

Prepared For HOUSING NEW ZEALAND CORPORATION

**Sustainable Communities and
Economic Development
Integrated Qualitative and Quantitative
Findings**

*Prepared by Gravitas Research and Strategy Ltd
and Market Economics Ltd*

14th March 2008

Table of Contents

1	Introduction	1
1.1	Background.....	1
1.2	Research Objectives	1
1.3	Research Method and Initial Reporting.....	2
1.4	Research Limitations.....	3
2	Study Areas	4
2.1	Location and Land Use.....	4
2.2	Demographic Characteristics.....	6
2.3	Describing the Local Communities and Economies	8
3	Social Impacts	12
3.1	Negative Norms.....	12
3.2	Educational Disadvantage.....	14
3.3	Crime and Disorder	15
3.4	Stigma.....	16
4	Household Expenditure	18
4.1	Patterns of Demand and Expenditure.....	18
4.2	Paying More for Goods and Services	19
5	Employment and Business Activity	21
5.1	Overview of Current Employment and Business Activity.....	21
5.2	Changing Employment Patterns 1996-2007	22
5.3	Town Centre Decline.....	24
5.4	Standards and Expectations.....	25
5.5	Spatial Mismatch between Employment Opportunity and Workforce.....	28
6	Future Economic Growth and Development	31
7	Conclusions and Policy Direction	33
7.1	Study Limitations	35
7.2	Further Research	37
7.3	High Level Policy Direction.....	37
8	References	41

APPENDICES

Appendix One: High Level Policy Direction

- Addressing Deprivation
- Strengthening Communities
- Mixed' Communities

- market economics

List of Tables

Table 2.1: Broad Land Use Patterns Within Study Areas.....	6
Table 2.2: Household and Population Demographic Indicators.....	7
Table 3.1: Sources of Income and Workforce Status.....	12
Table 3.2: Highest Qualification.....	14
Table 3.3: Usual Residence Five Years Ago (as at 2006).....	17
Table 4.1: Estimated Household Retail Expenditure.....	18
Table 5.1: Employment by Sector, 2006.....	22
Table 5.2: Employment Growth by Sector, 1997-2006	23
Table 5.3: Value of Improvements per Sqm Across Main Centres.....	27
Table 5.4: Travel to Work by Employed Residents	30

List of Figures

Figure 2.1: Relative Location of Study Areas in the Auckland Region	4
---	---

1 Introduction

1.1 Background

The area effect literature suggests that concentrated deprivation caused through the economic segregation of communities can negatively impact the quality of life and opportunities for people living within such areas, above and beyond their own personal circumstances (Berube, 2005; Holmes, 2006; Bailey, Haworth, & Roberts, 2007). Conversely, the research suggests that diverse or 'mixed' communities (by income, tenure, household type and life stage) may be more socially cohesive than communities of concentrated deprivation, and can lead to an overall improvement of life chances for all, including more vulnerable members. It is also hypothesised that 'mixed' communities may be more 'sustainable' in that they are resilient against entering into decline and upward price spirals which can exclude lower income households from the community.

Housing New Zealand Corporation (HNZC) is interested in exploring the potential of 'mixed' communities in New Zealand. The Corporation recognises that housing policies, market trends and developer preferences have resulted in spatial concentrations of social housing and low income households in some parts of New Zealand. Adopting an economic perspective, such concentrations are considered to have the potential to negatively influence:

- the local availability of goods and services;
- employment levels;
- educational attainment;
- crime and disorder; and
- public health.

1.2 Research Objectives

The Corporation jointly commissioned Market Economics Limited (MEL) and Gravitass Research and Strategy Limited (GRSL) to undertake research to examine the relationship between concentrated deprivation and community economic development. The research aims to understand the economic effects of spatial concentrations of poverty, the extent and nature to which concentrations constrain community economic development and the influence of concentrations on investment and disinvestment dynamics.

A comparative analysis was adopted by examining four areas within the Auckland region. Two of these, Tamaki and Mangere, contain high proportions and concentration of social housing while Te Atatu Peninsula and New Lynn are characterised by low proportions and concentration.

The specific purpose of the research is as follows.

- To provide a comparative analysis of four communities in New Zealand with an examination of each community's economic development.
- Within these communities explore the relationship between household income levels, level of social housing and economic development and investment and dis-investment dynamics.
- Identify practical policy responses that have the potential to increase local economic development of deprived or non-sustainable communities.

1.3 Research Method and Initial Reporting

The research comprised the collection and analysis of both quantitative and qualitative data. Market Economics modelled existing quantitative indicators of economic activity and growth to reveal the extent, nature and relativities of the local economies within each area. Further detail on the methodology and full reporting of the findings can be found in Market Economics' report to HNZA (Market Economics,2007).

Gravitas conducted a total of 32 in-depth interviews with key informants across the four communities examined. The interviews provided qualitative understanding of the relationship between spatial concentrations of poverty, community economic development and investment dynamics. Further detail on the methodology and full reporting of the findings can be found in Gravitas' report to HNZA (Gravitas Research and Strategy Ltd, 2008).

A brief report setting out high level policy direction to assist the development of community economic development in deprived communities was also initially tabled (Gravitas Research and Strategy Ltd, 2008a).

1.3.1 Integrated Report

This report presents the integrated findings from the three earlier reports. An executive summary style of reporting is adopted. The report provides a comparative analysis of economic development and investment dynamics in the four communities studied. Conclusions are drawn on the relationship between spatial concentrations of poverty and community economic development, including the extent and nature of constraints identified. The research findings and conclusions are linked to high level policy direction to assist economic development in deprived communities.

1.4 Research Limitations

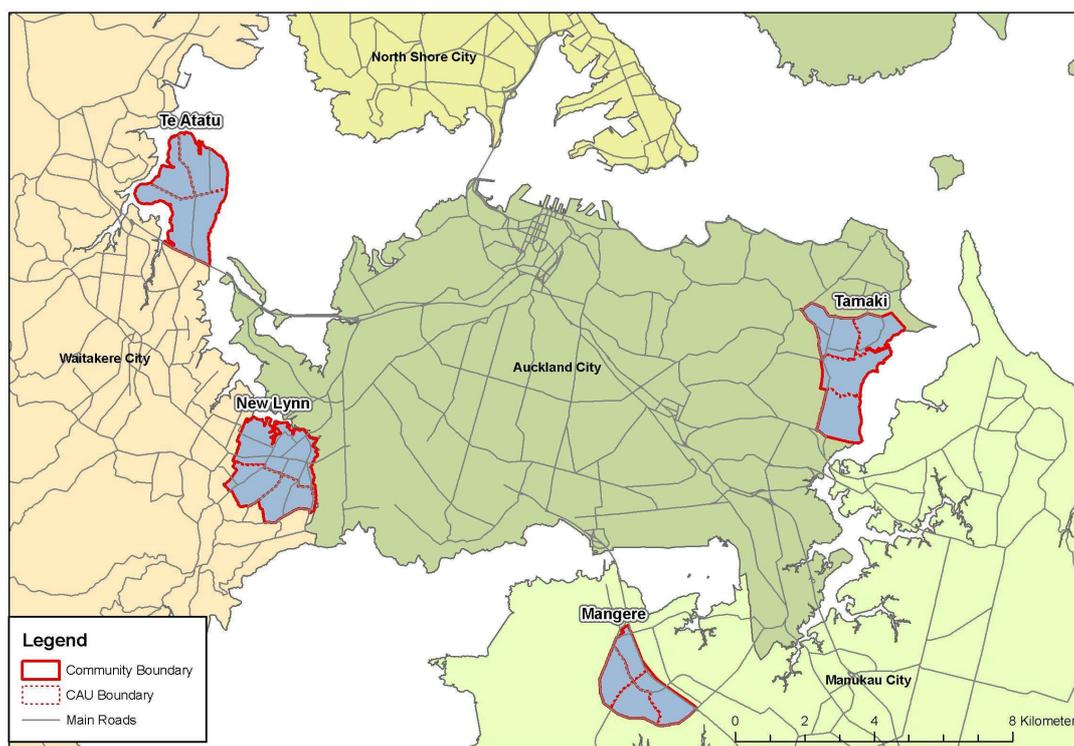
Given fundamental differences in the four communities examined, some caution is required when interpreting the research data for comparative purposes. At 6% and 4% respectively, the proportion of social housing in New Lynn and Te Atatu is significantly lower than that in Tamaki (57%) and Mangere (40%) and below both the Auckland region (7%) and New Zealand (5%) average (Market Economics, 2007). Therefore, while the findings for New Lynn and Te Atatu suggest a range of benefits from 'mixed' communities, further consideration is required as to what extent such benefits could be expected within Mangere and Tamaki given that both communities are unlikely to achieve such low proportions of social housing. This issue are discussed further in the final section of the report along with suggestions for further research which could progress understanding beyond the current study.

2 Study Areas

2.1 Location and Land Use

The research has focussed on four case study areas, Tamaki, Mangere, New Lynn and Te Atatu, as shown below in Figure 2.1.

Figure 2.1: Relative Location of Study Areas in the Auckland Region



Tamaki is located on the eastern edge of Auckland City. It is surrounded to the north and north-west by the relatively wealthy suburbs of Glendowie, St Heliers, Kohimarama and St Johns and to the west and south by the relatively commercial/industrial areas of Mt Wellington and Panmure. Motorway access to the Tamaki area is not particularly good, although the eastern railway line does run down the western boundary of the study area.

The **Mangere** study area is located in the north-west of Manukau City. It is bounded to the east by the South-Western Expressway (SH20, which is currently being extended to join the North-Western Motorway), and is bisected by SH20a which runs to the airport. As such, while the Mangere area is relatively accessible, it is also effectively cut in two by the airport motorway.

The **New Lynn** study area is located in Waitakere City with Auckland City on its eastern boundary. It covers a relatively large proportion of the narrow isthmus that joins the two cities. New Lynn is bisected by Great North Road, a key strategic route (together with the North-western motorway) providing access from Auckland City and the south of the region to the western and north-western areas of the region. New Lynn also sits astride the north-western railway line which has recently been double-tracked through to Auckland CBD. The location of New Lynn, both physically within the region and in relation to these major transport routes, makes it a relatively accessible area and subject to a significant volume of people and goods movements both to and through it.

