



WHARENOHO AHUPORI

Murihiku Southland Housing Action Plan Review

November 2025



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Murihiku Southland Housing Snapshot 2024-25

This Snapshot provides an update on the region's approach over the last 12 months to address identified housing challenges.

Our region's leaders and councils in partnership with many organisations acknowledge the importance of housing and the need to address key challenges. It is important that we continue to meet the changing needs of our communities while also ensuring we can provide homes for our current and future workforce, which will power our diversified economy. There have been a range of highlights including the following:

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| Housing Forum held 12 June (100 attendees) | Build Southland Website developed and launched | 15 new Kāinga Ora homes built in Invercargill |
| Councils have reviewed their consent processes | Waihōpai Rūnaka unveiled 8 new papakāika (homes) at Murihiku Marae | Invercargill City Council built 4 new homes in Stirrat Street |

Refreshing your memory

The Beyond 2025 Southland Regional Long-Term Plan identified "Housing" as one of 5 key focus areas to enable the region to achieve its economic, social and environmental aspirations.

To better understand the situation, Great South commissioned Infometrics and Rationale Consulting to undertake a stocktake of all the region's 46,761 homes and an assessment of current and future demand based on feedback from Southland people and businesses. While Southland housing is affordable compared to other parts of NZ (with an average house price just over half the national average), this investigation identified four key challenges:

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| <p>Rental affordability and mortgage serviceability have deteriorated at a faster rate in Murihiku Southland compared to the national average and major centres.</p> | <p>House prices have accelerated at a much faster rate across the region than the national average, combined with income growth below the national average and this is resulting in Southlanders struggling with housing affordability.</p> | <p>Limited housing choices are creating stress around long-term housing options for the ageing population and whanau – less availability of small, attached homes, growing ageing population.</p> | <p>The existing housing stock is old, poor quality and lacks diversity resulting in a lack of housing options and potentially poor health outcomes.</p> |
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Great South then developed the Murihiku Southland Housing Action Plan which outlined an approach to address challenges. Over the past year, Great South and other organisations have delivered a number of actions from the Plan.



Recent housing legislation and policy changes

Southland's Councils have been focused on improving their building and resource consent processes and some have changed their delivery approach to be more efficient and effective.

This has had to be considered alongside significant changes with housing legislation and policy nationally:

- The Resource Management Act 1991 was set to be replaced by new planning laws (e.g. a Natural and Built Environment Act 2023), but these were swiftly repealed by the incoming government in late 2023. Two new Acts will replace the existing RMA with details due by the end of 2025.
- The national housing strategy has shifted with Kāinga Ora's state house building programme being scaled back in favour of community housing providers (CHPs). CHPs will then be supported by a new Community Housing Funding Agency (CHFA) to finance more social and affordable homes.

- The Emergency housing policy was tightened in 2024 – making it harder to qualify for motel stays – as the government seeks to end long-term reliance on that stopgap accommodation.

Meanwhile, building rules are being eased – for example, upcoming Building Act changes will allow small secondary dwellings ("granny flats") up to 70 m² to be built without consent – changes aimed at boosting housing supply and affordability. Another change is that small structures like garden sheds, sleepouts and garages can be built closer to property boundaries without requiring building consent. There is also an option for Building Consent Authorities to work together to form a single BCA, as well as changes to insurance to reduce the liability to councils.

MBIE has published the first version of the Building Product Specifications, effective 28 July 2025.



