

The State of Housing in Wellington City

February 2024

Improving housing outcomes to enhance the wellbeing of our communities is a priority for the Council, as reflected through our [Housing Strategy \(2018-2028\)](#) and [Housing Action Plan \(2023-2025\)](#).

The State of Housing project brings together trusted data from a variety of national and local sources to provide insights into the current state of housing in Wellington City.

This report provides commentary around the [Wellington City context](#), [affordability](#), [housing supply](#), and [future housing demand](#).

Six interactive reports accompany this report and explore spatial patterns through maps presented at the Statistical Area 2 (SA2) geography. Spatial data is displayed as *residential built up areas* so mostly empty rural areas do not visually dominate the maps.

These interactive reports and a data source repository are available on the [State of Housing website](#).



Key insights

1

Wellington City's estimated population was 216,200 in 2023. In 2018, there were approximately 80,000 dwellings, 41% of which were rented¹.

2

Wellington City has above average housing deprivation compared to national levels, but lower than average overall deprivation (based on 2018 data).

3

Public housing is undersupplied, with the waitlist more than doubling over the last 5-years. In December 2023, 813 households were waiting for a home.

4

Rental price increases have closely followed growth in household income over the last decade, while house prices have increased at a faster rate.

5

Two-fifths of renting households spent over 30% of their income on rent in 2018.

6

Overall, 8% of Wellingtonians lived in crowded dwellings in 2018. Notably, 26% of Pacific peoples and 14% of Māori lived in crowded dwellings.

7

A larger proportion of rented dwellings had reports of dampness and visible mould compared to owner-occupied dwellings in 2018.

8

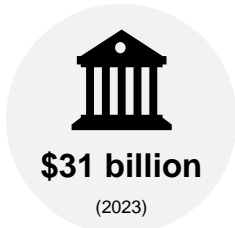
The population is projected to increase by 26% over the next 30 years, requiring 30,407 additional dwellings.

¹ Results from the 2018 Census are used throughout this report as 2023 Census results were not available at the time of preparation. 2023 Census results are expected in late 2024/2025.

Wellington City context

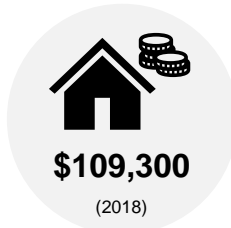
Wellington City is the vibrant capital city of Aotearoa New Zealand and the economic centre of the Wellington Region. Wellington City has experienced substantial economic and population growth over the last decade.

Gross domestic product



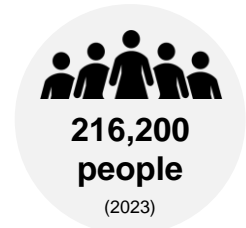
↑ 28% from 2014 to 2023
(Source: [Infometrics](#), 2023)

Median household income



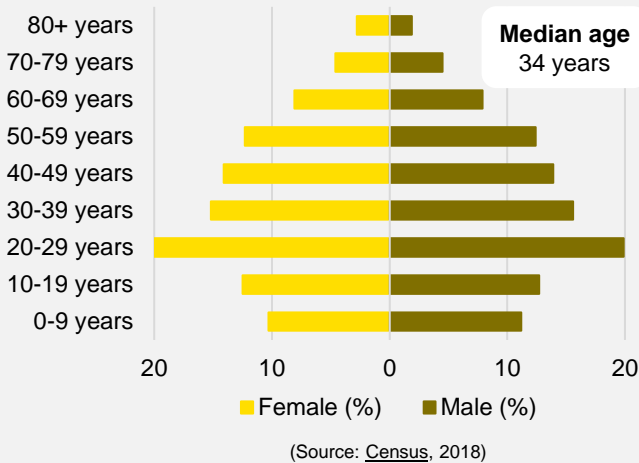
↑ 20% from 2013 to 2018
(Source: [Census](#), 2018)

Estimated population

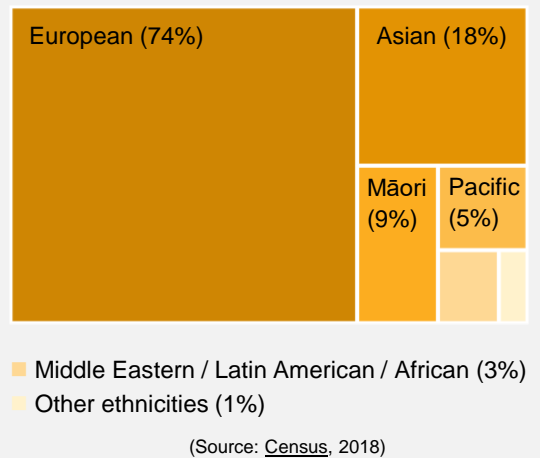


↑ 8% from 2014 to 2023
(Source: [Statistics New Zealand](#), 2023)

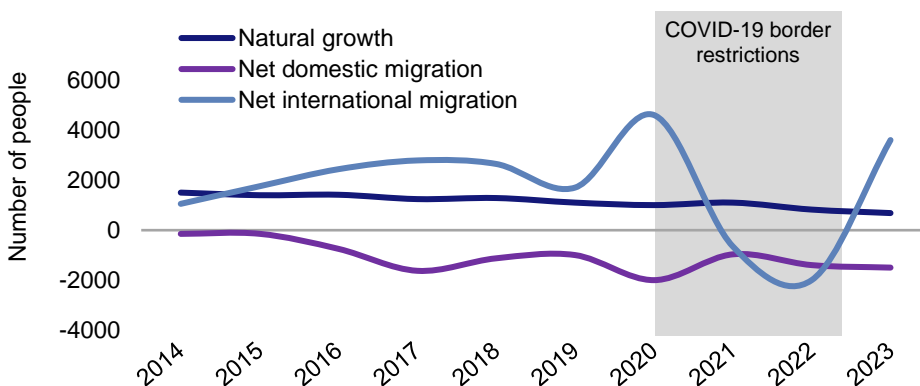
Age and gender of Wellingtonians, 2018



Ethnicity of Wellingtonians, 2018



Sources of population growth in Wellington City, 2014-2023



Since 2014, Wellington City's population increased from **international migration** and **natural growth**.