By contrast, the **Te Atatu** area is relatively isolated on the northern end of the Te Atatu Peninsula in Waitakere City. Te Atatu is surrounded on three sides by the Waitemata Harbour with the only access from the south via Te Atatu Road from the southern end of the peninsula or via the Northwestern Motorway (which cuts the north of the peninsula from the south). As such, the Te Atatu area is a 'destination' and would receive very little passing traffic.

Three of the four areas - New Lynn, Te Atatu and Tamaki - are very similar sizes with regard the total land covered, ranging from 546 hectares (ha) (Te Atatu) to 585 ha (Tamaki). Mangere covers a noticeably smaller land area at 389 ha.

The largest proportion of land in each area is zoned for residential or educational use and in each area, the proportion is very similar at around 60%. However patterns of use of the remaining land within each area differ significantly as shown below in Table 2.1. In New Lynn, the largest proportion of remaining land is zoned for business/commercial use (19% or 106 ha illustrating the relative dominance of business/commercial activity within the New Lynn area as compared to the other selected areas. In Te Atatu and Tamaki, the largest proportions of non-residential land are zoned as open space or waterways. By comparison, only 10% of land in Mangere is open space and only 5% of land in New Lynn. In Mangere, the largest non-residential land use is predominantly roads (approximately 25%) due to the location of State Highways 20 and 20a and the associated interchange of these two major roads within the study area. In comparison, roads comprise approximately 15% of total land use in the other study areas.

Table 2.1: Broad Land Use Patterns Within Study Areas

	Tamaki	Mangere	New Lynn	Te Atatu
Land Use (%)				
Residential and Education	60%	61%	61%	59%
Business/Commercial	4%	4%	19%	2%
Open spaces/Waterways	20%	10%	5%	25%
Other (incl roads)	16%	25%	16%	14%
Total Land Area (ha)	585	389	566	546

Source: Market Economics Limited

2.2 Demographic Characteristics

The demographic characteristics of a community will potentially have a significant impact on its economic development and is therefore important to understand. For example, a community with a high proportion of residents in the traditional working age bracket (15-64years) might be expected to generate a greater level of disposable income per resident than a community with higher proportions of children and/or retirees. This in turn will have a flow-on impact for local businesses through higher levels of expenditure on discretionary items.

Table 2.2 provides for a straightforward comparison of some of the key demographic variables used to describe the four study areas at the household and individual level. Key points illustrated by Table 2.2 are as follow:

- New Lynn is the largest of the four areas in terms of household numbers (5,610) followed by Tamaki and Te Atatu. Mangere is the smallest area.
- There is a stark contrast in the concentrations of HNZC stock (and tenants) between Tamaki and Mangere (57% HNZC stock and 40% respectively) and New Lynn and Te Atatu (6% and 4%). While the study areas were chosen on this basis, the magnitude of this difference means it is unlikely that Tamaki and Mangere will ever achieve the concentrations and potential outcomes achieved in New Lynn and Te Atatu
- Household and population growth in Tamaki and Mangere between 1996-2006 lagged that in New Lynn and Te Atatu. It follows that total demand for goods and services will also have lagged.
- Tamaki is the largest of the four study areas in terms of total population (16,134) due to the higher than average household size (3.5). In Mangere, the average household size is larger still (4.9) leading to a larger population in Mangere (12,777) than Te Atatu (11,688) despite some 1,400 fewer households. Clearly, average household sizes are larger in the areas of higher HNZC concentration. Thus on a per capita basis, expenditure on household related items will be lower.

- In the areas of higher HNZC concentration, populations appear to be less migratory with 42% of Tamaki residents and 45% of Mangere residents living in the same residence that they had been in five years previously. This compares with approximately one in three across the region. Explanations for this could include a dependence on HNZC housing, an inability to rent or buy elsewhere or satisfaction with the current residence and location.
- Age profile information shows that areas of higher HNZC concentration tend to be younger than the regional average. Among HNZC tenants, this skew is greater still. Households with higher proportions of children tend to have less disposable income due to potentially decreased earning capacity (due to care-giving responsibilities) and the costs associated with child-raising. In addition, where communities contain higher proportions of children, average incomes (per person) will be lower with a potential knock-on effect to the local economy.
- Ethnically, it is clear that areas of high HNZC concentration have higher shares of residents who are of Pacific Island (in particular) or Maori ethnicity and lower shares of those of NZ European ethnicity. Within HNZC housing, the trend towards higher concentrations of Pacific Island residents is even more pronounced. Cultural or traditional practices may impact on an economy in ways that are difficult to measure using official statistics. Such practices may include heavy reliance on informal markets for the purchase of goods, the use of 'green dollar' type practices for the trading of services, tithing to local churches and the sending of money back to home countries (remittances). All of these practices will have impacts on the amount of money circulating within a local economy and demand for more conventionally provided goods and services.

Table 2.2: Household and Population Demographic Indicators

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Households						
Total no. households	4,641	2,631	5,610	3,999	433,647	1,454,175
% owned by HNZC	57%	40%	6%	4%	7%	5%
Household growth 1996-2006	6%	2%	21%	28%	23%	15%
Average household size	3.5	4.9	2.8	2.9	3.0	2.8
Population						
Total population	16,134	12,777	15,504	11,688	1,321,074	4,143,279
% HNZC tenants	53%	34%	6%	5%	7%	5%
Population growth 1996-2006	8%	2%	25%	22%	22%	11%
% living same residence as 5 yrs earlier	42%	45%	30%	35%	35%	37%
Age Profile						
0-15 years	29%	32%	20%	22%	22%	22%
16-54 years	55%	54%	60%	57%	59%	56%
55+ years	16%	14%	20%	20%	19%	23%
Ethnic Profile						
NZ European	32%	12%	43%	60%	56%	68%
Maori	24%	18%	9%	19%	11%	15%
Pacific Island	47%	75%	15%	15%	14%	7%
Asian	9%	6%	36%	14%	19%	9%
Other	5%	1%	8%	9%	10%	12%

Source: Statistics New Zealand, HNZC

2.3 Describing the Local Communities and Economies

Qualitative descriptions of each community, as provided by key informants in the study are provided below.

2.3.1 *Tamaki*

Tamaki is described by informants as youthful, lively and warm-hearted with close-knit community networks. Defined community groups are reported around specific issues. When required, collective community engagement on issues impacting the whole community is reported to occur. Community engagement and participation is reported to be less obvious in some groups, especially among younger people and those with a more transitory relationship with the community.

Informants report the significant areas of industrial and commercial activity in or about Tamaki as important sites of employment for lower skilled workers. These areas are described to include Mt Wellington, Panmure, Penrose, Morrin Road and Felton Mathew Road.

As discussed, social housing exists in high concentrations within Tamaki (57%, Table 2.2). The high level of social housing, appearance and condition of much of the stock is reported to result in a clear demarcation between social and other housing in the area. This situation is perceived by some informants as drawing attention and stigma to social housing properties and tenants in Tamaki. Informants also see Glen Innes suffering from a general stigma related to the level of social housing and deprivation in the community. Crime levels, safety and security, are reported as key issues of community concern.

A HNZC informant sees the introduction of income-related rent policy (post-2000) as having a role in reducing tenancy turnover in Tamaki to between 11 to 15% per annum compared to around 33% per annum in the late 1990s. The policy is observed to have increased stability in state housing communities generally. The Talbot Park community renewal initiative in Glen Innes is also seen as having reduced turnover. This is reported to have dropped in apartment blocks from around 50% per annum prior to the upgrade to around 5% post the project. Turnover in new family housing within the Talbot Park precinct is also reported to be lower than surrounding areas. The quality of the housing in the precinct, intensive tenancy management (including behaviour guidelines for all residents) and greater consideration given to the selection of tenants to ensure community sustainability, are all seen as factors contributing to the decline.

2.3.2 Mangere

Mangere Central is a predominantly residential area comprising a high proportion of HNZN houses (40%, Table 2.2). The Mangere town centre provides a central point to the community which, as discussed, is bisected by main transport corridors.

Reflecting the high proportion of Pacific peoples in the area, a Pacific feel dominates the area and is reflected in the high number of Pacific affiliated churches, shops and other amenities.

A feature of the local economy is the area's proximity to the employment opportunities offered by the Auckland airport and airport commercial precinct. The Mahunga Drive industrial area also lies to the north of the immediate study area. Other reported features include the Villa Maria winery, a thriving Saturday market, potential in cultural tourism, high end residential developments south of Massey Road, some recent new retail development and perceptions that there is considerable potential for further retail growth.

Mangere Central is described by informants as drawing character, strength and identity through cultural and religious associations. Communities of cohesion and support are described around cultural and religious groupings. Culture and church is reported as a protective factor mitigating the risks and negative outcomes associated with deprivation.

A negative stigma about Mangere is also reported, linked in part to the highly visible concentration of HNZN properties in the area. Some informants see the stigma, as opposed to the reality of Mangere, as a key constraint on economic development. For example, a Council informant cites data showing public perceptions of crime in Mangere being much higher than the actual incidence.

While the research findings for Tamaki and Mangere find some support for the area effect hypothesis, it should be acknowledged that both communities contain considerable strengths, many examples of grass roots community development and organised networks of services, organisations and people striving to improve the lives and life circumstances of residents. Throughout this report and subsequent recommendations for high level policy direction, it is stressed that any interventions seeking to advance local economic development need to understand and work with existing community strengths, cohesion and identity.

2.3.3 New Lynn

The New Lynn community is described as diverse and changing. The community contains a mix of established older residents, first time home buyers, a variety of housing stock and tenure, and considerable ethnic diversity. A diverse HNZC tenant population is reported, including a high number of elderly tenants. The area is reported to be increasingly attractive to those priced out of surrounding areas slightly closer to central Auckland (e.g. Mt. Albert, Sandringham).

Reported features of the local economy, a major shopping mall in the heart of New Lynn (Lynnmall) and New Lynn's role as a significant regional transport hub. Excellent public transport connections are regarded as a key asset. Significant employment areas lie in close proximity to New Lynn; these include Rosebank Road, Avondale and Mt Roskill.

Informants report local efforts to retain a manufacturing based in New Lynn although acknowledge the difficulty of this with increasing land pressure from residential intensification. Informants discuss some loss of local manufacturing and envision further losses in the future.

2.3.4 Te Atatu Peninsula

Te Atatu Peninsula is described as a rapidly changing and increasingly affluent coastal community. The increasing appeal of the area is reflected in a substantial residential development on the eastern face of the peninsula, construction of high rise, coastal style apartment block, a coastal boardwalk and a greater range of cafés and restaurants. Schools are sought after and school deciles rising.

