by the Unitary Plan play a significant role in the first five years of the Future Urban Land Supply Strategy. These areas collectively have a potential capacity for over 30,000 dwellings once fully developed.

Delivering the Future Urban Land Supply Strategy

Table 3 (opposite page) reports on progress made delivering the Future Urban Land Supply Strategy in each broad future urban area. This is reported by:

- progress in the latest monitoring year, 2017 / 2018
- overall development progress, 2012 / 2018.

The future urban areas are comprised of both future urban zone and live urban zone (live zoning). It is anticipated that the future urban zone in each area will be progressively rezoned and developed over time (Figure 6). The greenfield land development process has three phases; planning, infrastructure and development, these are:

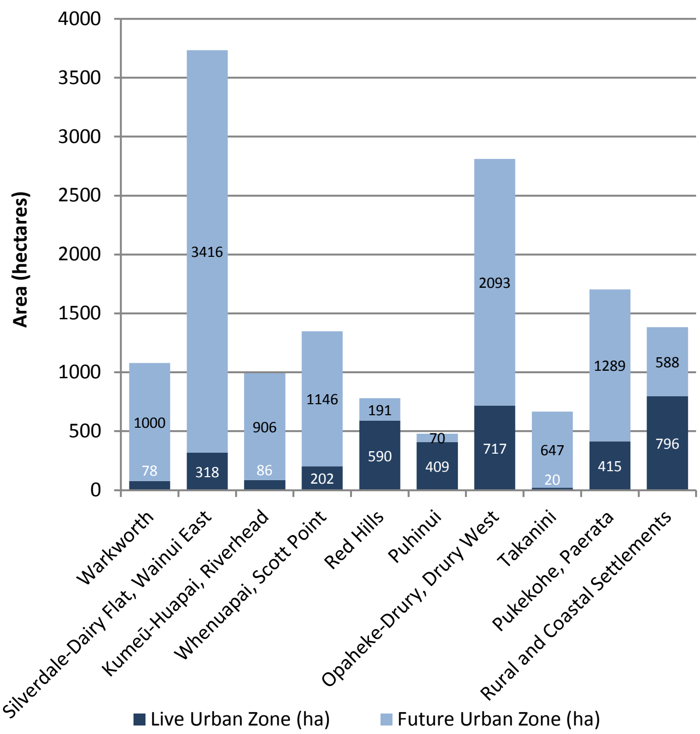
- planning, a future urban zone goes through structure planning and a plan change process to a live urban zone, which allows for urban land use activities.

- infrastructure planning and delivery takes place through all steps of the planning and development phases. The Future Urban Land Supply Strategy aims to align infrastructure and planning delivery timeframes.

- development, live zoning and bulk infrastructure are in place and the creation of new lots and consented dwellings is underway.

Since July 2012, 3,093 new lots have been created in the future urban areas, over half of these (1,762 lots) in 2017/2018. In the same period, 1,887 dwellings have been consented in the future urban areas, over half of these consented in 2017/2018. This shows a significant increase in development activity as areas identified in the first Future Urban Land Supply Strategy 2015 and through the Housing Accord Special Housing Areas (HASHA) legislation have progressed to the point where infrastructure is in place and homes are being delivered.

Figure 6: Breakdown of zoning (in ha) by future urban area (as at 30 June 2018)



All future urban areas are of a size and scale that will take a long time to build out. Areas sequenced in the second and third decades of the strategy are likely to be only partially built out within the 30-year strategy timeframe.

Table 4: Delivering the Future Urban Land Supply Strategy, update - 30 June 2018

Future urban area	Total Future Urban Area (ha.)	Potential dwelling yield	Planning phase: Additional future urban zone (ha.) 2017/18	Planning phase: Area currently future urban zone FUZ (ha.)	Planning phase: Structure planning	Planning phase: FUZ rezoned urban (ha.) in 2017/2018	Planning phase: Future Urban Area with a live urban zone (ha.)	Infrastructure phase: Auckland Council and CCO major infrastructure works	Development phase: Lots created 2017/2018	Development phase: Total lots created 2012-2018	Development phase: Dwellings consented 2017/2018	Development phase: Total dwellings consented 2012-2018
Warkworth	1,078	7,600	0	1,000	Warkworth Structure Plan	0	78	New Warkworth water treatment plant under construction Upgrade to Snells Beach wastewater treatment plant consented Matakana link road is under review	2	70	3	91
Silverdale-Dairy Flat, Wainui East	3,734	32,300	0	3,416	Silverdale West Industrial Area Structure Plan	0	318	Army Bay (Whangaparāoa) outfall under construction Hibiscus Coast busway station under construction	3	70	21	141
Kumeu-Huapai, Riverhead	992	8,000	0	906		0	86	State Highway 16 safety improvements in detailed design	407	538	155	225
Whenuapai, Scott Point	1,348	21,350	0	1,146	Whenuapai Structure Plan Whenuapai Plan Change	0	202	North Harbour Two watermain & Northern Interceptor stage one construction commencing	485	1,149	485	902
Red Hills	781	12,050	0	191		0	590		0	0	0	2
Puhinui	479	38	0	70		0	409	Airport to Manukau and Botany rapid transit project in planning	0	0	0	1
Opaheke-Drury, Drury West	2,810	23,520	0	2,093	Southern Structure Plan	0	717	Southern corridor improvements (State Highway One) under construction	76	81	40	52
Takanini	667	5,300	0	647		0	20	Takanini stormwater channel under construction Mill Road corridor in design & designation	137	137	9	29
Pukekohe, Paerata	1,704	14,270	0	1,289	Southern Structure Plan	0	415	Pukekohe wastewater treatment plant upgrade underway	407	701	217	334
Rural and Coastal Settlements	1,384	12,461	0	588		0	796	South-west wastewater servicing project (Kingseat, Waiuku, Glenbrook & Clarks Beach) consented Wellsford wastewater treatment plant upgrade consented	245	347	51	110
Total	**14,977**	**136,889**	**0**	**11,346**		**0**	**3,631**		**1,762**	**3,093**	**981**	**1,887**