Domestic migration trends consistently show people moving away from the city.

Natural growth = births minus deaths. Net domestic migration = migration between areas. Net international migration = arrivals minus departures.

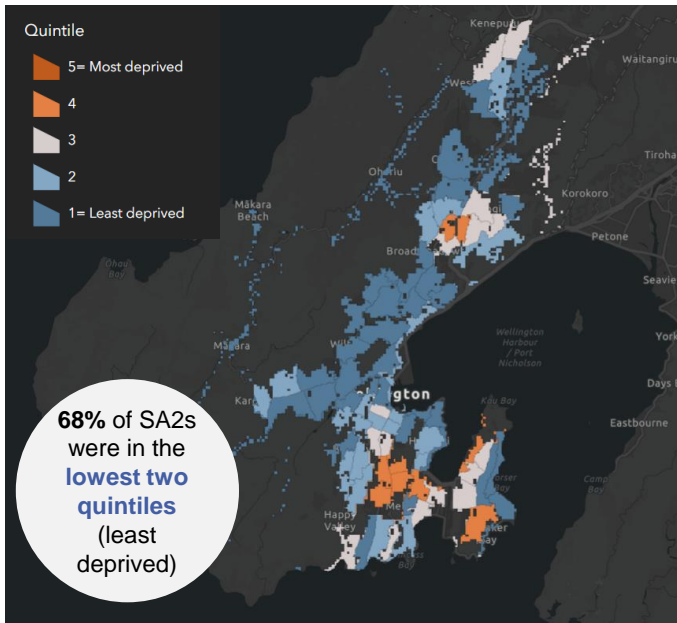
(Source: [Infometrics](#), 2023)

The **New Zealand Index of Multiple Deprivation 2018** is a set of tools for identifying concentrations of deprivation. Compared to national levels in 2018, Wellington City had:

Lower than average
overall deprivation

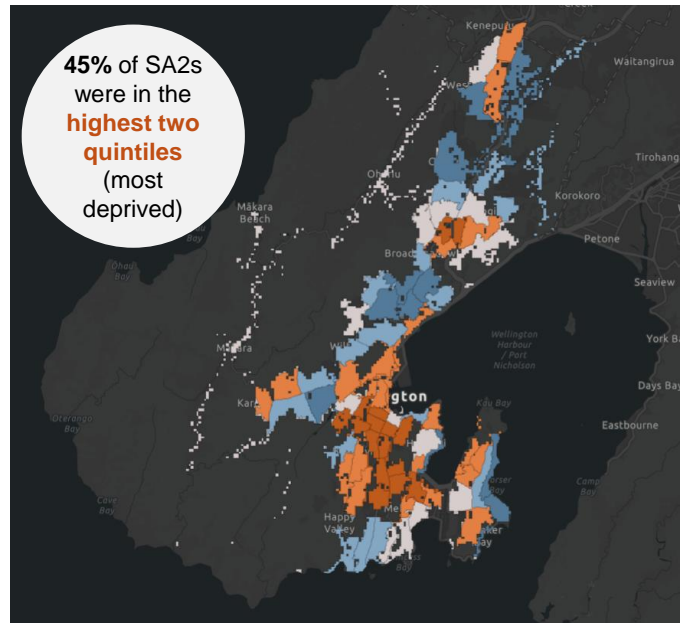
Above average
housing deprivation

Overall deprivation by SA2, 2018



Overall deprivation combines weighted scores from seven domains (employment, income, crime, housing, health, education, access).

Housing deprivation by SA2, 2018



Housing deprivation considers the number of people living in rented accommodation, crowded conditions, damp houses, and without basic amenities.

(Source: Preliminary data from [The University of Auckland](#), 2018)

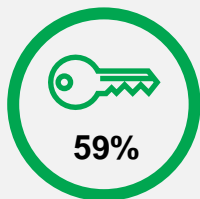
Average household size in 2018: **2.6 people**

The proportion of **rented** and **owner-occupied** dwellings **fluctuated** slightly between 2006 and 2018.



Rented dwellings

↑ 1.7% from 2006

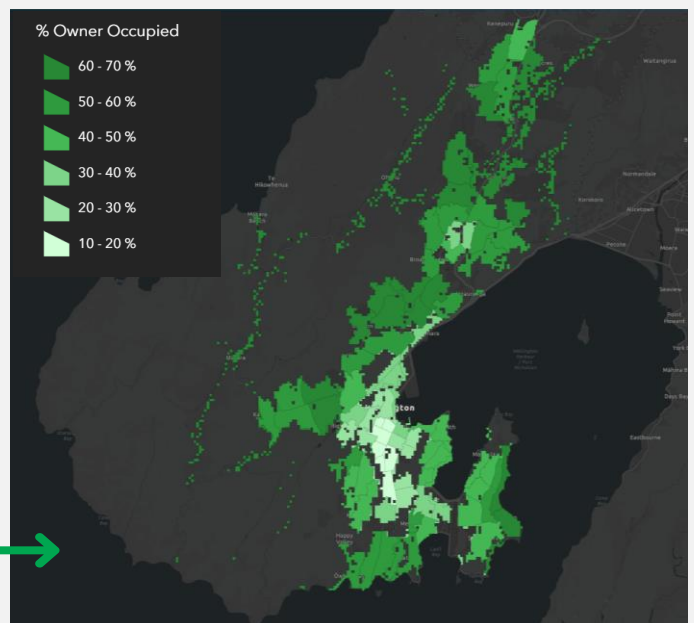


Owner-occupied dwellings

↓ 1.7% from 2006

Central and Inner Wellington suburbs had the **lowest** proportion of **owner-occupied** dwellings.