Te Atatu provides limited areas of commercial and industrial activity. A small industrial belt exists to the north of the peninsula and a typical strip shopping belt in the town centre primarily provides convenience shopping for locals. Residential growth is again anticipated to place increasing pressure on retaining larger manufacturing and commercial activity on the peninsula.

Development in the area appears to be creating a 'new' and 'old' community. Third and fourth generation locals, typically from lower income and working class backgrounds, now share the peninsula with more recent arrivals, typically, middle class professionals. Increasing proportions of Asian and New Zealand European residents are reported.

Informants from the 'old' community describe a strong sense of community and considerable community cohesion and support. A strong and influential Maori community is described. Other views are that the area is not known for a collective spirit; this seen as undermined by the number of residents who work, shop and seek entertainment off the peninsula. The level of change occurring, including the influx of new residents, is also seen by some as more recently impacting cohesion.

Low reported demand for HNZA tenancies in the area is attributed to a low volume of available stock and that the area can be somewhat isolating if family and friends do not also live on the peninsula. Access to public transport, shopping and social services can also be difficult.

3 Social Impacts

A range of social impacts from concentrated deprivation are identified in both the qualitative and the quantitative findings for Tamaki and Mangere. Relationships between these, constraints on local economic development and impacts on local investment dynamics, are identified and/or hypothesised in the following section.

3.1 Negative Norms

The quantitative analysis shows a higher level of unemployment and reliance on government benefits in the study areas of high HNZC concentration. Table 3.1 shows that in Tamaki and Mangere, households are significantly more likely to cite a government benefit among sources of income and less likely to cite wages and salaries. Following this, Tamaki and Mangere residents of working age (15+ years) are less likely to be working full or part time and more likely to be drawing a government benefit (Table 3.1).

Table 3.1: Sources of Income and Workforce Status

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Households						
Source of Household Income ¹						
Wages/salary/self-employed	71%	80%	82%	91%	96%	91%
Government benefit ²	83%	88%	58%	57%	51%	54%
Population						
Workforce Status (aged 15+)						
Work full time	38%	40%	44%	49%	49%	48%
Work part time	9%	10%	12%	12%	13%	14%
Unemployed/not in labour force/other	52%	50%	44%	39%	38%	37%
Sources of Income (aged 15+) ³						
Wage/salary/self employed	58%	58%	68%	75%	76%	77%
Government benefit ²	44%	37%	33%	30%	27%	31%
Other	20%	18%	26%	30%	34%	34%

1. Excludes 'not stated' and/or 'not elsewhere included'

2. Government benefits include NZ superannuation and veterans pension, unemployment benefit, sickness benefit, domestic purposes benefit, invalids benefit, student allowance and other government benefits or pensions

3. Sources of income is a multiple response question and therefore totals may exceed 100%

Source: Statistics New Zealand

Some qualitative evidence is found to support the area effect hypothesis that concentrated deprivation can lead to unemployment becoming a cultural and social norm, resulting in under investment in education and skills necessary for labour market success (Berube, 2005; Holmes, 2006; Bailey et al., 2007). A poorly educated and low skilled local labour force could constrain local economic development through a number of ways (e.g. low incomes restricting local demand for goods and services, thus undermining business viability and growth).

Supporting evidence appears strongest in Tamaki and in particular, Glen Innes. Informants discuss a shortage of positive role models in the community and that there can be negative norms in relation to educational achievement and employment aspiration. Informants report that it can be difficult within this context to provide residents, in particular youth, with different experiences to elevate their aspiration and appreciation of different life options.

The area effect literature asserts that 'mixed' communities are less likely to perpetrate negative norms such as low aspiration, anti-achievement attitudes and tolerance for crime (Berube, 2005; Holmes, 2006; Bailey et al., 2007). The findings for New Lynn and Te Atatu provide some support for the hypothesis. Informants typically describe these communities as reasonably robust and resilient and characterised by positive social and behavioural norms. A strong employment ethos is described in both communities. Te Atatu informants in particular report the community having produced a number of high profile achievers, positive community role models and having a history of community activism and participation.

Informants provide examples of where they see the behaviour, values and aspirations of HNZC tenants in New Lynn and Te Atatu being positively influenced by the social and cultural norms around them. HNZC informants in both communities see this reflected in a lower lever of tenancy related problems compared to Tamaki and Mangere (although the significant differences in the overall proportions of HNZC properties should be considered here).

3.2 Educational Disadvantage

Many informants see education as a key mechanism through which to break the compounding disadvantage of concentrated deprivation. The area effect literature suggests that schools in deprived communities may serve a low income student population and can struggle for a range of reasons to achieve high rates of educational success (Berube, 2005; Holmes, 2006; Bailey et al., 2007). It can be hypothesised that educational failure or underachievement could constrain local community economic development through a number of ways (e.g. number of community members unemployed, level of benefit dependency, shortage of skilled labour).

Census data clearly shows that residents in Tamaki and Mangere, the study areas of high HNZN concentration, are significantly more likely to have no qualification (32% and 35% respectively) than the regional average (18%) and are significantly less likely to have a tertiary qualification (8% and 3% respectively) than the regional average (18%) (Table 3.2).

Table 3.2: Highest Qualification

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Highest Qualification						
No Qualification	32%	35%	18%	22%	18%	22%
Bachelors Degree and above	8%	3%	17%	13%	18%	14%

Source: Statistics New Zealand

The available qualitative evidence provides some insight into educational issues within Glen Innes, however, the data is limited. Some progress in strengthening education in the area is reported. For example, Maori immersion early childhood education is well established and a Kura Kaupapa Maori is currently being built. Tamaki College is reported to have made significant progress in building community support and involvement in the school, particularly from the local Tongan community. Further, a local Panmure primary school (decile 1b) reports attracting an increasing number of out of zones students, such is the strength and reputation of their education delivery and success.

Informants report some flight of local students to schools outside of Tamaki. Educational difficulties identified include a negative stigma around schools in the area generally, a high proportion of students with English as a second language, a lack of pre-school education for many children, behaviour issues, low home expectations, and a view that the needs of Maori students are not well served at Tamaki College.

New Lynn and Te Atatu are both identified as having strong, well performing primary and intermediate schools which appeal to both high and low income families. One informant considers the proportion of social housing in both communities to be below a level which can generate community concern about negative impacts on education quality and outcomes.

3.3 Crime and Disorder

Some qualitative evidence exists to support the area effect hypothesis that there can be a higher incidence of crime and anti-social behaviour in areas of concentrated deprivation as well as higher perceptions of the incidence of crime (Berube, 2005; Holmes, 2006; Bailey et al., 2007). The literature also asserts that crime or the expectation of crime can become normalised and people desensitised to it. It can be hypothesised that such an environment could be a barrier to economic development, for example, through deterring new investors from establishing in areas of high deprivation.

The level of crime in Tamaki, and Glenn Innes in particular, is reported by informants as a key issue and one leading to a degree of fear and uncertainty in the community¹. Some Glen Innes informants see the normalisation of crime and low opportunity costs contributing to the propensity of local youth to be involved in criminal activity. Business informants in Glen Innes report that the level of crime creates a difficult business environment and restricts growth (e.g. through limiting the number of people willing to shop locally). Informants also acknowledge that crime is an issue in the Mangere town centre and that retailers are required to undertake specific strategies and precautions in response to this. As reported, public perceptions of crime in Mangere are higher than the actual incidence²; this suggesting that stigma may be a particular barrier to growth.

¹ An Auckland City report to the Tamaki Community Board (September 2005) cites police as saying the area around Panmure has one of the highest incidence of burglary of any suburb in the Auckland City district. However official crime statistics are available only at the sub-regional level (e.g. West, Central and East Auckland City) rather than the community level.

² The *Quality of Life in Twelve of New Zealand's Cities 2007* report shows perceptions of personal safety during the day and after dark are lowest in Manukau City (of the 12 cities measured). Further, the *Manukau City Citizens' Perceptions Survey 2006* shows residents of Mangere (together with those from Otara and Papatoetoe) among the groups more likely to feel unsafe in their home after dark. In the same survey, the Mangere Town Centre is also perceived (by those who consider it their local centre) as the second least safe town centre within Manukau City (after Manurewa) both during the day and after dark (the research team was again unable to identify official crime statistics at the community level).

While informants in both New Lynn and Te Atatu acknowledge crime within their communities, it is not considered to be particularly prevalent nor negatively impacting economic growth and investment. Informants in both communities report a level of community organisation and collective action over addressing crime and in setting and maintaining expectations about appropriate standards of behaviour.

3.4 Stigma

As reported, Tamaki and Mangere experience a level of negative stigma and the level of social housing in both areas is considered a contributing factor to this. The area effect literature suggests that stigma can constrain local economic development, for example, through discouraging employers from hiring local residents (Berube, 2005; Holmes, 2006; Bailey et al., 2007).

The available qualitative data does not provide any supporting evidence for this effect (although this may simply reflect that few employers were included in the informant sample). However, analysis of travel to work data does not suggest that businesses in areas of higher HNZN concentration are more likely to employ those living outside of the immediate area. However, some informants see the stigma associated with the Glen Innes and Mangere town centres as a likely barrier to new investment.

The literature suggests that 'mixed' communities are perceived better, can result in the desirability of an area being enhanced and can allow social housing residents to distance themselves from prejudice; this enabling people to break out of the negative spiral associated with concentrated disadvantage (Berube, 2005; Holmes, 2006; Bailey et al., 2007). Informant descriptions of New Lynn and Te Atatu appear to support this hypothesis³, particularly when examined in relation to the reports of stigma associated with Tamaki and Mangere.

Informants typically describe New Lynn and Te Atatu as desirable places to live. Considerable demand for residential properties in both areas is reported. Informants report strong demand for HNZN properties in New Lynn where it is felt that social housing and social housing tenants do not "stand out" and that tenants are generally accepted and actively participate in the community. These findings are supported by data relating to household growth and migration. Household growth between 1996 and 2006 has been significantly stronger in New Lynn and Te Atatu (21% and 28% respectively), than in Tamaki and Mangere (8% and 2%) (Table 2.1). Further, migration data shows higher levels of influx into New Lynn and Te Atatu between 2001 and 2006,

³ However, some caution is required here as this interpretation cannot be substantiated through the current research as no primary research was conducted directly with tenants.

than into Tamaki and Mangere. In 2006, 60% of New Lynn residents and 54% of Te Atatu residents had lived either elsewhere in New Zealand or overseas five years previously. By comparison only 44% of Tamaki residents and 39% of Mangere residents had moved into the area in the previous five years (Table 3.3).

