

National Policy Statement on Urban Development

Kāpiti Coast District Council Quarter 3 Monitoring Report

March 2024

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Executive Summary

This third quarter (Q3 2024) National Policy Statement on Urban Development (NPS-UD) monitoring report provides an update and analysis of changes across the development market for the 1 December 2023 – 29 February 2024 period.

Quarterly reporting identifies changes in development activity and a range of market and price efficiency indicators sourced from the Ministry of Housing and Urban Development's (HUD) Urban Development Dashboard where available.

This quarter has identified an increase in median house values up from last quarters \$740,000 to \$770,000, showing a turnaround from the previous trend of slowing and declining values over the last four quarters. House sales have continued to decline this quarter.

This quarter continues the previous declining of consent numbers, with further slight decreases in resource consents for this quarter down to 29 from 39 last quarter, and building consents, down to 104 from 142 last quarter. However, data for this quarter covers the Christmas holiday period, which sees a seasonal drop in activity each year.

The drop in building consents this quarter equated to 93 dwellings consented, with a total of 213 bedrooms. This is down from last quarter's 129 dwellings and 310 bedrooms. The majority of this activity relates to the construction of the townhouse development on Utauta Street and a further stage of development as part of the Summerset retirement village development in Waikanae.

A snapshot of indicator activity for 1 Dec 2023 – 29 Feb 2024 is summarised below:

Indicator	Movement from last quarter	Context
Building consent applications issued	Decreasing (by 38 as per Appendix 1)	104 consents issued with a total value of \$44,850,350.
Resource consent applications granted	Decreasing (by 10 as per Appendix 1)	29 consents granted: <ul style="list-style-type: none"> - 26 residential - 3 non-residential - Indicating a potential net addition of 76 dwellings from new builds and subdivisions.
House values	Increasing	The median value of house sales has increased to \$770,000 as of 31/12/2023, compared to \$740,000 in the last quarter.
House sales	Decreasing	There were 219 house sales as of 31/12/2023. However, this will be revised on receipt of late data with last quarter's house sales now revised up to 227.
Nominal mean rent	Stable	Mean rent is stable, slightly increasing to \$599 for 31/12/2023 from \$591 at 30/09/2023.
Dwellings sale volume as percentage of stock	Stable	The ratio of housing sales to housing stock has slightly fallen to 1.02% for 31/12/2023 from 1.06% for 3/09/2023.

Several indicators continue to be less frequently updated on HUD's dashboard. The last known update is provided below and will be updated as new information becomes available.

Land value as percentage of capital value	Stable	47.1% for 30/09/2023, same as the 47.1% in 31/03/2023.
Average land value of a dwelling	Stable	\$246,761 for 30/09/2023 very slightly decreasing from \$246,838 as of 30/06/2023

Kāpiti Coast District Council - Quarter 3 Monitoring Report March 2024

Introduction

This is the third quarter monitoring report implementing the National Policy Statement on Urban Development (NPS-UD). The report provides updated data and analysis of changes to the housing market for the 1 December 2023 – 29 February 2024 period.

Quarterly reporting identifies changes in development activity and a range of market and price efficiency indicators sourced from HUD's Urban Development Dashboard.

Regular monitoring supports Council's work to understand and develop an assessment of development capacity and a fit-for-purpose evidence base for Council's decision-making on infrastructure investment and the future release of land to meet development needs.

Previous monitoring reports are available at: www.kapiticoast.govt.nz/Our-District/The-Kapiti-Coast/urban-development-capacity

Social Housing Register Quarterly Update – December 2023

The Ministry of Social Development National Social Housing Register was updated in December 2023. The update shows that over the September 2023 to December 2023 period, applications for social housing in Kāpiti have decreased from 177 to 168 registrations. However, nationally registrations have slightly increased from a total of 25,284 to 25,389 over this period. This follows the peak of registrations in March 2022 with 216 registrations in Kāpiti and 26,868 registrations nationally.

Housing Register data is available at: <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html>

GROWTH TRENDS

Resource consents have continued to decrease slightly this quarter, down to 29 (from 39) but net additional dwellings have increased up to 76. Building consents numbers have also decreased down to 104 from 142 the previous quarter.