Proportion of owner-occupied dwellings by SA2, 2018



Renting is defined as households who were paying rent and did not own their home or have it in a family trust. Owner-occupied is defined as households who own/partly own their home or have it held in a family trust.

(Source: [Census](#), 2018)

Affordability

Housing affordability refers to people's capacity to balance housing costs with available household financial resources, so there is enough income left to cover other necessities. Housing costs include entry costs, ongoing expenses, and living costs.

The **housing continuum** reflects the range of housing types that are present in a community. Wellington City Council has a role in every part of the housing continuum.

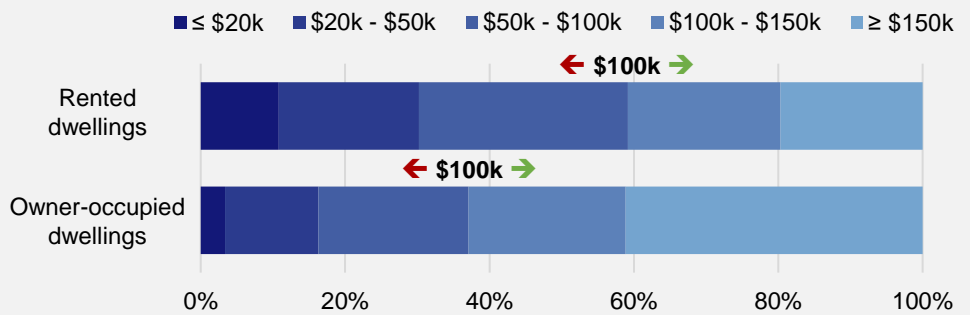


(Source: [WCC Housing Strategy, 2018-2028](#))



A larger proportion of **renting households** had annual incomes of less than \$100k.

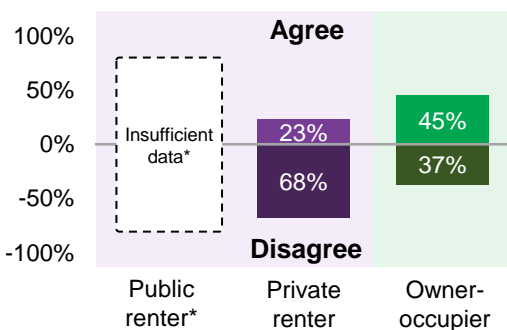
Annual household income (before tax) by tenure, 2018



(Source: [Census, 2018](#))

A larger proportion of **private renters** perceived **less affordable** housing costs and **not having enough money** to meet everyday needs, compared to **owner-occupiers**.

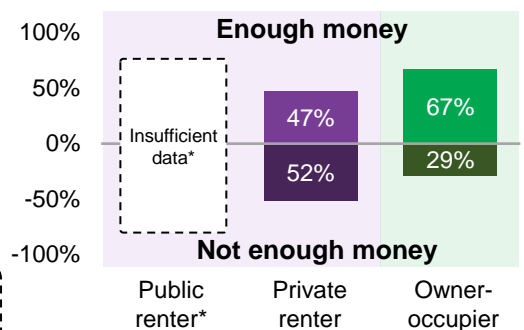
Agreement that **housing costs are affordable** by tenure, 2022



Housing costs include rent or mortgage, rates, insurance, and maintenance.

* Insufficient data from public renters to draw conclusions (18 respondents, 3% of sample).

Perceptions that **income meets everyday needs** by tenure, 2022



Everyday needs include housing, food, clothing, and necessities. Enough money = More than enough and enough. Not enough money = Just enough and not enough.

(Source: [Quality of Life Survey, 2022](#))

Severe housing deprivation in Wellington City

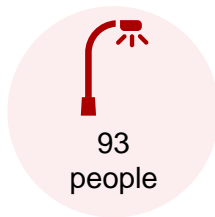
Severe housing deprivation is synonymous with homelessness.

Statistics New Zealand defines homelessness as living situations where people with no other options to acquire safe and secure housing are **without shelter, in temporary accommodation, sharing accommodation** with a household, or **living in uninhabitable housing**.

In 2018,



were severely housing deprived



were without shelter

(e.g., rough sleeping, mobile dwelling)



were in temporary accommodation

(e.g., night shelter, motel, camping ground)



were sharing accommodation

(temporary resident in a severely crowded private dwelling)

Severe housing deprivation is challenging to measure. These values do not reflect the impact of government policies since 2018 or the COVID-19 pandemic. The data source does not present Census data on uninhabitable housing at a Wellington City level.

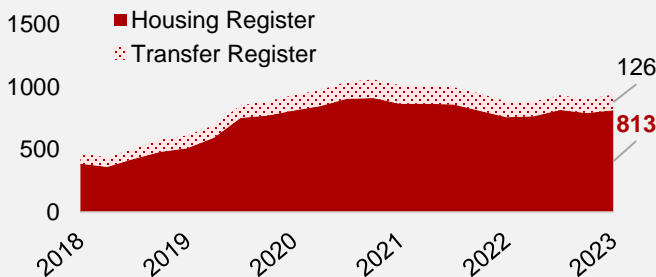
(Source: [University of Otago, 2021](#), based on analysis of Census 2018 and NGO operational data)

Unmet need for public housing

The **Housing Register** reflects eligible applicants waiting for a suitable home, while the **Transfer Register** reflects current tenants needing to be rehoused.