Papakāinga housing, Murihiku Marae

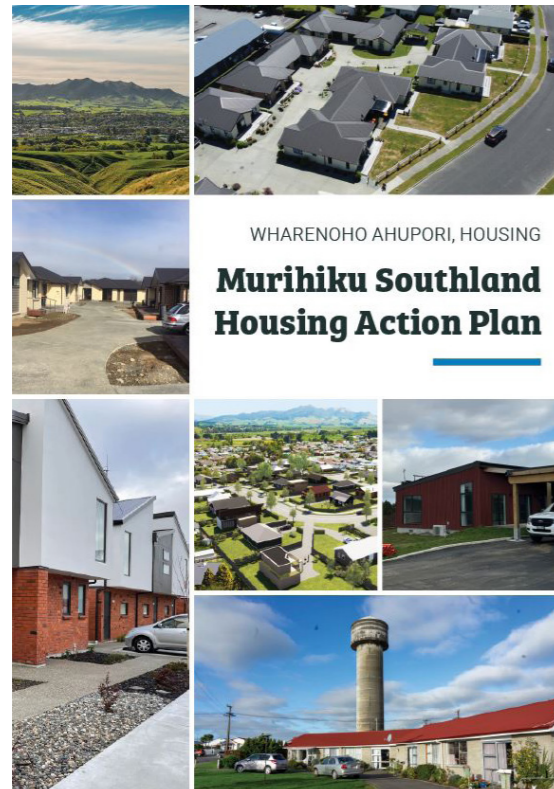
What has been happening with housing in our region?

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| Population growing steadily | Murihiku Southland's population continues to grow steadily, increasing by 2.4% over the past five years to reach 103,800 residents. |
| Ageing population | Southland's demographic profile highlights some key shifts. The region has a higher median age (40.4 years) compared to New Zealand overall (38.1 years), pointing to an ageing population. Gore District has the highest proportion of residents aged 65 and older (21.4%), and this figure is expected to rise further in the coming decade. While this creates demand for more accessible and age-friendly housing, it also provides opportunities for the region to strengthen services and housing models that cater to older residents. |
| Bigger homes with less people in them | Household sizes remain slightly smaller than the national average (2.4 people compared to 2.7), yet the region has a higher proportion of larger homes, with 77.5% of dwellings having three or more bedrooms. This suggests that our smaller households are poorly matched to our current housing stock, which tend to be bigger houses, particularly with our ageing population. |
| High home ownership | Home ownership remains a defining feature of the region, with 71.5% of households owning their home compared to 66% nationally. This strong culture of ownership underpins Southland's reputation for affordability and security of housing. It also reflects the relative accessibility of house prices when compared to many other regions across Aotearoa. |
| Building consents similar to the previous year | There were 342 building consents for new homes to the year end 30 June 2025, which was on a par with the previous year. The number of consents for alterations was down slightly to 940 compared with 963 last year. |
| Larger homes being consented | The average size of a new home consent was 163.4 square metres. This is slightly higher than last year and significantly larger compared to the rest of New Zealand (140.5 sqm). |
| More government homes built | Kāinga Ora manages 460 homes in the region, a slight increase on last year. Government policy change continues to reduce waiting lists. |
| Homes increasing in value | The median sale price of houses in Murihiku Southland rose 10.1% over the past year to \$490,000. This is still more affordable than the national median of \$772,000. |
| Strong housing sales | The number of house sales continue to grow in Southland with 1,842 homes sold in the past 12 months. |
| Increasing rents and growing rental unaffordability | Median weekly rent also continues to increase from \$450 last year to \$480 this year. Rental affordability sits at 23%, and whilst better than the national figure of 23.9%, the long-term trend has been moving toward this national figure, indicating that rentals have become nearly as unaffordable as the rest of the country. |

Progress to implement the Murihiku Southland Housing Action Plan

The Murihiku Southland Housing Action Plan was developed mid 2024 by Great South.

It outlined 13 key projects to be focused on and was intended to be a way to drive collaborative housing activity. Due to support from key stakeholders and councils, in the past 12 months Great South has successfully completed 5 out of the 13 projects with another 6 in progress. It is important that resource continues to be allocated to the delivery of the implementation of this action plan.



Project 1: Regional Framework and Structure Complete

A discussion document was developed by Great South for consideration by regional leaders. It outlined options for structuring and enabling the regional approach to housing and considered other region's approaches such as the Queenstown Lakes Housing Trust model. It also considered how we drive and resource the implementation of the Murihiku Southland Housing Action Plan.