Table 3.3: Usual Residence Five Years Ago (as at 2006)

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Same as Usual Residence	42%	45%	30%	35%	35%	37%
Elsewhere in New Zealand	37%	32%	40%	45%	42%	45%
Not Born Five Years Ago	10%	11%	7%	8%	7%	7%
Overseas	7%	7%	20%	9%	13%	9%
No Fixed Abode Five Years Ago	0%	0%	0%	0%	0%	0%
Not Stated	5%	6%	3%	3%	3%	3%

Source: Statistics New Zealand

4 Household Expenditure

4.1 Patterns of Demand and Expenditure

Informants generally recognise that low income residents have more limited and restricted patterns of participation in local economies compared to those on higher incomes.

Modelled⁴ household expenditure estimates across the four study areas demonstrate this, although at first glance can appear contradictory. Total household expenditure in 2007 is highest in Mangere (\$40,818 per annum), followed by Te Atatu (\$31,974), Tamaki (\$29,364) and New Lynn (\$27,904). These results largely reflect the relative size of households within each area; because average household size is largest in Mangere, these households also have the largest household expenditure. However, when household expenditure is expressed on a per capita basis (i.e. divided through by mean household size as at 2006), average expenditure per person is highest in Te Atatu (\$10,940 per person) and New Lynn (\$10,096) followed by Tamaki (\$8,447) and Mangere (\$8,405). All of these levels of expenditure (per person) are below both the regional and national averages (Table 4.1).

Table 4.1: Estimated Household Retail Expenditure

	New Lynn	Te Atatu	Tamaki	Mangere	Auckland Region	New Zealand
Food and Liquor	\$ 8,490	\$ 9,386	\$ 8,902	\$ 11,982	\$ 9,875	\$ 9,596
Comparison Retail	\$ 9,206	\$ 10,301	\$ 9,137	\$ 12,813	\$ 11,739	\$ 11,468
Takeaways and Restaurants	\$ 2,035	\$ 2,425	\$ 2,122	\$ 3,861	\$ 3,427	\$ 2,941
Household Services	\$ 1,138	\$ 1,301	\$ 1,133	\$ 1,515	\$ 1,439	\$ 1,350
Automotive	\$ 7,032	\$ 8,560	\$ 8,070	\$ 10,647	\$ 11,446	\$ 10,950
Total Household Expenditure	\$ 27,902	\$ 31,974	\$ 29,364	\$ 40,818	\$ 37,926	\$ 36,305
Average Household Size	2.8	2.9	3.5	4.9	3.0	2.7
Household Expenditure per Person	\$ 10,096	\$ 10,940	\$ 8,447	\$ 8,405	\$ 12,449	\$ 13,446

Source: Market Economics Limited

⁴ Household expenditure has been calculated using the Market Economics Retail Demand Model. This model is based on 2007 national estimates of household expenditure by household type based on household size, structure, age and income. Expenditure estimates in the Retail Demand Model are based on the findings of the Statistics New Zealand Household Expenditure Survey and calibrated against the Retail Trade Survey. Thus expenditure relates to retail expenditure only and does not capture expenditure on the likes of household ownership, household maintenance (e.g. utility bills) or on services such as healthcare (see the main quantitative report for a more detailed explanation of the Retail Demand Model).

The typical expenditure of low income households is reported by informants to be largely limited to meeting immediate, daily consumption needs. The limited range of locally available goods and services in Glenn Innes and to lesser extent, the Panmure and Mangere town centres, is seen to reflect the limited nature and extent of consumer demand in these catchments⁵. The Glen Innes and Mangere centres in particular have a predominance of food outlets (fresh produce and fast food) as well as low quality retail such as \$2 shops. The Glen Innes centre is also dominated by healthcare services and second hand shops. Employment data shows a high number of government administration and social services in Mangere (See Table 5.1).

In the context of daily struggle and limited means, informants recognise that low income residents can be vulnerable to convenience, low quality and poor purchasing decisions as well as a focus on gratifying immediate needs and wants. The predominance of fast food outlets in both Glen Innes and Mangere appears reflective of this. Modelled household expenditure data for Mangere shows particularly high estimated household expenditure on food and liquor, comparison retail, takeaway and restaurants (Table 4.1). Informants also report vulnerability to alcohol, drugs, gambling and other forms of disengagement; a proliferation of both gambling and alcohol retails outlets in Mangere is reported.

Informants in both Tamaki and Mangere note that patterns of low income expenditure focused largely on meeting daily needs and obligations, can limit the extent to which households establish or even envision longer term financial goals. Difficulties breaking out of this cycle can be accentuated by a lack of savings history, limited financial literacy and planning skills, levels of credit debt, poor expenditure choices and benefit dependency. Difficulty accumulating assets, capital and in the absence of homeownership, home equity, can create further barriers to investment opportunities.

4.2 Paying More for Goods and Services

The area effect literature suggests that low income households in areas of high deprivation can end up paying more for basic goods and services due to a lack of competition amongst retailers and lack of accurate consumer information (Berube, 2005; Holmes, 2006; Bailey et al., 2007). Informants in both Tamaki and Mangere see low income residents vulnerable to these outcomes for a number of reasons. A relative lack of mobility and therefore limited ability to exercise choice about where to shop can mean exposure to higher prices. A lack of money and/or financial literacy can increase vulnerability to credit schemes and loan sharks, effectively resulting in residents paying

⁵ However, it should be noted that retail decline is also reported in Te Atatu and within New Lynn, outside of LynnMall. These findings show that the growth of malls and speciality retail precincts have had a general negative impact on strip type shopping areas common in many town centres.

more for goods and services. Limited mobility is shown in data which indicates that 11% of households in Mangere and 18% in Tamaki do not have access to a motor vehicle, compared with 7% across the region. Until recently, a lack of supermarket competition in Mangere is considered to have contributed to limited choice, low quality produce and inflated prices on some items (e.g. taro). The limited range and quality of goods on offer in Mangere is generally noted. Informants also report trucks working the streets of Mangere, selling clothing and other items to residents at inflated prices. However, there is a view that this practice is becoming less common as a result of the community, and in particular youth, seeking a greater range of higher quality goods.

5 Employment and Business Activity

5.1 Overview of Current Employment and Business Activity

New Lynn is the largest of the four study areas in terms of the number of employees⁶ working within the area. With 7,442 employees, it is more than three times the size of the next largest area, Tamaki at 2,371 employees. This size differential means that New Lynn (as defined), is of a different order in the hierarchy of centres within the region, serving a sub-regional role, while the other centres serve a more local catchment. Mangere (1,543 employees) and Te Atatu (1,381) are smaller again (Table 5.1)

In Tamaki, Retail (25%) and Manufacturing (22%) are the main employment sectors. Education is the next largest employer (14%), followed by Property and Business Services (8%) and Cultural and Recreational Services (8%).

In Mangere, the pattern differs slightly, with Education the key employment sector (19% - due largely to the Te Wananga-O-Aotearoa campus), followed by Retail Trade (17%), Accommodation, Cafes and Restaurants (11%), Health and Community Services (11%) and Personal and Other Services (11%). Compared to the other areas and the region as a whole, there is very little manufacturing in Mangere (2%).

Employment in New Lynn, like Tamaki is dominated by two key sectors, Manufacturing (22%) and Retail (28%), which account for half of all employment. The remaining half of employees are spread thinly across a wide range of sectors. Construction (8%) and Property and Business Services (8%) are the next largest employers, but are clearly secondary.

In Te Atatu, employment is more diversely spread across a range of sectors. Manufacturing (21%) and Education (18%) dominate to a degree, but Retail Trade (15%), Accommodation, Cafes and Restaurants (10%) and Construction (10%) are also employers of note.

⁶ Employees are measured in terms of Employment Count (EC). The Employment Count of a business is a head count of all wage and salary earners within that business. It is largely a count of employees but can also include working proprietors who pay themselves a wage or salary.

Table 5.1: Employment by Sector, 2006

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Agriculture Forestry and Fishing	0%	1%	0%	0%	1%	6%
Mining	0%	0%	0%	0%	0%	0%
Manufacturing	22%	2%	22%	21%	14%	14%
Electricity Gas and Water Supply	0%	0%	0%	0%	0%	0%
Construction	2%	5%	8%	10%	5%	6%
Wholesale Trade	4%	0%	7%	8%	9%	6%
Retail Trade	25%	17%	28%	15%	12%	13%
Accommodation Cafes and Restaurants	2%	11%	6%	10%	5%	6%
Transport and Storage	1%	1%	1%	1%	5%	4%
Communication Services	1%	1%	1%	0%	2%	2%
Finance and Insurance	2%	1%	4%	1%	4%	3%
Property and Business Services	8%	7%	8%	6%	17%	13%
Govt Administration and Defence	1%	9%	1%	1%	3%	4%
Education	14%	19%	4%	18%	7%	7%
Health and Community Services	5%	11%	6%	6%	8%	10%
Cultural and Recreational Services	8%	5%	3%	1%	3%	3%
Personal and Other Services	6%	11%	3%	5%	3%	3%
Total	2,371	1,543	7,442	1,381	607,185	1,844,850

Source: Statistics New Zealand

5.2 Changing Employment Patterns 1996-2007

Table 5.2 shows the annual average growth in employment category by sector within each of the four study areas and at the regional and national levels over the period 1997-2006. Employment in the Auckland Region grew at an average annual rate of 3.1% between 1997 and 2006, slightly faster than the national rate (3.0%).

In Tamaki, overall annual average employment growth has been negligible (0.2%). Within this, there has been significant growth in the Transport and Storage and Communications Services sectors, although both represent a very small proportion of total employment. Instead, slow but steady growth in the Retail Trade and the Cultural and Recreational sectors have had a stronger impact on total employment. It is also apparent that there has been a steady decline in employment in Education in Tamaki over the last ten years and in Manufacturing, until in 2006, when a single new manufacturing operation was established.

Mangere has seen an overall decline in employment over the last ten years. This appears to have been driven largely by the loss of a single large manufacturing employer in 1999/2000. Among the other major employers, employment has been relatively steady, except in the education sector which grew rapidly from 2002-2005 before dropping again in 2006. This is thought to be the result of the establishment and subsequent review of the large Wananga-O-Aotearoa campus in the centre of Mangere. There has been strong employment growth in sectors outside of the top five employers.