Applicants on the Housing Register and Transfer Register, December 2018-2023

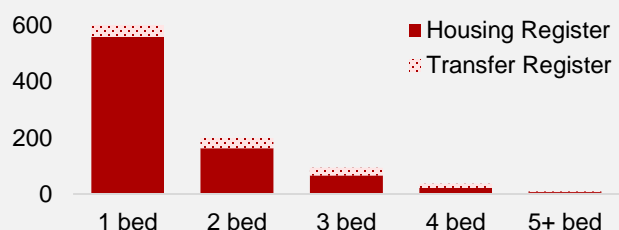


813 households are waiting for public housing tenancies to become available

↑ 110% from December 2018

Bedrooms required by applicants, December 2023

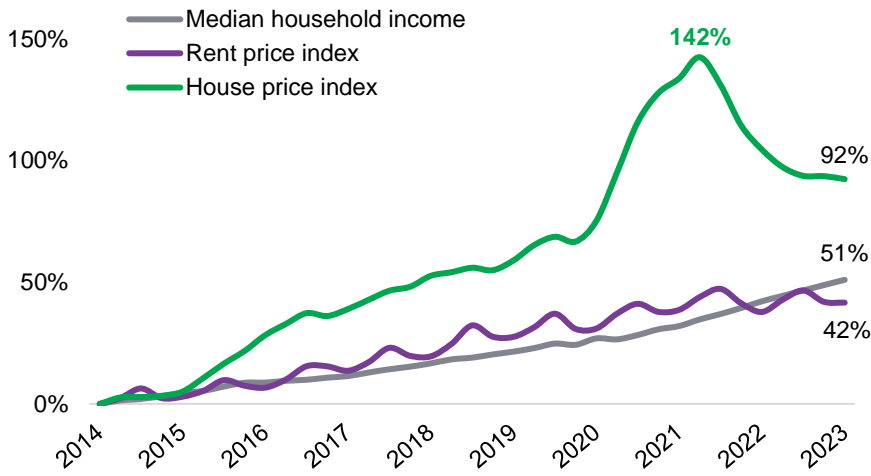
86% of current demand for public housing is for **1- and 2- bedroom houses**



(Source: Ministry of Social Development [Housing Register](#) and [Transfer Register](#), 2023)

Growth in rental prices and house prices

Rent price and house price inflation, against median household income, September 2014-2023



(Source: [Ministry of Housing and Urban Development](#), 2023)

House prices have grown at a **faster rate** than household income since 2015, peaking in 2021

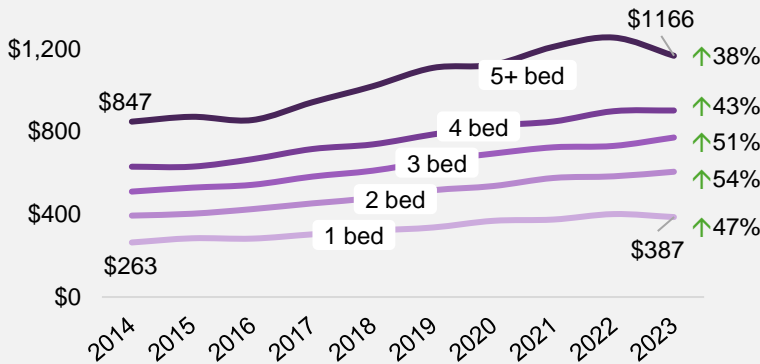
Rental prices have **closely followed** growth in household income



Rental prices

Median weekly rental price in 2023: **\$573**

Median weekly rental price by number of bedrooms, 2014-2023



26,288 active bonds in 2023
 ↑ 14% from 2014

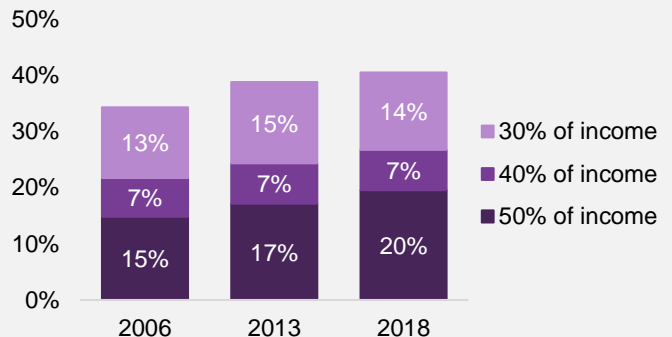
Annual rental price growth averaged **4-5%** across all bedroom types over the last decade

Geometric mean rent presented, which closely approximates median prices. Data from 2023 captures rent and bond data from January to July 2023.

(Source: [Tenancy Services](#), 2023)

Proportion of households spending over 30% of income on rent, 2006, 2013, 2018

41% of renting households spent **over 30% of income** on rent in 2018
 ↑ 6% from 2006, with nearly all increase in the 50% category



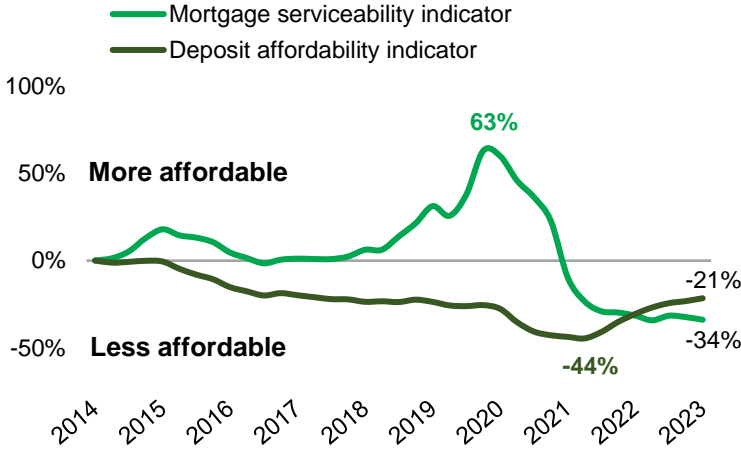
(Source: [Ministry of Housing and Urban Development](#), 2023, calculated from Census data)



House prices

Median sales price in January 2024: **17% below 2021 rateable values**, however indications are that prices are increasing.

Cumulative change in mortgage serviceability and deposit affordability, September 2014-2023



Mortgage serviceability peaked in 2020, reflecting record low interest rates

Mortgage serviceability reflects changes in the purchasing power of mortgage interest payments compared with income.