The solutions to address housing issues are broad and varied therefore multiple actions are required. At this stage, a single governance group to drive all solutions is not thought to be the answer, particularly as Councils are committed to providing their own housing. Also considering significantly changing legislation, leaders prioritised the need to have a Council focus at this stage and an internal group of Council GMs was formed to consider housing and spatial planning. Great South was mandated by the councils to coordinate housing regionally, thus providing a link to current businesses and future industry housing needs.

Future Focus: This will be reviewed post 2025 local government elections but also considering new Government legislation. There will be continued focus on supporting individual housing projects and initiatives e.g. Southland Community Housing Group, Presbyterian Support Services, Age Concern, Iwi, Habitat for Humanity.



Project 2: Housing Data Dashboard Complete

The Housing Data Dashboard on DISH (Data Insights Southland Hub) has been developed. This digital housing dashboard provides easy to access, trusted and up to date housing data and insights. It is regularly updated and is used to create quarterly housing reports which detail key trends across the housing market, affordability and social housing.

Future Focus: To keep data up to date and refresh the Dashboard to make it even more accessible, relevant and easy to use.



Project 3: Annual Housing Situation Report Complete

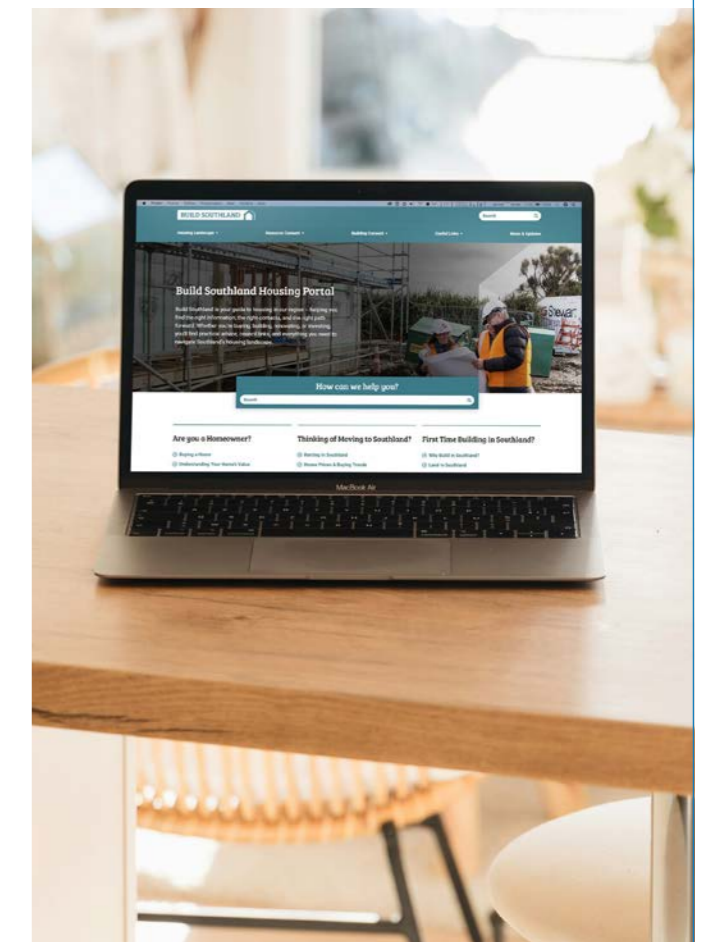
This report (Murihiku Southland Housing Snapshot 2024-2025) provides an update on the region's approach over the last 12 months to address identified housing challenges.

Future Focus: Looking forward there will be more focus on working with employers and new industries to understand future housing needs. This will allow us to balance ongoing supply and demand.