Building Consents¹

Data on building consents helps identify development activity across the district. Between 1 December 2023 – 29 February 2024, 104 consents were issued. This is a decrease from the 142 reported for the last quarter (Q2 2023/24). Of these, 36 related to new builds² (down 20 from 56 in the last quarter) and 54 related to dwellings - additions and alterations (same in the last quarter). Compared to the last quarter (Q2 2023/24), the total value of building consents has decreased to \$44,850,550, down from last quarter's \$71,462,904.

Compared to the same period last year (1 December 2022 – 28 February 2023), building consent numbers are down from 143 to 104. The total value of work has correspondingly significantly decreased from \$53,473,843 to \$44,850,550.

During the quarter there were 36 applications for new builds equating to 93 additional dwellings.

The type of housing through the building consent process identified 12 standalone houses, 7 second houses infilled on existing sites, 3 consents with 2 houses each infilled on a site, 3 semi-detached houses, 2 consents with a total of 8 multi-use dwellings, 2 rebuilt houses, 29 new two storey townhouses on Utauta Street in Waikanae; and 26 dwellings connected to the Summerset retirement village development in Waikanae.

The 93 additional dwellings consist of 213 bedrooms. This represents a decrease from the previous quarter's 129 dwellings with 310 bedrooms. Of the total 213 additional bedrooms this quarter, 1.4% were for housing with 1 bedroom, 61% for 2 bedrooms, 30% for 3 bedrooms, 5.6% for 4 bedrooms, and 2.3% for 5-bedroom housing.

Further detail on the number and type of building consents issued and additional bedrooms by size for this quarter can be found in Table 2 of Appendix One.

Resource Consents³

Between 1 December 2023 – 29 February 2024, Council granted 29 resource consents.

This included 18 land use consents, 8 subdivision consents, and 4 deemed permitted activities⁴. Overall, 27 of the consents granted related to residential activities and information from the consents suggests that these applications have the potential to yield 76 net additional dwellings. This is an increase from the 40 potential net additional dwellings reported last quarter (Q2 2023/24).

¹ Note: Applications for garages, fireplaces, fences, retaining walls, outbuildings, conservatories, swimming and spa pools, and other construction (e.g. signs and pergolas) are excluded from this analysis of building consents.

² From statistics category for New (& prebuilt) House, Unit, Bach, Crib

³ Quarterly resource consent activity excludes applications that varies or changes consent conditions or outline plans, which are included in wider Resource Management Act monitoring.

⁴ Resource Management Act 1991, Sections 87BA, 87BB.

During this period, general residential activities accounted for 22 of the 27 residential activities with a potential net addition of 44 dwellings. Waikanae usually has the most residential consents, with 6 this quarter and a net potential for 28 additional dwellings. Paraparaumu accounted for 9 of the residential consents with the potential for 8 additional dwelling. Raumati Beach and Raumati South accounted for 5 of the consents with 4 potential additional dwellings. Ōtaki and Otaki Forks accounted for 2 of the residential consents with the potential for 4 net additional dwellings. Paekākāriki had no consents granted.

During this period, rural residential activities accounted for 5 of the 27 residential activities, with the potential for 32 net additional dwellings. One of the two residential consents from Ōtaki Forks to undertake a 32-lot subdivision accounted for all the 30 net additional dwellings. Waikanae and Peka Peka had one consents each with no potential net additional dwellings.

There were also 2 non-residential resource consents granted during this period. These included the development of a vet hospital, and a building with 3 adjoining units within the Paraparaumu North Gateway precinct.

Figures and comparisons of residential and non-residential consents, resource consents by location and net potential dwellings for the second quarter and previous quarters can be found in Tables 3-5 of Appendix One.

Appendix One: Building and Resource Consents

Table 1: Building consents issued by type, Kāpiti Coast District, second quarter 2023/2024 and third quarter 2023/2024 comparison.