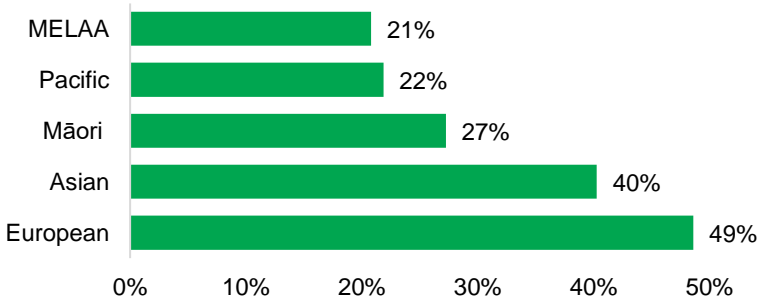
Deposit affordability dropped to a low in 2021, reflecting record high house values

Deposit affordability reflects changes in house sale prices compared with income.

These indicators compare price change with median household income over time. A higher index = becoming more affordable.

(Source: Ministry of Housing and Urban Development, 2023)

Proportion of people (15+ years) living in an owner-occupied dwelling by ethnicity, 2018



Ethnicity is a multiple response variable, so numbers will not add to 100%. People with different ethnicities may be living within the same dwelling. MELAA = Middle Eastern / Latin American / African.

(Source: Census, 2018)



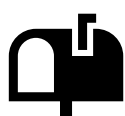
2178 Residential properties sold in 2023
↓ 7% from 2022

Value includes the number of house sales at the point when the sale becomes unconditional.

(Source: Infometrics, 2023, sourced from REINZ)

Housing supply

Housing supply reflects the number of dwellings available for rent or purchase, potential future supply from building consents, and housing stock characteristics (for example, building age, quality, and suitability).



75,201 occupied private dwellings in 2018

↑ 5% from 2013 to 2018



Unoccupied dwellings

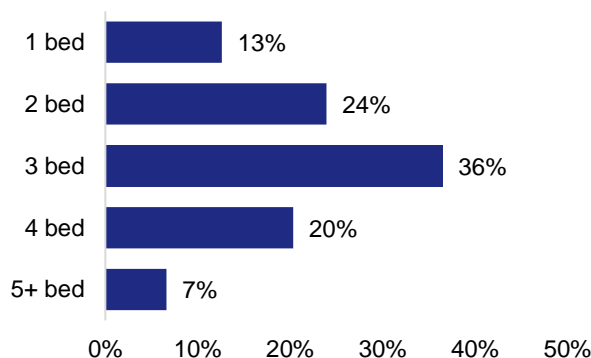


Dwellings under construction

Unoccupied dwellings cover those which were empty or where residents were away on Census night.

(Source: [Census](#), 2018)

Number of bedrooms across occupied private dwellings, 2018



(Source: [Census](#), 2018)

Public housing supply

Public housing provides stable and affordable housing for those who cannot access or sustain a private rental, while **transitional housing** provides support to help people transition into longer-term accommodation.



4153 public houses in January 2024 managed by:

Community Housing Providers: **2273**
Kāinga Ora: **1880**

238 contracted transitional housing places

19
public housing
units per
1000 people

Approximately
5%
of the total
housing stock

The number of public houses is the best available estimate at a point in time. Some Community Housing Provider dwellings may not be captured.

(Source: [Ministry of Housing and Urban Development](#), 2023; Internal WCC dataset, 2023)

Te Kāinga affordable rental programme

The **Te Kāinga programme** provides secure, high quality, and long-term rental housing to Wellingtonians at below-market rates.

212
units available across three
buildings in the central city



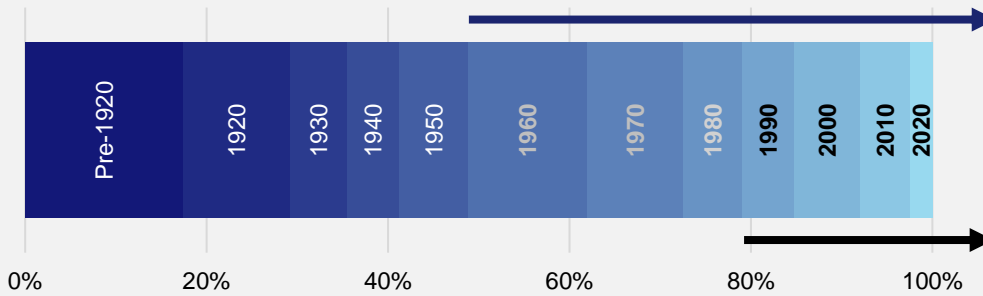
Nine units designed
with accessible
features

(Source: [WCC Te Kāinga](#), 2023)



Building age

Proportion of dwellings built by decade, pre-1920-2023



51%
of dwellings have
been built
since 1960

21%
of dwellings have
been built
since 1990

Individual units (e.g., apartment units) are not captured in this data.