Project 4: Digital Housing Portal "Build Southland" Complete

A one stop shop website called 'Build Southland' has been developed which aims to make it easy for people to find information on housing. Developed in partnership with the region's four councils, it was launched on 12 June 2025 as part of the Murihiku Southland Housing Forum. To see more, visit www.buildsouthland.nz

Future Focus: There will be efforts to create awareness of this website while also maintaining and updating it to reflect changes in the Building Act and other legislation.



Project 5: Ageing Sector Investigation

Underway

This project aims to gain insights into current and future older aged people in our region to ensure we match their housing needs with supply. At this stage a demographic profile is being developed which will be a useful tool to encourage and support the building of smaller, affordable homes. This project aligns with Project 13 which aims to encourage more social, community and elderly housing and Project 7 which will develop case studies of innovative and diverse housing solutions.

Future Focus: The investigation will continue to be undertaken by Great South in partnership with other organisations and councils, with a report to be produced by the end of June 2026.

Project 6: Housing Condition Assessment

Yet to start

While we know that almost three quarters of our homes were built prior to 1980, we do not have further data and information on the condition of these homes. For example, if they have been redeveloped, new heating or solar panels have been installed, or the house has been altered with extensions and/or had other renovation. Understanding this will help us assess the condition and useful life of our homes, to better inform the approach over the next 30 years.

Future Focus: There will be further discussion with key stakeholders, Great South and Councils acknowledging that this could form part of the Council's upcoming spatial planning work which links to the reform of the RMA.



Project 7: Case Studies of Innovative and Diverse Housing Solutions

Underway

This project aims to develop a toolkit of case studies which illustrate innovative and diverse housing solutions. This will encourage the development of not only different, but more affordable homes. While tangible case studies will be developed and shared on the Build Southland website, at this stage the focus is to build the knowledge of councils, regional leaders, funders and community housing providers of various options. The Murihiku Southland Housing Forum held 12 June 2025 was specifically focused on sharing diverse housing solutions and learnings from other parts of New Zealand and overseas. There was valuable discussion around medium density houses, tiny homes, changing regulation etc.

Future Focus: A visit to Balclutha is planned to gain learnings around their 'council-led rates neutral' housing journey. The focus on developing and sharing a toolkit of case studies will continue. Gaining learnings from other parts of New Zealand is also a focus.

Project 8: Long-Term Rental Investigation and Solutions

Yet to start

The data indicates that our region has significantly less long-term rentals than other parts of New Zealand. In places where tourism is a significant industry, this is creating challenges for employers to attract and retain workforce. Similarly, the growth of short-term accommodation is exacerbating the situation as homeowners choose to put their homes on platforms such as AirBNB to meet strong demand for this type of accommodation. It is also a financial choice where homeowners can sometimes get the same amount for one night on AirBNB than they do for renting the property for a week.