This has been driven largely by growth in the Construction, Property and Business Services and the Cultural and Recreational Services sectors (see Table 5.2).

In New Lynn, employment activity has been relatively steady, with very few sectors experiencing significant growth or loss of employees over the 1997-2006 period. This steadiness in New Lynn likely reflects its nature as a well established commercial and industrial centre with limited space for significant growth. However, in the context of regional growth, New Lynn's employment growth (or lack of) is below the regional average.

Te Atatu has experienced the greatest annual average employment growth over the 1997-2006 period (2.2%). In particular, annual average growth has been highest in the Construction (12.7%), Personal and Other Services (11.2%), Property and Business Services (10.7%) and Retail Trade (10.5%) sectors. This reflects the significant amount of residential construction activity that has occurred in Te Atatu over the last 10 years and the additional demand for retail and other services created by population growth. At the same time, Te Atatu has experienced large average annual losses in the Finance and Insurance and Cultural and Recreational Service sectors, although these comprise only a very small proportion of total employment in the area. There has also been very clear growth since 2002 in the Retail sector and in sectors outside of the top five.

Table 5.2: Employment Growth by Sector, 1997-2006

	Tamaki	Mangere	New Lynn	Te Atatu	Auckland Region	New Zealand
Agriculture Forestry and Fishing	0.0%	0.0%	0.0%	-11.1%	21.7%	18.2%
Mining	0.0%	0.0%	-4.4%	0.0%	4.0%	2.7%
Manufacturing	-0.5%	-21.3%	-1.1%	1.1%	-0.1%	0.5%
Electricity Gas and Water Supply	0.0%	0.0%	0.0%	0.0%	0.0%	-5.3%
Construction	-8.8%	16.1%	2.2%	12.7%	6.2%	6.5%
Wholesale Trade	-1.9%	-11.1%	-1.6%	2.3%	2.3%	2.0%
Retail Trade	0.4%	-0.3%	1.6%	10.5%	2.8%	2.6%
Accommodation Cafes and Restaurants	0.1%	0.3%	2.6%	7.8%	4.4%	4.1%
Transport and Storage	12.6%	0.0%	-1.6%	-2.4%	2.6%	1.9%
Communication Services	14.9%	-11.5%	1.5%	0.0%	1.7%	1.6%
Finance and Insurance	-0.7%	-11.2%	2.1%	-8.6%	2.9%	0.2%
Property and Business Services	2.4%	7.4%	-3.2%	10.7%	6.3%	5.6%
Govt Administration and Defence	0.0%	1.8%	3.0%	0.0%	1.1%	0.7%
Education	-3.0%	0.5%	1.1%	-0.4%	2.3%	0.0%
Health and Community Services	1.8%	-0.3%	0.9%	-5.0%	4.5%	3.6%
Cultural and Recreational Services	5.4%	7.9%	2.5%	-21.8%	1.8%	2.5%
Personal and Other Services	3.9%	0.6%	-4.3%	11.2%	3.0%	3.5%
Total	0.2%	-0.8%	0.1%	2.2%	3.1%	3.0%

Source: Statistics New Zealand

5.3 Town Centre Decline

Informants describe decline in the town centres and strip shopping within all the four study areas. The growth of mall shopping and specialised retail precincts are commonly identified as contributing to the decline. The multiple ownership of commercial building is also reported as a factor making co-ordinated re-vitalisation efforts difficult.

The decline of the Glen Innes centre appears most obviously linked to the high proportion of low income households in the primary catchment. While this is also reported as a factor in the decline of the Mangere town centre, some informants see others issues are more influential, particularly those relating to centre management.

Informants in New Lynn and Te Atatu recognise that HNZA tenants in these areas have limited disposable income and may be more likely to shop locally, frequent certain retail outlets (e.g. those which offer credit) and seek affordable goods from places such as markets. However, such behaviour is largely seen as part of the overall mix of local economic activity, rather than that which has any significant impact on the local economy. As a further example of this, factors other than social housing are considered more influential in the reported decline of both town centres. In New Lynn, LynnMall dominates and is recognised as having negatively impacted the viability of strip shopping. That many residents work and, therefore shop outside of Te Atatu is considered a key factor in this area.

The qualitative data suggests that concentrated deprivation is currently having the most impact on economic development and investment dynamics in the Glen Innes town centre. Informants are generally pessimistic about the development potential of the centre while there remains a high concentration of deprivation. The restricted range of consumer demand is said to create a difficult environment in which to attract a broader range of retail and other services; there is some acceptance that certain retail will simply never be viable. Problems associated with deprivation (e.g. graffiti, petty crime) are also reported to create a difficult business environment.

By contrast and despite the low income profile of Mangere, some Mangere informants perceive considerable development potential in the town centre. This has been realised to an extent of late with the opening of a new retail complex centred around a Pak'n Save supermarket. This optimism appears consistent with the quantitative data. Relative to the other study areas, Mangere show high mean household income and household expenditure; the large, average household size in Mangere (4.9 household members) explaining the difference. This picture is consistent with Mangere informants who report that despite low individual incomes and expenditure, the pooling of incomes and limited housing costs, can mean that households can collectively have considerable income and therefore expenditure potential (Table 4.1).

There is also some optimism about the development potential of both New Lynn and Te Atatu town centres. The local Council reports re-vitalisation plans for both centres. Given New Lynn's residential growth, some informants predict that the town centre will continue to strengthen as a retail centre. Te Atatu is projected to develop as a 'seaside village' type town centre, reflecting the strength of its residential growth, an increasing number of higher income households and increased demand for local goods and services.

5.4 Standards and Expectations

The area effect asserts that concentrated deprivation can lead to community tolerance for lower levels of quality and standards in amenities than what higher income areas would tolerate (Berube, 2005; Holmes, 2006; Bailey et al., 2007). It can be hypothesised that such an environment could impact investment and reinvestment dynamics, in particular, the willingness of investors to invest into a community.

Some evidence of a tolerance for lower standards is found in both Tamaki and Mangere. One informant suggests that Tamaki residents tolerate a lower state of repair in public amenities than would higher income residents in surrounding area. The need for more community facilities, amenities and services is reported in both areas. An informant sees tolerance for lower levels of quality and standards particularly reflected in the degradation of the Mangere town centre.

As previously discussed, informants in Tamaki and Mangere describe a range of community services, activism and local advocacy for community development. It would be incorrect to conclude that neither community is striving for community improvement. However, informants' descriptions of New Lynn and Te Atatu are particularly notable in the extent to which they describe communities well served by local amenities, schools, sports clubs, and infrastructure as well as residents who take an active role in setting and maintaining appropriate standards in behaviour, amenities and so on.

There is some evidence that tolerance for lower standards may in turn impact local investment dynamics. Informants from all the study areas note that with multiple ownerships of commercial buildings, a 'domino effect' can occur, where individual owners can be reluctant to invest in their buildings if others do not also do so. This can lead to a cycle of degradation. Informants in Mangere report this as a particular problem. That the owners of a local supermarket had allowed the facility to degrade was seen to be driven by both the wider degradation of the town centre as well as a perception by the owners that investment was neither expected by the community, nor necessary to maintain competitiveness. Views are also expressed in Mangere that local authorities can be less motivated to maintain and invest in areas of high concentrations of state houses. It is also felt that people living in distressed communities are less likely to complain and that this can continue a cycle of low community expectations.

An attempt to illustrate this perceived lack of investment in local community infrastructure and services proved inconclusive however. Quotable Value New Zealand (QVNZ) data relating to the value of improvements on land parcels within the range of centres has been analysed as an indicator of investment into an area. Significant investment into commercial or industrial buildings would be expected to occur in areas where future economic prospects were strong. This would be reflected in higher value of improvements. This is considered to be a better indicator of economic investment and potential than land value which is more heavily influenced by its physical location (e.g. proximity to the CBD or a strategic transport route).

The analysis of value of improvements is shown in Table 5.3 expressed as the average value of improvements per square metres of floor space for each of the main commercial and/or industrial centres within each of the study areas⁷. The analysis concentrates on the three main commercial (office, retail, other/mixed) and industrial (light manufacturing, warehousing, other/mixed) land uses. All other commercial and industrial land uses have been compressed into an Other code for each category.

It is apparent that the highest average value of improvements for commercial land is in the New Lynn Centre (\$1,817 per sqm). Across the other centres, there is little variation, with a high of \$1,272 per sqm in the Glen Innes Centre and a low of \$1,106 per sqm in the Western Fringe area. With the recent addition of a significant new commercial centre in Mangere, it is likely the average value of improvements will increase in Mangere Centre after the next round of valuation revisions.

The average value of improvements on industrial land is very similar across all areas except Glenn Innes and Panmure where there is very little. Values are within a range of \$15 per square metre in Te Atatu (\$568 per sqm), New Lynn (\$560) and Mangere and the Western Fringe of Tamaki (\$553 each). However, values are less than half these in the Panmure (\$252) and Glenn Innes (\$251) centres.

⁷ Centres have been defined according to meshblock boundaries. All centres considered are contained within the boundaries of the study areas except in Tamaki where the Panmure Centre and the area defined as the Western Fringe stretch outside of the study area. Data relating to these areas outside of the Tamaki boundary have been included because of their obvious role in servicing the population of Tamaki and their dependence on the residents of Tamaki for both custom and labour force. Details of centre definitions and further data relating to the defined centres can be found in the main quantitative report.

Overall, the average value of improvements on all commercial and industrial land is highest in the Te Atatu Centre (\$1,110 per sqm), but is also very similar across Panmure (\$1,097), New Lynn (\$1,027) and Mangere (\$1,021). Overall, values are noticeably lower in Glenn Innes (\$884 per sqm) although the values of commercial office, retail and mixed used property holds up well against the other centres. The Western Fringe of Tamaki has the lowest overall value (\$588 per sqm) due its predominantly industrial nature.

Overall, there appears to be little consistent relationship between social housing concentration and value of improvements. While the average value of improvements on commercial land is highest in Te Atatu (where concentration of social housing is low), overall values are similar in Glenn Innes, Panmure and Mangere (where concentration is high).