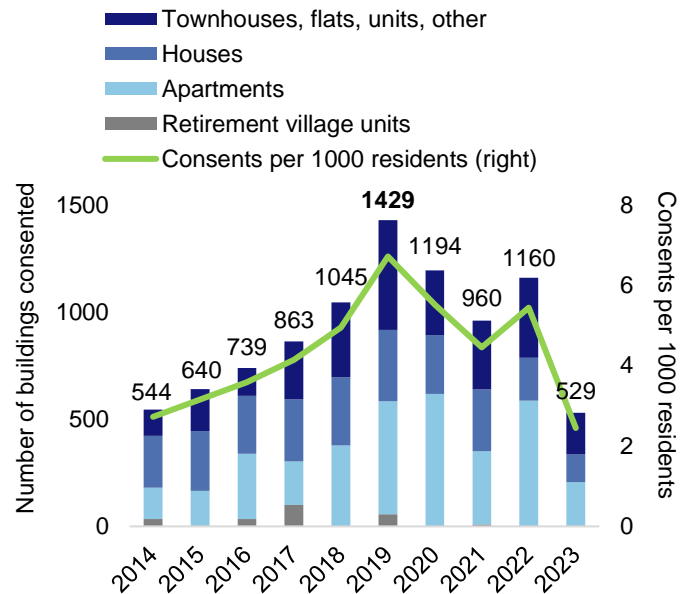
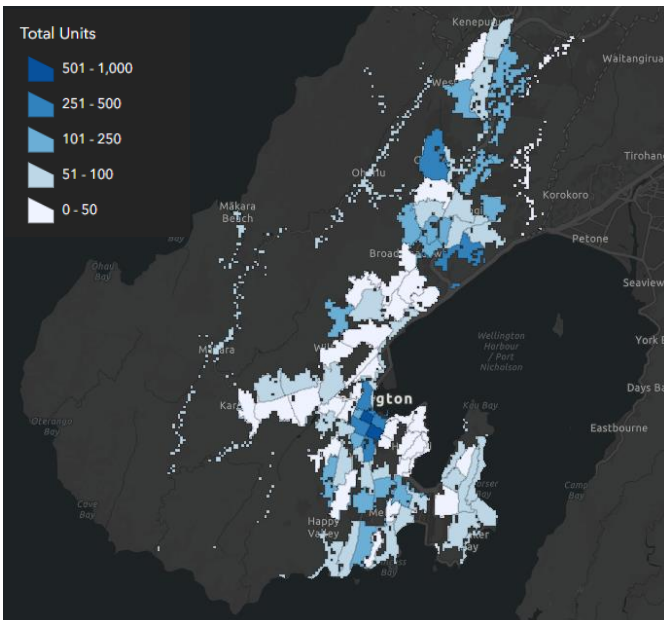
Building age data presented in 10-year age bands. Decade 2020 represents partial data last updated in September 2023.

(Source: Internal WCC Property dataset, 2023)

Building consents

Building consents provide an indication of potential building activity over the short and medium term. However, not all consented buildings are completed.

Number of residential buildings consented by SA2 (left) and typology (right), 2014-2023



(Source: [Statistics New Zealand](#), 2023)

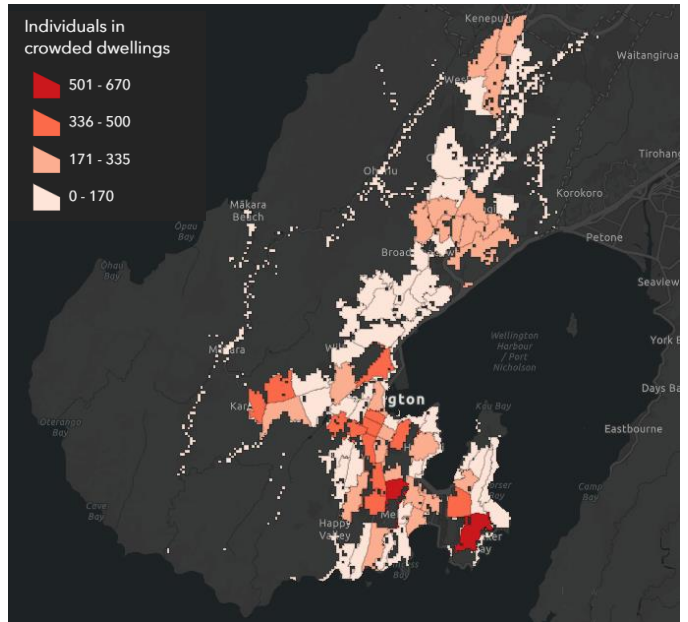
Household crowding

Household crowding occurs when **houses are too small** for the number of people living there. **Severe crowding** means 2+ bedrooms are needed. **Moderate crowding** means 1 bedroom is needed.

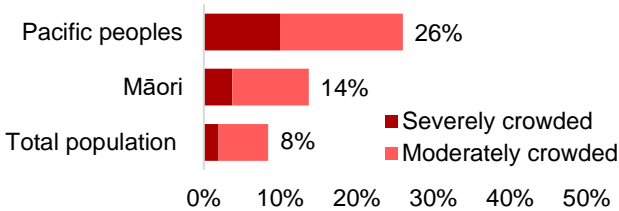
In 2018, **5%** of households were crowded
1% were severely crowded
4% were moderately crowded

15,030 people lived in a crowded dwelling (**8% of the population**)

Number of people living in crowded dwellings by SA2, 2018



Proportion of people living in a crowded dwelling by ethnicity, 2018



(Source: [Statistics New Zealand](#), 2020, calculated from Census 2018 data)

Presence of damp and mould

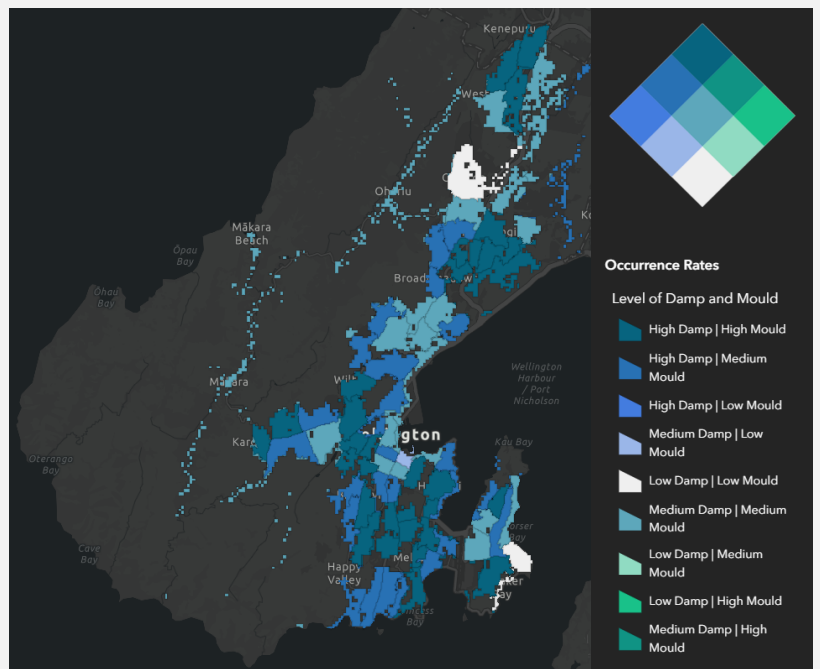
Proportion of dwellings reported as **always or sometimes ...**