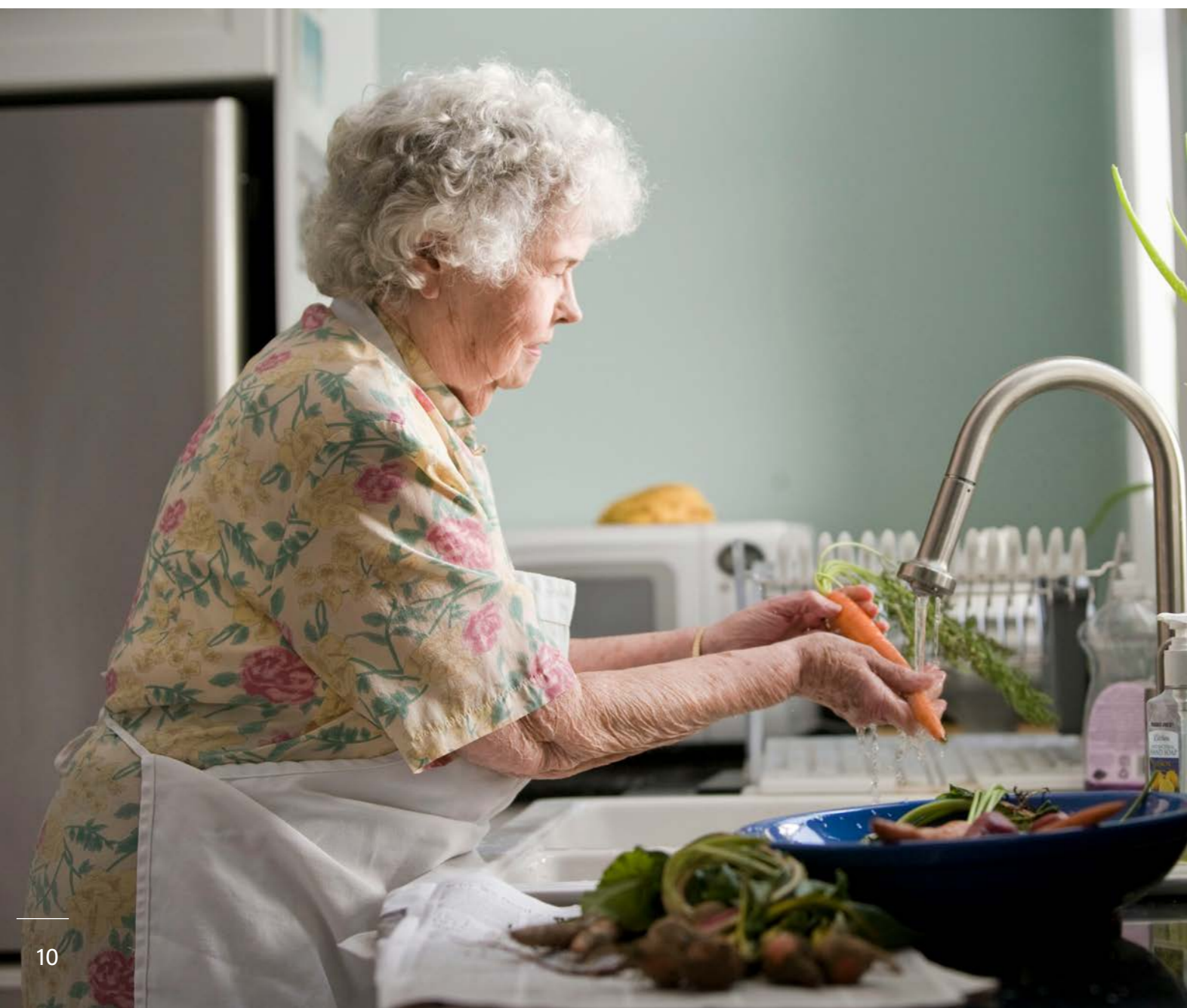
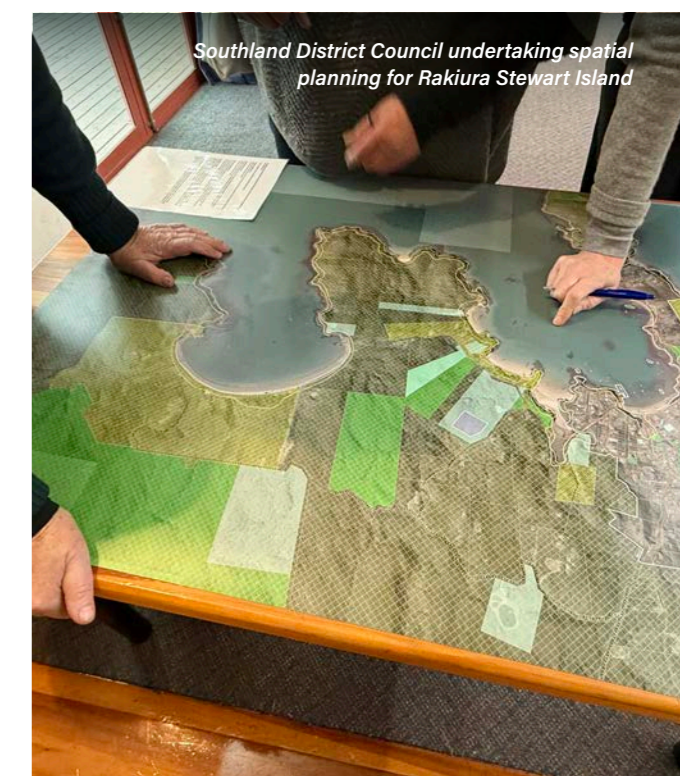
Future Focus: There will be further discussion with key stakeholders, industry, homeowners and councils acknowledging that this could form part of the council's upcoming spatial planning work which links to the reform of the RMA.