Table 5.3: Value of Improvements per Sqm Across Main Centres

Land Use	New Lynn Centre	Te Atatu Centre	Tamaki			Mangere Centre
			Glenn Innes Centre	Panmure Centre	Western Fringe	
Commercial						
Office	\$ 1,301	\$ 2,337	\$ 1,452	\$ 1,156	\$ -	\$ 1,182
Retail	\$ 2,248	\$ 1,073	\$ 1,463	\$ 1,277	\$ 815	\$ 1,154
Other/Mixed	\$ 813	\$ 870	\$ 1,488	\$ 872	\$ 928	\$ 741
Other	\$ 1,311	\$ 2,263	\$ 435	\$ 554	\$ 9,721	\$ 57
Industrial						
Light Manufacturing	\$ 733	\$ 411	\$ 288	\$ -	\$ 579	\$ 440
Warehousing	\$ 579	\$ 805	\$ -	\$ 241	\$ 611	\$ -
Other/Mixed	\$ 84	\$ -	\$ 252	\$ 513	\$ 469	\$ 708
Other	\$ 1,017	\$ -	\$ 230	\$ 106	\$ 568	\$ 1,467
Total Commercial	\$ 1,817	\$ 1,142	\$ 1,272	\$ 1,151	\$ 1,106	\$ 1,116
Total Industrial	\$ 560	\$ 568	\$ 251	\$ 252	\$ 553	\$ 553
Total	\$ 1,027	\$ 1,110	\$ 884	\$ 1,097	\$ 588	\$ 1,021

Note: Valuation revisions were last undertaken in Waitakere City (New Lynn Centre and Te Atatu Centre) in September 2007 and in Auckland City (Glenn Innes, Panmure, Western Fringe) and Manukau City (Mangere) in July 2005. Thus, capital growth over the 2005-2007 period will explain some of the difference between values in Waitakere City and other areas.

5.5 Spatial Mismatch between Employment Opportunity and Workforce

Outside of town centre activity, the available qualitative data provides less clear evidence on the extent to which concentrated deprivation has constrained or has otherwise impacted business and employment activity in Tamaki and Mangere – and conversely, the extent to which the more mixed nature of New Lynn and Te Atatu has been a positive enabler of employment and business activity.

The area affect literature suggests that concentrated deprivation and economic segregation can result in the community becoming less attractive to private sector investors and employers; this having the affect of limiting local amenities and job opportunities and the possibility of a spatial mismatch between neighbourhood residents and the location of employment centres (Berube, 2005; Holmes, 2006; Bailey et al., 2007).

Informants in all the study areas note issues and challenges relating to local employment and business activity. The quantitative data shows that employment growth has been low in Mangere, Tamaki and New Lynn, while Te Atatu has experienced growth more consistent with the national average (Table 5.2).

There are a range of factors in any economy which can influence business activity and it is difficult to isolate from the available data the specific influence of concentrated deprivation. For example, the buoyant economic conditions generally in New Zealand are considered by some informants to have positively impacted on Mangere and in particular, to have increased low skilled workers access to employment opportunities.

The interconnectedness between areas in Auckland and labour supply and demand also makes it difficult to conclude on the relationship between employment, employment opportunities and the spatial concentration of social housing. Significant areas of industrial and commercial activity exist in or about the Tamaki study area, with over 4,200 employees working in the western fringe area of Tamaki – half in manufacturing. These areas are reported as key sites of employment for lower skilled workers in the area. The proximity of Mangere to the airport, a significant employment precinct, is reported as a key strategic advantage of the area, as is its relative proximity to the western Tamaki industrial area.

Limited local employment is reported as a key issue facing Waitakere City generally; a large proportion of workers leave the city each day for employment elsewhere in the Auckland region. New Lynn and Te Atatu are both described as local examples of this. Te Atatu in particular largely exists as a dormitory suburb with limited industry, this reflected in the concentration of employment in Retail Trade (41%), Accommodation, Cafes and Restaurants (17%) and Personal and Other Services (10%) (Table 5.1). Residential growth and increasing pressure on available land for residential development is seen as a key issue facing both areas and a threat to retaining existing local employment opportunities.

The qualitative evidence is strongest in Mangere that there may be some spatial mismatch between local employment opportunities and the predominantly low skilled local workforce. Some concern is expressed about limited local employment opportunities, the distances residents have to travel to access employment and barriers to employment due to limited public transport options. There is also a view that new or emerging employment sectors in the area (e.g. freight and logistics, cultural tourism, service industries) will provide relatively few low skilled jobs. Compared to the other study areas, the lack of manufacturing based employment in Mangere (2%) is particularly notable. Whether the local workforce can adapt to new emerging employment opportunities and whether new industry types can provide sufficient employment is a key concern for one informant. Others are more optimistic. A HNZC representative, for example, cites a local initiative between HNZC and WINZ reportedly improving co-ordination between employment opportunities, training and skill development and the employment placement of HNZC tenants.

Many of these points are reinforced through consideration of journey to work data. Relatively lower proportions of employees from Tamaki and Mangere work within their immediate study area (15% and 12% respectively). However, relatively large proportions work within their wider local area (i.e. 69% of employees in Tamaki work in Auckland City and 56% of employees in Mangere work in Manukau City). Also of note are the relatively small shares of workers from Tamaki and Mangere employed in the CBD. Conversely, it is apparent that although larger proportions of workers in New Lynn and Te Atatu work within their more immediate environs (19% and 18% respectively work within their study area), significantly larger proportions travel outside of Waitakere City for work (66% and 59%) (Table 5.4).

Table 5.4: Travel to Work by Employed Residents

	Tamaki	Mangere	New Lynn	Te Atatu
Within Territorial Authority				
Inside Study Area	15%	12%	19%	18%
Outside Study Area	54%	44%	14%	21%
Total Inside Territorial Authority	69%	56%	33%	39%
Within Auckland Region				
Auckland City (excluding CBD)	...	36%	42%	35%
Auckland City CBD	8%	4%	13%	13%
Other ARC	22%	3%	11%	10%
Total Inside Auckland Region (excl TA)	30%	43%	66%	59%
Other NZ	1%	1%	1%	2%
Total Employed residents	4,002	2,895	5,481	4,416

Source: Statistics New Zealand

6 Future Economic Growth and Development

New Lynn and Te Atatu informants both see constraints on the extent to which significant growth in employment and commercial activity is likely. Land scarcity, limited space for large employers and increasing demand for residential land, are seen as impediments to growth. To this end, residential growth and associated developments in retail and other support industries are seen as most likely. The continued growth of New Lynn as a retail and service sector centre is predicted. Some see Te Atatu developing as a village type town centre and recreation precinct which increasingly reflects a higher income catchment. Re-vitalisation plans are underway for the town centres in both communities.

Informants envision that both New Lynn and Te Atatu will continue to gentrify, thus changing the socio-economic structure of each community. It is generally felt that the current level of social housing in both communities will have minimal or no impact on future economic development potential and outcomes. Some informants recognise that developments in both communities could increasingly squeeze lower income households out. A concern expressed therefore, is not whether current levels of social housing will constrain development, but rather, can development be managed so that the local economies remain accessible and affordable for both high and low income households.

Growth predictions for Mangere are somewhat mixed. Some informants voice considerable optimism about the areas strategic advantage and potential to take advantage of economic growth in surrounding areas, particularly the airport. There are also perceptions of considerable untapped potential in both retail and other employment sectors such as cultural tourism. Optimism in the development potential of the town centre is consistent with reasonably positive household level income and expenditure indicators. Some see the development of Mangere Bridge, a more 'mixed' community by income and housing tenure, as evidencing the development potential of Mangere Central. Mangere Bridge is reported to have enjoyed significant social and economic development over the last 10 to 15 years. Informants' describe outcomes from this development consistent with a number of the hypothesised benefits of a 'mixed' community.

Some questions remain about the viability of current and future levels of social housing in Mangere, particularly in respect to the availability of low skilled employment. Some informants question whether new and emerging employment sectors can provide sufficient employment for the local workforce; other views are that Mangere is benefiting from near full employment conditions and local initiatives providing a more integrated approach to addressing training needs and employment outcomes.

Two distinctly different dynamics of local economic development are identified in Tamaki. The decline of local town centres, particularly Glen Innes, most obviously reflects concentrated deprivation. However, a range of current and future planned growth projects are identified in Tamaki and the surrounding area including the major redevelopment of Tamaki recently announced by the Minister of Housing, AMETI (the Auckland Manukau Eastern Transport Initiative), the proposed development of the Tamaki Innovation Precinct by Auckland City Council and the University of Auckland, the Stonefields residential development and the continued growth of Sylvia Park. A range of growth drivers associated with these developments are identified, although these are largely disconnected from the concentration of low income households in the area.

Because of such development, it could perhaps be argued that Tamaki is becoming more economically prosperous. However, there is little current evidence that developments are having flow on benefits to lower income households. Some informants consider that growth, if not carefully managed, could further disadvantage low income households, potentially creating a more fragmented community and a breakdown of existing community strengths. Concerns are expressed that low income residents may be largely shut out of any growth benefits if they continue to lack the skills and means to participate in economic growth.

7 Conclusions and Policy Direction

This research has sought to examine the relationship between concentrated deprivation, community economic development and investment and disinvestment dynamics. A key hypothesis underpinning the research is that concentrated deprivation can lead to an area affect which can negatively impact the quality of life and opportunities for people living in deprived areas, above and beyond their own personal circumstances.

A case study methodology was used to examine four Auckland areas; Tamaki and Mangere being areas of high concentrations of HNZA housing and New Lynn and Te Atatu being areas of very low concentrations. While this design precluded the ability to run a formal correlation analysis between the concentration of social housing and household and personal indicators of economic well-being, both Tamaki and Mangere have been shown to have:

- experienced slower than average (at the regional level) household and population growth over the last 10 years;
- lower levels of home ownership;
- a more stable population with less movement from current households and less movement into the areas from outside in the last five years;
- higher proportions of residents aged under 16 years and therefore lower proportions of residents in the traditional working age bracket (15+ years);
- lower proportions of residents working full or part-time and higher proportions either unemployed or not in the labour force;
- lower mean household incomes per person and personal incomes;
- higher proportions of households with at least one member reliant on a government benefit as a source of income and lower proportions of working age individuals and households with members who draw a wage, salary or who are self employed;
- higher proportions of residents (aged 15+) with no formal qualifications and lower proportions with tertiary qualifications or better;
- lower levels of household access to motor vehicles and lower levels of household access to telephones; and,
- lower levels of household expenditure per person.