Application Type	2023/2024 Second Quarter 1 September 2023 - 30 November 2023		2023/2024 Third Quarter 1 December 2023 - 29 February 2024	
	Number	Value \$	Number	Value \$
New (& prebuilt) House, Unit, Bach, Crib	56	29,903,548	36	33,214,250
New Flats	4	20,500,000	0	0
New Motels	0	0	1	250,000
New Education Buildings - Other	1	60,000	1	2,200,000
New Factories	1	86,000	0	0
New Farm Buildings - Other	1	85,000	1	428,000
New Other Buildings	3	175,000	0	0
Dwellings - Alterations & Additions	54	6,632,106	54	6,549,100
Dwellings With Flats - Alterations & Additions	3	756,000	2	29,000
Resited Houses	0	0	3	230,000
Other Outbuildings eg. Shed, Workshop, SI	4	990,000	1	50,000
Hotels - Alterations & Additions	1	62,000	0	0
Education Buildings - Alterations & Additions	1	1,244,000	1	1,600,000
Shops, Restaurants - Alterations & Additions	1	120,000	2	140,000
Alterations & Additions - Office/Admin	2	700,000	0	0
Factories - alterations & additions	0	0	1	10,000
Other Buildings - Alterations & Additions	10	10,149,250	1	150,000
Total	142	71,462,904	104	44,850,350

Note: applications for garages, fireplaces, fences, retaining walls, outbuildings, conservatories, swimming and spa pools, and other construction (e.g., signs and pergolas) have been deliberately excluded.

Source: Kāpiti Coast District Council building consent data.

Table 2: Additional dwellings and corresponding bedrooms from residential building consents granted, second quarter 2023/2024 and third quarter 2023/2024 comparison.

Bedroom Type	2023/2024 Second Quarter 1 September 2023 - 30 November 2023			2023/2024 Second Quarter 1 December 2023 - 29 February 2024		
	New Dwellings	Total Bedrooms	%	New Dwellings	Total Bedrooms	%
1	12	14	3.9	3	3	1.41
2	68	136	44.16	65	130	61.03
3	37	111	36.04	21	63	29.58
4	11	44	14.29	3	12	5.63
5	1	5	1.62	1	5	2.35
Total	129	310	100	93	213	100

Table 3: Resource consents granted by location, Kāpiti Coast District, second quarter 2023/2024 and third quarter 2023/2024 comparison.

Location	2023/24 Second Quarter		2023/24 Third Quarter	
	1 September 2023 – 30 November 2023		1 December 2023 – 29 February 2024	
	Number		Number	
Maungakotukutuku	0		0	
Ōtaki	5		2	
Ōtaki Forks	3		2	
Paekākāriki	1		0	
Paraparaumu (Central, North Beach, and South Beach & Otaihanga)	3		10	
Peka Peka (Te Horo and Kaitawa)	1		1	
Raumati Beach and Raumati South	4		5	
Waikanae	11		7	
Residential (total)	28		27	
Maungakotukutuku	0		0	
Ōtaki	3		1	
Ōtaki Forks	0		0	
Paekākāriki	0		0	
Paraparaumu (Central, North Beach, and South Beach)	7		2	
Peka Peka (Te Horo and Kaitawa)	0		0	
Raumati Beach and Raumati South	0		0	
Waikanae	1		0	
Non-residential (total)	11		2	
Total granted	39		29	

Source: Kāpiti Coast District Council resource consent data.

Table 4: Resource consents granted by type, Kāpiti Coast District second quarter 2023/2024 and third quarter 2023/2024 comparison.

Resource Consent Type	2023/24 Second Quarter	2023/24 Third Quarter
	1 Sep 2023 – 30 November 2023	1 December 2023 – 29 February 2024
	Number	Number
Deemed Permitted Boundary Activity	0	4
Land Use - Controlled	0	0
Land Use - Discretionary	8	9
Land-Use Non-complying	4	0
Land Use - Permitted	0	0
Land Use - Restricted Discretionary	10	9
Subdivision - Controlled	1	0
Subdivision - Discretionary	4	3
Subdivision - non-complying	8	4
Subdivision - Restricted Discretionary	4	0
Total	39	29

Source: Kāpiti Coast District Council resource consent data.

Table 5: Net dwelling increases for resource consents granted by location, Kāpiti Coast District second quarter 2023/2024 and third quarter 2023/2024 comparison.

Location	2023/24 Second Quarter	2023/24 Third Quarter
	1 Sep 2023 – 30 November 2023	1 December 2023 – 29 February 2024
	Number	Number
Maungakotukutuku	0	0
Ōtaki	13	4
Ōtaki Forks	4	30
Paekākāriki	2	0
Paraparaumu (Central, North Beach, and South Beach & Otaihanga)	1	10
Peka Peka (Te Horo and Kaitawa)	2	0
Raumati Beach and Raumati South	0	4
Waikanae	18	28
Total	40	76

Source: Kāpiti Coast District Council resource consent data.