Project 9: Alignment of Housing with Spatial Planning and Infrastructure Provision

Underway

The reform of the RMA is underway, and it is likely that regional spatial planning will be a requirement. This planning views communities spatially acknowledging the location of infrastructure, amenities, and facilities for the next 30 years to align with the demographic changes of people living there and industry. This planning will dictate where housing is permitted and encouraged, and will link directly into regulation. The overall goal is that there is a lined-up approach through spatial planning and infrastructure provision to ensure homes are built in the right places to meet current and future demand. The councils and Great South are evaluating how to achieve this alongside regulation changes through the RMA and provision of infrastructure. Southland District Council has begun their spatial planning process with Great South providing support for the Housing Business Assessments (HBAs).

Future Focus: There is a focus to ensure an aligned spatial planning process across all councils in the region through consistent use of data and a collaborative multiple stakeholder approach.





Maxis Projects Managing Director Nick Hamlin at Hawthorndale Care Village, Invercargill

Project 10: Planning Review to ensure we are “Development Ready”

Complete

The goal of this project was to ensure that the planning rules and associated processes are fit for purpose to not only regulate but enable our community and private sector to deliver quality homes (both retrofit and new builds). Great South undertook a review of the building and resource consent processes on behalf of all four councils. This review considered feedback from council staff who process consents alongside the building industry including resource planners and landscape architects – who submit proposals. It also included an independent assessment of websites, application forms etc.

One finding was that the building sector find it a confusing space to build homes in Southland due to there being multiple councils with different processes and rules. This has subsequently resulted in the development of the Build Southland housing portal (Project 4).

A summary report was presented to all four councils and implementation of key recommendations are underway in line with other Government regulation changes. This directly links with Project 9 as above.

Future Focus: With a changing regulatory environment including the review of the RMA, ‘new granny flat’ legislation, there are likely to be further changes and there is agreement that it is important that there is good communication with the building sector, industry and community.

Project 11: Wrap-around Housing Services, Support & Programmes

Underway

It is important that there are services, programmes and initiatives to complement the ‘bricks and mortar’ of housing acknowledging our older housing stock, the health and wellness of our people and growing unaffordability.

This year has seen central Government review services and funding across all ministries with a view to realising savings and efficiencies. Subsequently, there has been a reduction of services in Southland which is currently being assessed by Great South and the Regional Public Service Commission. This will impact the delivery of a range of services, programmes and initiatives which enable the region to provide a lifestyle and essential services to attract workforce. It will also directly impact the provision of housing as we have seen through the Kāinga Ora review. Similarly, some rest homes and elderly care organisations are facing operational and funding challenges, which is important to note considering the growing proportion of older people in our communities.

The Southland Community Housing Group continues to meet quarterly led by Margaret Cook. This is an important forum attended by a range of organisations associated with the provision of housing, services and programmes. It ensures that the spotlight remains on the social aspects of housing, to balance the need for housing to meet current and future workforce.

Future Focus: The social assessment of the change of services and funding will be completed by June 2026 by Great South and could identify areas for shared advocacy and more focus (e.g. Project 5, ageing sector). Ongoing support to be provided to the Southland Community Housing Group and elderly care organisations where possible.