Further, the HNZA system of housing allocation, although based on a wide range of factors (including current housing situation, family status etc.) clearly supports the more economically disadvantaged. The data above supports the conclusion that this will lead to poorer economic outcomes across the community at the household and individual level when concentrations of HNZA tenants are higher.

The qualitative research has identified a range of negative impacts from concentrated deprivation. In some areas, these findings have described the relationship between deprivation and local economic development while in others, the relationship has been hypothesised. Key negative impacts identified include:

- limited opportunities for low income residents to contribute to and participate in the local economy;
- the economic decline of town centres;
- a limited range of locally available goods and services;
- some concern in Mangere of a spatial mismatch between local employment opportunities and the predominantly low skilled local workforce;
- some evidence that low income residents can pay more for basic goods;
- the normalisation of crime and the development of negative social norms;
- some evidence of educational disadvantage;
- benefit dependency;
- lack of positive role models and limited access to alternative life chances; and
- community disengagement.

The qualitative research has also provided evidence of the relationship between concentrated deprivation and local investment dynamics. This has included:

- that low levels of household growth within a community leads to limited growth in demand for goods and services;
- that low income households can be trapped in a cycle of immediate economic survival with little hope of setting and achieving longer term financial goals;
- that the nature and extent of low income households' participation in the local economy restricts the viability of offering certain goods and services locally;
- tolerance for lower levels of quality and standards in amenities which can in turn deter investment;
- evidence that social problems and stigma associated with deprivation is a barrier to investment.

Mangere has a lower overall proportion of social housing compared to Tamaki and findings in support of the area effect appear stronger in Tamaki compared to Mangere. This finding and others in the study lend some support to the hypothesis that more 'mixed' communities such as New Lynn and Te Atatu can be supportive of positive social and economic development outcomes. The qualitative research findings describe both New Lynn and Te Atatu as:

- desirable places to live, offering residents considerable amenity and benefits;
- experiencing considerable residential demand and growth;
- reasonably robust and resilient communities, characterised by positive social and cultural norms, including a strong employment ethos;

- having high levels of community engagement, participation and expectation;
- having strong local schools, attended by both high and low income families and enjoying high levels of community support and involvement;
- areas in high demand from HNZC tenants.

While benefits at the household level cannot be substantiated through the current research (as interviews were not conducted with HNZC tenants), the findings suggest that HNZC tenants living in areas of lower concentrations of HNZC properties:

- are likely to experience less stigma compared to HNZC tenants living in areas of higher concentrations of social housing;
- are or have opportunities to be actively involved in the community;
- benefit generally from available amenities and infrastructure;
- may be positively influenced by social and behavioural norms in the community.

While such findings appear to support the ‘mixed’ community hypothesis, it is notable that a level of ethnic homogeneity in Mangere is suggested as a factor which may mitigate negative impacts from concentrated deprivation. The research also suggests that ‘mixed’ communities may be more successful if extreme differences in income are avoided. These findings are consistent with previous research which suggests that too wide a gap or difference between households may exacerbate tensions and may ultimately undermine social cohesion (Berube, 2005; Holmes, 2006; Bailey et al., 2007). The findings therefore suggest that within different communities, there may be varying levels or degrees of diversity across different socio-economic and demographic variables which may deliver optimum benefits from ‘mixed’ communities. For example, Mangere may particularly benefit from increasing diversity in tenure and household income while maintaining the current strength and numbers in the Pacific community. The initial findings on this issue suggest that further work is required to understand optimum levels of diversity and how this may vary across variables and across different communities.

7.1 Study Limitations

The case study nature of this research has precluded the undertaking of any formal correlation analysis to test the relationship between high concentrations of social housing and the economic development of commercial and business activity within the same area. However, there are large number of other factors relating to the size, nature and location of economic activity within the study areas that are also likely to disguise any clear relationships between social housing concentration and economic development. These include:

- The scale of economic activity within each of the study areas and in particular in New Lynn and Te Atatu. The volume and spread of business and commercial activity in New Lynn is significant and serves a sub-regional catchment⁸. By contrast, Te Atatu is a local centre that serves a significantly smaller local catchment. The centres at Glenn Innes, Panmure and Mangere are more suburban in nature. Any relationship that exists between social housing concentration and economic development, is likely to differ based on the scale of economic activity – for example, the relationship may be stronger at a local level (where the range of activities is more limited) than at a suburban or regional level (where the range of activities is wider).
- The location of the economic activity within the areas considered. With the exception of Te Atatu, the main centres of economic activity within each of the study areas are located on or close to the edge of the study area. As such, the centres at New Lynn, Glen Innes, Panmure and Mangere all draw custom from an area stretching beyond their respective study area boundaries and thus the characteristics of these households (outside of the study area) should also be considered in drawing any conclusions between social housing concentration and economic development.
- Timing of recent development – particularly in Te Atatu, arguably the only one of the four study areas in which the defined boundaries largely coincide with the economic catchment of the business and commercial activity within it. The Te Atatu area has recently experienced significant household growth - above the regional average - characterised by significant investment in new and relatively up-market housing on the eastern side of the peninsula. While this has coincided with some employment growth, this has been below the regional average and there appears to have been relatively little investment in new commercial activity within Te Atatu. Based on this, it is surmised that Te Atatu is in 'catch-up' mode in relation to economic activity within the area and that over the next few years there will be further commercial investment in this area to cater for new residents. This likelihood is supported by Te Atatu informants who predict on-going development and further changes within the peninsula.

⁸ A hierarchy of business and commercial centres developed by Market Economics for the Auckland Regional Council classifies New Lynn as a Sub-Regional Centre (the second largest centre type after the CBD) implying that it serves a wide sub-regional catchment encompassing a significant area of eastern Waitakere City and western Auckland City. It's location on major rail and road transport routes would also imply that it serves a significant market of passing trade.

7.2 Further Research

There are very low proportions of social housing in New Lynn and Te Atatu relative to Tamaki and Mangere both now and in the foreseeable future and some caution is therefore required when comparing the findings from each area. There may be further value in comparing Tamaki and Mangere with areas which comprise proportions of social housing similar to that likely to be achieved in Tamaki and Mangere in the future. Examining how and to what the 'mixed' nature of these communities support local economic development, could advance understanding of how the negative impacts of concentrated deprivation could be mitigated through housing policy.

Greater understanding of the 'causal pathways' through which concentrated deprivation can constrain economic development and conversely, how 'mixed' communities may support this, may also be possible through further research at the individual household level. For example, evidence that HNZC tenants living in New Lynn and Te Atatu have more stable jobs, higher incomes and more pro-social behaviours than similar others in Mangere and Tamaki, would provide further support to the 'area effect' and 'mixed' community theory. One approach to this work would be an in depth analysis of Census data across a wider geographic area (Auckland Region, New Zealand) investigating a range of deprivation measures (potentially those used to construct the Deprivation Index) among HNZC tenants in defined areas of higher and lower concentrations of HNZC stock. Notwithstanding the known limitations (under-reporting) of Census data relating to HNZC tenants, the volume of data and consequent number of 'data points' available would allow for correlation analysis to be run and a much stronger indication of causality between social housing concentration and individual opportunity to be developed. Qualitative follow-up with HNZC residents from identified 'representative' areas would add significant depth to the understanding of the concentration-opportunity dynamic.

7.3 High Level Policy Direction

Informants commonly recommend broad and integrated policy development to encourage economic development in areas of concentrated deprivation. Also stressed is the need for policies which work with and build upon existing community and cultural strengths, that are locally appropriate and which build community ownership and cohesion.

7.3.1 Addressing Deprivation

The findings show that policies to address the underlying causes of disadvantage and economic exclusion are required if there are to be equitable outcomes from economic growth with social housing tenants benefiting.

This issue highlights key policy imperatives in the area effect literature. The literature asserts that interventions should address disadvantage at the individual level, as well as distress and dysfunction at the community level. The first point emphasises the need for interventions which address the underlying causes of poverty as well as those which ensure access to appropriate social and other support services. The second supports the policy direction of 'mixed' communities to develop community strengths supportive of economic development.

An integrated approach clearly requires policy interventions across a range of areas; education and training, community development, health, crime prevention and so on. Continued difficulties in some areas have the potential to undermine other policy initiatives. For example, if local families continue to school their children outside the local school system, the hypothesised benefits of 'mixed' communities in respect to educational outcomes may remain largely unrealised.

Informants commonly envision a much broader and at least, a more integrated role for HNZC in addressing deprivation. Given the level of disadvantage faced by many HNZC tenants under the social allocation model, informants commonly feel that HNZC needs to be more active in addressing the causes of deprivation and assisting tenants to build their social, economic and cultural capital. Informants suggest greater HNZC involvement, or at least supportive and integrated policy development in a range of areas. These include educational initiatives, economic literacy, skills training, job creation, youth and general community development.

The reported success of a local HNZC and WINZ initiative to address the employment and training needs of social housing residents in Mangere is an example of an integrated approach; in this case, through addressing underlying barriers to employment.

Informants also see the quality, design and maintenance of HNZC stock as well as urban planning as central to the health and wellbeing of tenants and the community. It is recognised that tenants in environments supportive of social, physical and psychological health are best positioned to fulfil their social and economic potential.

Further to this, some informants see the management of social housing tenancies as a critical factor in mitigating the area effect. Setting and enforcing appropriate standards of tenancy behaviour is seen as important in mitigating social and economic decline in low income areas. Overcrowded and rundown stock combined with a tolerance for inappropriate behaviour is seen as playing a role in the decline of community norms and standards, as undermining fundamental social goals of state provided housing and as presenting a barrier to desired outcomes from 'mixed' communities (e.g. greater rather than less interaction between residents in different housing tenure).

7.3.2 Strengthening Communities

Informants advocate policies which act generally to strengthen communities and develop community cohesion and identity. Stronger communities are seen as more likely to facilitate economic growth through a range of ways, for example, increased likelihood of retaining and attracting new residents. Policy development is indicated which integrates social housing provision with areas such as crime prevention, urban planning, community and recreation facility provision and community events and participation.

7.3.3 'Mixed' Community Policies

The qualitative findings provide support for policies to develop 'mixed' communities as a way of assisting community economic development. However, as discussed, some caution is required when interpreting the New Lynn and Te Atatu findings in the context of Tamaki and Mangere. As no interviews have been conducted in this research directly with HNZN tenants, some caution is also required in drawing conclusions on the actual benefits and advantages of 'mixed' communities at the individual household level.