Damp: **24%**

With mould over A4 size: **18%**

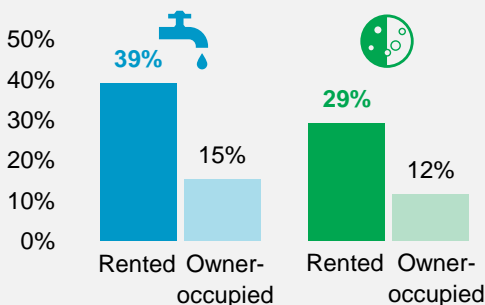
A larger proportion of **renting households** reported **damp** and **mould**

Presence of damp and mould in dwellings by SA2, 2018



Occurrence rates are ranked as 'low' (0-10%), 'medium' (10-20%), or 'high' (20%+).

Presence of damp and mould by tenure, 2018



(Source: Census [Dwelling dampness](#) and [Dwelling mould](#), 2018)

Housing quality

In 2018,



of occupied private dwellings **did not** have basic amenities

Basic amenities = Cooking facilities, kitchen sink, tap water that is safe to drink, refrigerator, bath or shower, toilet, and electricity supply.

(Source: [Census](#), 2018)

Quality of Life Survey 2020 results showed that:



of respondents could **not afford** to heat their home properly

(Source: [Quality of Life Survey](#), 2020)



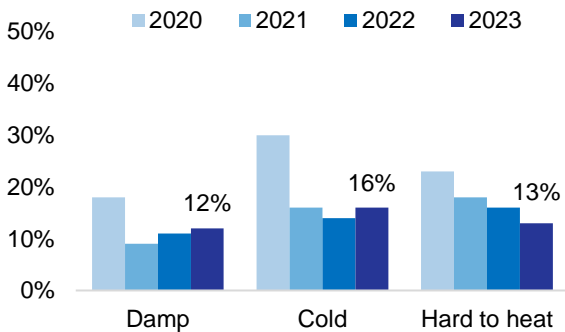
of respondents **disagreed** that their heating system kept the home warm

(Source: [Quality of Life Survey](#), 2020)



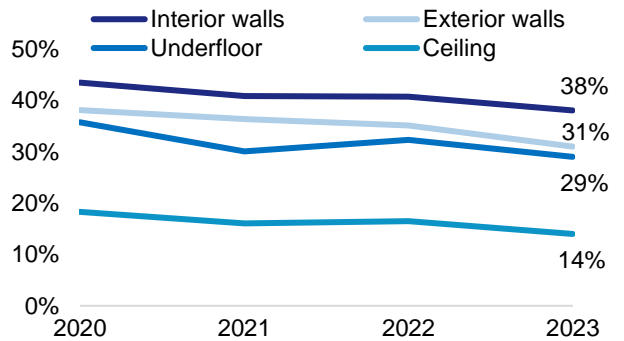
The proportion of homes reported as being damp, cold, hard to heat, or having inadequate insulation **has reduced** since 2020.

Perceptions that the home is **often or always damp, cold, or hard to heat**, 2020-2023



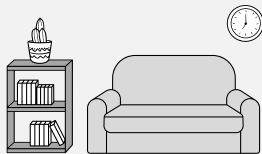
(Source: [WCC Residents Monitoring Survey](#), 2023)

Perceptions that the home has **no insulation or poor insulation**, 2020-2023



Housing suitability

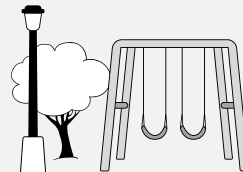
74% agreed



their **home type** suited their household's needs

17% disagreed

84% agreed



their **area or neighbourhood** suited their household's needs

9% disagreed

(Source: [Quality of Life Survey](#), 2022)

Future housing demand

Population growth is a core driver of demand for housing, services, and amenities in Wellington City. Understanding population trends and growth projections can support evidence-informed decisions about new housing supply.

Population and housing projections over the next 30 years

26% increase in population

(Source: [Sense Partners, 2023](#), 50th percentile; 2021 baseline of 215,378)

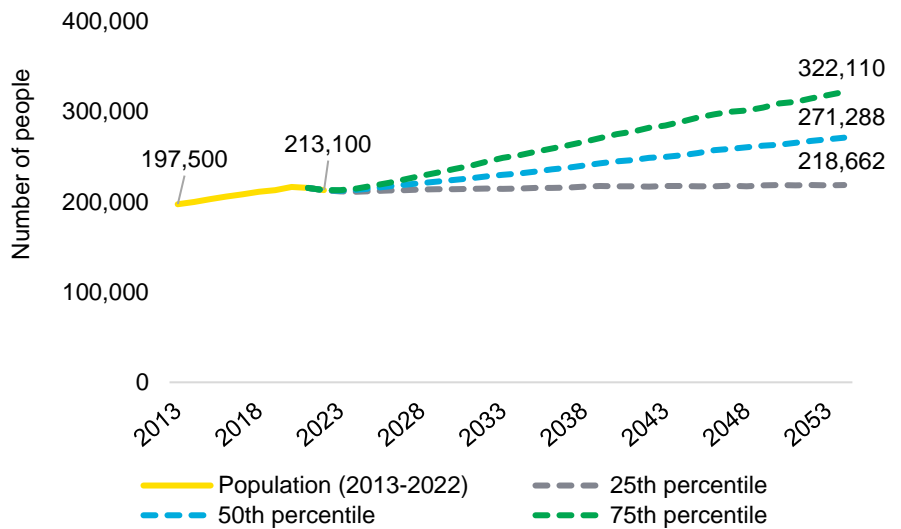
30,407 additional dwellings required

(Source: [Wellington City Housing and Business Needs Assessment, 2023](#))