Project 12: Funding Options for Housing

Underway

There is a need to develop a range of innovative funding options to enable and support the delivery of housing, services and programmes. This will complement the Government’s approach which is to support community housing providers but should also acknowledge the desire of homeowners to renovate their homes or install new heating systems.

Future Focus: There are a number of opportunities to explore including partnerships with banks, investors, local community funders, industry and government. These will continue to be explored.



Invercargill City Council Housing

Project 13: More Social, Community and Elderly Housing

Underway

There is increasing demand for more accessible and age-friendly housing, particularly considering the ageing population. This will be achieved through multiple projects including the following which were developed this year:

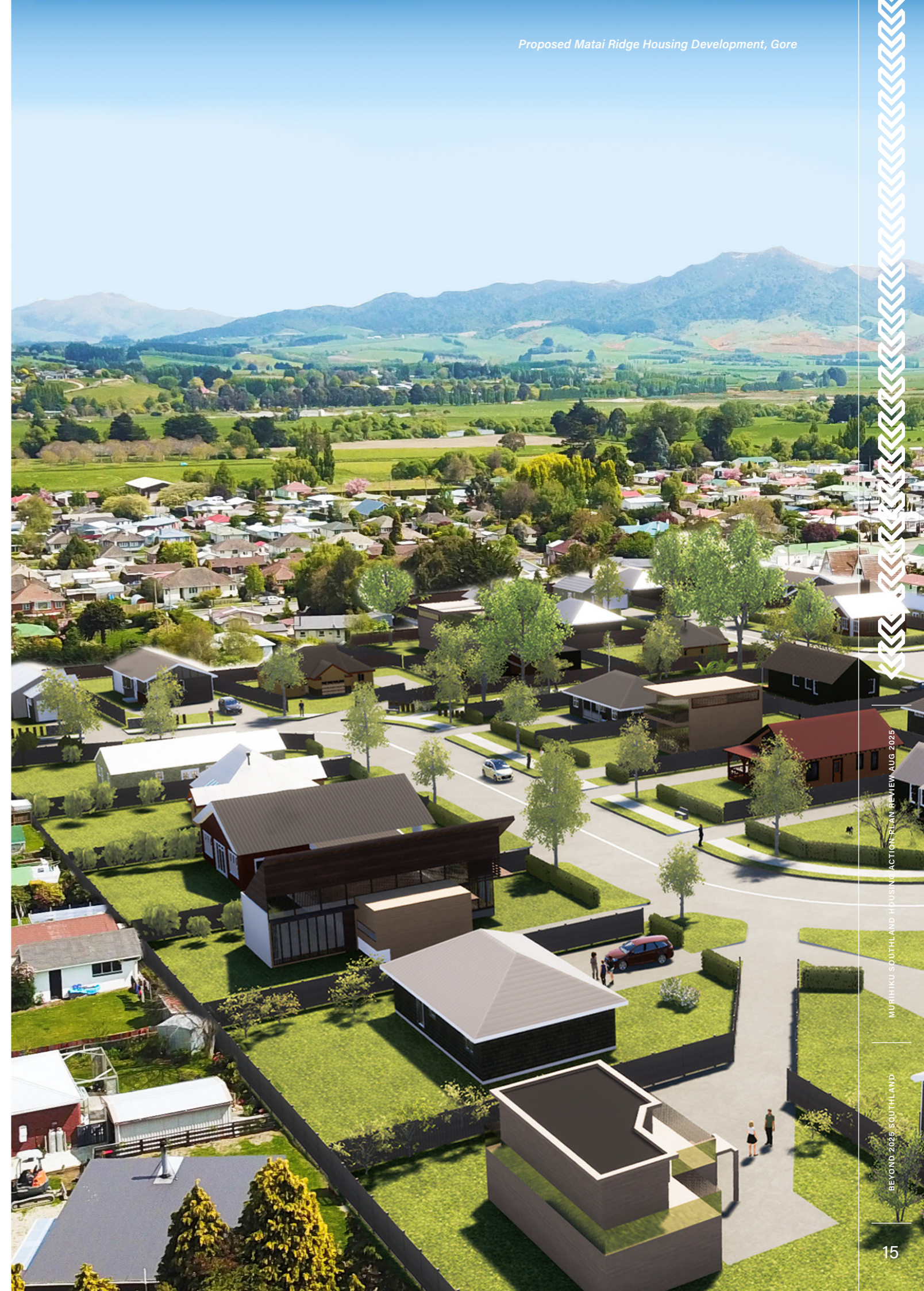
- Waihōpai Rūnaka unveiled 8 new papakāika (houses) at Murihiku Marae.
- Invercargill City Council built 4 modern and energy efficient homes at Stirrat Street for elderly, bringing the total they own to 216.
- Kāinga Ora built 15 new homes as part of four developments in Appleby, Glengarry and Strathern in Invercargill. These homes were a mix of one, two, three and four-bedrooms.
- In 2025 Presbyterian Support Services (PSS) commenced the redevelopment of their Peacehaven Retirement Village. Stage one of the development involves the construction of 13 new two-bedroom units and is anticipated to be completed by mid-2026. The entire redevelopment involves 38-new units and a new community centre, and is expected to take approximately 5-years to complete. There are several existing cottages onsite that PSS are working to remove and re-purpose elsewhere within the region for community housing needs.

