

Project Brief

Demographic Drivers & Housing Preferences

1. Background

- 1.1 The purpose of this Project is to examine the assumptions associated with demographic changes and housing preferences.
- 1.2 A wide range of papers have been prepared on this both nationally and international. CHRANZ, in particular has produced a number of related background reports. There have also been studies in Australia such as those by the Grattan Institute.
- 1.3 Population projections are used for the spatial allocation of land through converting population numbers into numbers of households. This is frequently undertaken using the crude method of the ratio of persons per dwelling. The relationship is much more complex.
- 1.4 Demographic drivers that have an influence on the dwelling requirements of a given population include age distribution and family formation. Socio-economic factors also have an influence and include ethnicity and income (and cost of housing) in particular. This dwelling requirement is not the same as housing preferences (ie statistics (needs) versus wants). For example a retired couple only need a one bedroom dwelling, but invariably will want two or three bedrooms to cater for visitors, or three or four as an investment to sell when they may become less independent. Families (horizontal and vertical) may look to share for economic reasons.
- 1.5 It is this latter housing preference component that is not so well understood with regard to its actual impact on the supply and demand for housing, and hence upon land supply requirements.

2. Project Goal

- 2.1 The project goal is to provide a better understanding of the likely future housing needs for the western Bay of Plenty. To achieve this, the project will require gaining an understanding of, and develop a relationship between population projections, household requirements, and household preferences for particular dwelling types. This will be in order to better estimate future residential land requirements and to provide guidance information to encourage the provision of a diverse range of housing typologies.

3. Project Proposal

- 3.1 To provide a methodology for applying household preferences to demographic projections in order to enable estimates of land requirements for residential development, and to provide information on the types and number housing typologies expected.

- 3.2 Develop a model that incorporates the following:
- (a) Uses Statistics NZ population demographics, household structure, age/sex distribution, family formation to develop propensities and preferences. Include where possible (dependant upon available information) housing aspiration for the different demographic cohorts.
 - (b) SmartGrowth five year age/sex and household formation data out to 2051 (this will be extended out to coincide with the new population projections when they are completed).
 - (c) Agreed set of propensities
 - (d) 3 – 5 scenarios based on preference changes. The focus is on long term trends, not short term fluctuations.

4. Project Manager

- 4.1 Phillip Martelli, Resource Management Manager, Western Bay of Plenty District Council.

5. Project Inputs

- 5.1 SmartGrowth population projection and household forecasts. These will be used in the absence of up to date projections that are scheduled for post 2013 Census.

6. Project Outputs

- 6.1 A written report shall be provided.
- 6.2 An electronic copy of the report that is web friendly.
- 6.3 A presentation of the draft report to the SmartGrowth Implementation Management Group and a presentation of the final to the SmartGrowth Implementation Committee.

7. Methodology and Resources

The Contractor shall:

- 7.1 Identify the project manager and project team, including who will be responsible for which component.
- 7.2 Set out the methodology to be used, including identification of milestones and timelines.
- 7.3 Identify data that needs to be acquired (the Councils may have this, or the University, or may need to be purchased from SNZ).
- 7.4 Any other resources required from the SmartGrowth Partnership.
- 7.5 Price for undertaking the work. This is to include acquisition of data which is to be separately itemised.