Identified capacity for **73,856** dwellings

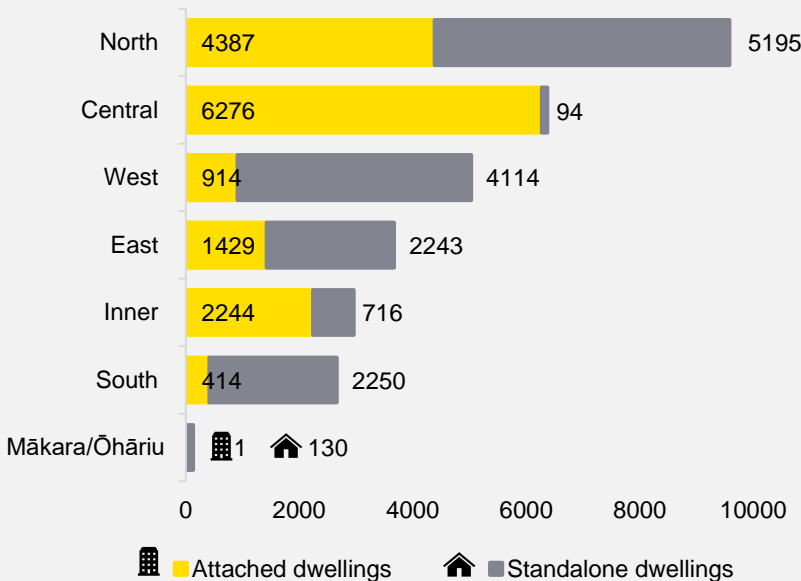
(Source: [Wellington City Housing and Business Needs Assessment, 2023](#))

Estimated and projected population of Wellington City, 2013-2054



(Source: [Statistics New Zealand, 2022](#); [Sense Partners, 2023](#))

Projected demand for attached and standalone dwellings across Wellington City areas, 2051



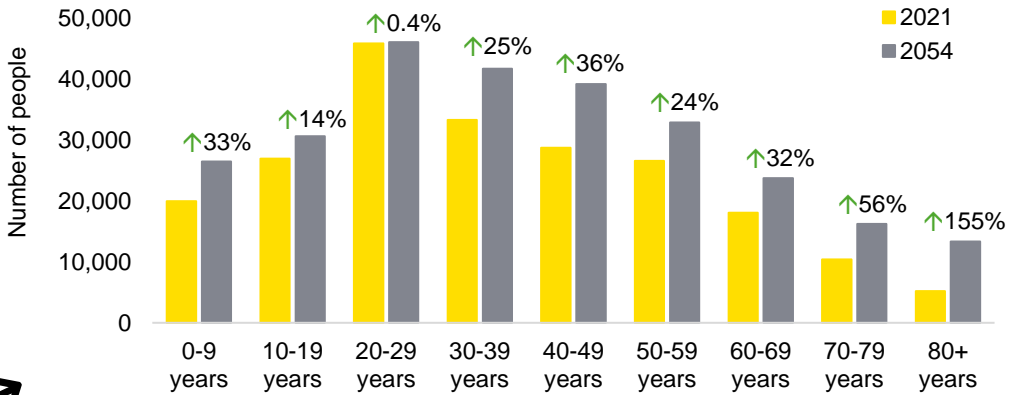
Attached dwellings incorporate apartments and terraced houses.

(Source: [Wellington City Housing and Business Needs Assessment, 2023](#))

While **all age groups** and **household types** are projected to **materially increase in number by 2054**, Wellington City's population age structure is also projected to shift.


These changes have implications for the types of homes that will be required in future.

Projected increases in **population age groups** in Wellington City, 2021-2054




By 2054

Working age population
(15-64 years)

 **71%**


↓ 4% from 2021

Older adult population
(65+ years)

 **15%**

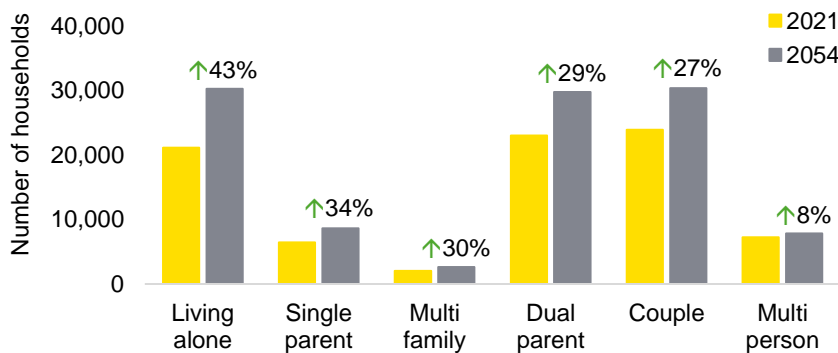
↑ 4% from 2021

Households who are
living alone

 **28%**

↑ 2% from 2021

Projected increases in **household types** in Wellington City, 2021-2054



(Source: [Sense Partners](#), 2023, 50th percentile)

This report was prepared by Wellington City Council in February 2024.

All data presented in this report are sourced from publicly available data sources or data held internally by Wellington City Council.

Results from the 2018 Census are used throughout this report as 2023 Census results were not available at the time of preparation. 2023 Census results are expected in late 2024/2025.

Data source details are available on the [State of Housing website](#). Refer to the original data sources for full details, considerations, and caveats.