Future Focus: Next year, Kāinga Ora will build 16 new homes in Gore at the Hamilton Street site and 5 in Invercargill by May and June 2026 respectively. ICC are looking to build 6 new homes on Miller Street. Following the Housing Forum in June a property manager approached Great South with the opportunity to use a former rest home for independent living for older people. Great South will support this initiative by connecting the property manager with relevant people and groups and providing insights.

Housing wrap-up for 2024 - 25

The Murihiku Southland Housing Snapshot 2024-25 provides an update on the region's efforts to address housing challenges through collaborative initiatives, policy adaptations, and targeted projects primarily driven by Great South.

- Murihiku Southland Housing Action Plan implementation progress:** Of 13 planned projects, six continue to be implemented with five already completed. Completed projects includes a regional housing framework, a digital housing data dashboard, housing reports and a newly developed digital housing portal called Build Southland.
- Recent housing developments:** Notable achievements include 15 new Kāinga Ora homes, 8 papakāika homes by Waihōpai Rūnaka, and 4 homes built by Invercargill City Council for elderly residents, with further builds planned in 2026.
- Regional housing challenges identified:** Southland faces issues including deteriorating rental affordability, rapidly rising house prices outpacing income growth, limited housing choices for aging populations, and aging, poor-quality housing stock.
- Population and demographic trends:** The region's population grew by 2.4% over five years to 103,800, with a higher median age than national average, indicating an aging population that requires more accessible and age-friendly housing. Household sizes are smaller but homes tend to be larger, and home ownership remains high at 71.5%.
- Housing market and building activity:** Building consents for new homes remained steady at 342, with new homes averaging 163.4 sqm, larger than the national average. Median house values rose 2.5% to \$410,000, and 1,842 homes were sold in the past year. Rental costs increased to a median of \$480 weekly, which is creating rising affordability issues for some people.
- Legislative and policy changes:** Councils improved consent processes amid national legislative shifts, including the repeal of new planning laws and changes to emergency housing policies. Building regulations are easing to allow small secondary dwellings without consent to boost supply.
- Focus on aging population housing needs:** An ongoing investigation is profiling older residents to guide development of smaller, affordable homes, aligning with projects promoting social and elderly housing.
- Spatial planning and infrastructure alignment:** Councils and Great South are integrating housing with spatial planning and infrastructure provision to ensure homes are built in appropriate locations, supporting regional growth and demographic changes.
- Community housing and social support:** The Southland Community Housing Group continues to provide a valuable multi-stakeholder forum which provides insights on services and programmes, to address social aspects of housing and workforce needs.





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