Business development activity

Approximately 692,000 sqm of additional business floor space was consented in Auckland in 2017/2018. This is 300,000 sqm more than the 2016/2017 monitoring year. 41 per cent of this additional floor space was in centres and another 47.6 per cent in identified business areas outside of centres.

The Waitematā and Howick Local Board areas had the greatest increase in consented floor space, with 216,800 sqm and 122,800 sqm respectively. These areas include the growing City Centre and Greater East Tamaki business areas. They were followed by the southern Local Board areas; Māngere-Ōtāhuhu, Maungakiekie-Tamaki and Manurewa (Table 5), with around 50,000 sqm consented in each area.

Table 5: Business floor space consented by Local Board area, 2017/ 2018

Local Board Area	Floorspace consented sqm
Albert - Eden	8,245
Devonport - Takapuna	15,217
Franklin	10,643
Great Barrier	75
Henderson - Massey	15,699
Hibiscus and Bays	34,980
Howick	122,835
Kaipatiki	1,524
Mangere - Otahuhu	56,972
Manurewa	53,891
Maungakiekie - Tamaki	50,931
Orakei	148
Otara - Papatoetoe	7,653
Papakura	16,561
Puketapapa	0
Rodney	18,488
Upper Harbour	43,091
Waiheke	1,642
Waitakere Ranges	175
Waitemata	216,809
Whau	17,033
Grand Total	**692,612**

Across Auckland, there is over 6,000 hectares of land zoned for industrial purposes. The combination for Light Industry and Heavy Industry zones is equivalent to approximately 70 per cent of the total business land mass.

Table 6: Total land area zoned for industrial purposes (as at June 2018)

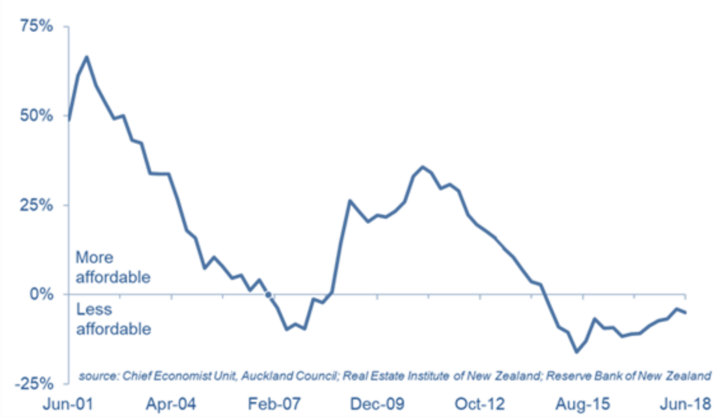
Auckland Unitary Plan Zone	Area (hectares)
Heavy Industry	1,869
Light Industry	4,481

Housing affordability

Auckland Council's Serviceability Affordability Model[2] (SAM) tracks changes in housing affordability over time. It accounts for changes in house prices relative to incomes, interest rates and deposit requirements.

In the period July 2017 to June 2018, the average Auckland home became slightly more affordable as house price growth weakened, interest rates remained low, and household incomes increased slightly. The median home is currently more affordable to the median household income earner than at any time in the last 3. 5 years. However, the median dwelling sold in June was still 5 per cent less affordable to the median income household than in the index month of December 2006.

Figure 7: Auckland median house price affordability relative to December 2006



[2] For further information see:
Chief Economist Unit, Auckland Council (2017). *Serviceability Affordability Model.* First published in *Auckland Economic Quarterly*, (Feb 2017). URL: https://ourauckland.aucklandcouncil.govt.nz/media/11399/chief-economist-auckland-economic-quarterly-february-28-2017.pdf