Informants generally support the policy direction of 'mixed' communities, albeit in line with recommended directions previously stated under 'Addressing Deprivation' and 'Strengthening Communities'.

The qualitative findings show developments within both Tamaki and Mangere, regardless of deliberate policy interventions. Both areas, by virtue of location and proximity to growth and employment precincts, show signs of change through natural market forces. However, some informants, particularly in Glen Innes, voice concern that poorly planned growth and increased diversity could provide outcomes inconsistent with 'mixed' community goals. For example, there is concern that higher income people may simply reside in Tamaki and have little participation in the community; in essence they may largely work, spend, socialise, and educate themselves outside the area.

It could be hypothesised that the outcome above is more likely if wider community development does not keep pace with residential development and if the community does not develop to successfully meet a broader range of needs and expectations.

The warning above shows that policies addressing deprivation and strengthening communities (as discussed) must be integrated with policies specifically focused on achieving more diversity by housing type and tenure. It also shows the importance of policies which work to build social cohesion and which guard against the further marginalisation or disadvantage of those already disadvantaged. A number of informants express concern that as a result of community economic growth, there is risk that existing low income residents either get forced out or at least become further disenfranchised within their own community.

In building 'mixed' communities, cognisance must therefore be given to retaining existing community cohesion, identity and belonging where these exist as strengths and positive community attributes.

Informants' question the extent to which deprived communities will attract new development and investment if there remain high levels of deprivation and associated problems within the community. The Tamaki findings in particular raise questions about the level and type of investment that may first be required in order to attract a desired level, type and mix of financial and personal investment.

The apparent success of Mangere Bridge as a 'mixed' community shows that while local government has played an important leadership role, community ownership and a collective vision have again been important in achieving desired outcomes.

That there is, or at least has been, a degree of income homogeneity in all the 'mixed' communities studied, suggests this to be supportive of community cohesiveness and social stability. Policy interventions may be required to ensure that incomes do not become too disparate when attempting to develop 'mixed' communities.

8 References

Bailey, N., Haworth, A., Manzi, T. and Roberts, M. (2007) *Creating and sustaining mixed income communities in Scotland: A good practise guide*. York: Joseph Rowntree Foundation.

Berube, A. (2005), *Mixed Communities in England: A US perspective on evidence and policy prospects*. York: Joseph Rowntree Foundation.

Gravitas Research and Strategy Ltd (2008). Sustainable Communities and Economic Development. Key Informant Interviews in Four Auckland Communities. Draft report to Housing New Zealand Corporation.

Gravitas Research and Strategy Ltd (2008a). Sustainable Communities and Economic Development. Policy Direction. Draft report to Housing New Zealand Corporation.

Holmes, C. (2006). Mixed communities: Success and sustainability, *Foundations: Analysis informing change, March*, York: Joseph Rowntree Foundation.

Market Economics Ltd (2007), Sustainable Communities and Economic Development: A quantitative investigation of four communities in the Auckland region. Draft report to Housing New Zealand Corporation.

Appendices

Appendix One: High Level Policy Direction:
Addressing Deprivation
Strengthening Communities
'Mixed' Communities

Appendix One: High Level Policy Direction

High level policy direction is organised and presented around three broad areas: addressing deprivation; strengthening communities, and the creation of 'mixed' communities. While presented separately to facilitate understanding, the three areas are interrelated and by no means mutually exclusive. This interrelationship reflects the complex factors and relationships identified in the research as either constraining or enabling community economic development.

Policy direction is provided in tabular form. Key principles, objectives and relationship to community economic development are briefly described for each main area of direction. Potential policy responses, related considerations and anticipated outcomes are identified. Potential impacts or implications for HNZC, other housing stakeholders and other stakeholders from the policy direction, are mapped.

Addressing Deprivation

Addressing Deprivation	Objectives	Policy Response/Considerations	Outcomes	Impacts/Implications		
				HNZC	Other housing stakeholders	Other stakeholders
Support and assistance	Services addressing the needs/issues associated with disadvantage are available to those who need them (e.g. income support, social services, childcare, alcohol and drug rehabilitation)	<p>HNZC tenants will continue to primarily be of low income and vulnerable to deprivation and negative outcomes associated with disadvantage</p> <p>Policies seeking to encourage community economic development should recognise the on-going need for services addressing deprivation</p> <p>Social housing planning and provision should have regard for service access and availability</p> <p>Integrated policy development with service providers and other stakeholders</p>	<p>Appropriate services address needs associated with deprivation</p> <p>Addressing needs helps to mitigate negative area effects and barriers to social and economic development</p>	Requirement for collaborative approaches with service planners and providers		A range of stakeholders have roles in ensuring the availability of appropriate services (e.g. other central government agencies, local government, community groups, iwi/Maori)

Addressing Deprivation				Impacts/Implications		
Principles	Objectives	Policy Response/Considerations	Outcomes	HNZC	Other housing stakeholders	Other stakeholders
Facilitating advancement	<p>The social and economic mobility of low income households is supported and facilitated where possible</p> <p>Services/policy interventions act to enhance the social and economic mobility of low income households</p>	<p>Housing policy identifies and supports the role of social housing in facilitating the social and economic mobility of low income households (e.g. home ownership initiatives, integrated employment and training initiatives)</p> <p>Housing policy understands HNZC's role to be more than just providing and maintaining housing assets</p> <p>Integrated policy development with other stakeholders with roles in facilitating social and economic mobility (e.g. education, health, labour, economic development)</p>	<p>Where possible, low income households realise their social and economic potential (e.g. through education and training pathways, youth initiatives)</p> <p>Low income households participate in and contribute constructively to community economic development</p> <p>Enhanced community ownership and investment in community economic development</p>	<p>Potential roles beyond just providing and managing housing assets</p> <p>HNZC involvement in integrated case management suggested</p> <p>Requirement for collaborations and partnerships with range of stakeholders (e.g. education and training providers, social service providers)</p> <p>Can tenancy management/provision be responsive/flexible to meet individual or different aspirations around mobility?</p> <p>Tensions may exist between life long tenure guarantees and policies to facilitate social and economic mobility</p>		<p>A range of stakeholders have roles in facilitating social and economic mobility</p>

Addressing Deprivation	Objectives	Policy Response/Considerations	Outcomes	Impacts/Implications		
				HNZC	Other housing stakeholders	Other stakeholders
Healthy housing/Wellbeing	Social housing design, planning and management positively contributes to individual/household/community health and well-being	<p>Social housing policy identifies and facilitates the contribution of social housing to health and well-being</p> <p>Continuation of existing healthy housing policies</p>	Increased health and wellbeing more supportive of community economic development (e.g. through improved educational outcomes)	Requirement for collaborations and partnerships with health related stakeholders		A range of stakeholders have roles in facilitating health and well-being

Strengthening Communities

Strengthening Communities				Impacts/Implications		
Principles	Objectives	Policy Response /Considerations	Outcomes	HNZC	Other housing stakeholders	Other stakeholders
Community Development	<p>Social housing planning, provision and management contributes positively to community development, community amenity and positive identity</p> <p>Social housing helps develop communities- not only provides a house to live in</p>	<p>Social housing design, provision and management which supports community development and positive identity</p> <p>Social housing planning and provision which integrates social housing provision with other required community facilities and amenities (e.g. parks, open spaces, community facilities)</p>	<p>Community development/cohesion/identity provides a more enabling environment for community economic development</p> <p>Enhanced prospects of those with desirable skills and capacity to remain in the community</p> <p>Enhanced prospects of community attracting new members/investors with desirable skills and capacity</p>	<p>HNZC role more than just providing and managing housing assets</p> <p>Collaboration with organisations and agencies with roles in community development and community facility provision</p>	<p>Potential roles in community development</p>	<p>A range of stakeholders have roles in community development, facility provision e.g. Local council</p> <p>Other central government agencies</p> <p>Community groups</p> <p>Iwi/Maori</p> <p>Social service agencies</p>

'Mixed' Communities

'MIXED' COMMUNITIES	Objectives	Policy Response /Considerations	Outcomes	Impacts/Implications		
				HNZC	Other housing stakeholders	Other stakeholders
<p>Planning for sustainable 'mixed' communities</p> <p>Successful solutions may differ from community to community – local uniqueness must be understood and worked with</p>	<p>Plan/configure communities to allow groups to retain existing cultural and social cohesiveness, networks and support where these exist</p> <p>Plan/configure communities to build upon and retain existing community strengths</p> <p>Plan/configure 'mixed' communities that are appropriate to and will 'work' within specific locations/communities</p>	<p>Policy interventions to develop 'mixed' communities which support existing cohesion</p> <p>Assessment procedures to understand existing cohesiveness and strengths prior to development</p> <p>Evaluation to understand and enable address of any negative</p>	<p>Development builds upon and retains existing strengths and cohesion</p> <p>Social cohesion/strength provides an enabling environment for community economic development</p> <p>Development solutions are context specific and appropriate</p>	<p>Requirement for community analysis prior to community development</p> <p>Requirement to consult and involve knowledgeable community stakeholders in development</p> <p>Requirement to develop common vision/aspiration/commitment between existing community, investors and other stakeholders</p> <p>Requirement for collaborative working partnerships</p>	<p>Involvement in community analysis processes</p>	<p>Involvement in community analysis processes</p>

		<p>impacts on cohesion and strengths from development</p> <p>Policy responses may be required so that 'mixed' communities do not become too disparate, thus threatening existing social cohesion</p>		<p>Requirement to further consider optimal level of diversity which retains social cohesion</p>		
--	--	--	--	---	--	--

'MIXED' COMMUNITIES				Impacts/Implications		
				Principles	Objectives	Policy Response /Considerations
Investment Appeal/Potential	<p>To create communities which will attract the necessary investment and commitment required to create successful 'mixed' communities</p> <p>Enhanced appeal to potential investors without detracting from existing community identity (where this exists as a positive attribute)</p>	<p>Interventions to create more 'mixed' communities may require pre-investment interventions to enhance appeal and readiness for development</p> <p>Enhancing community appeal and readiness for development effectively links to other policy interventions focused on addressing deprivation and strengthening communities (e.g., strengthening community amenities, provision of community facilities)</p>	<p>Enhanced likelihood that community will attract necessary levels of investment and commitment to make a difference/realise benefits associated with 'mixed' communities</p> <p>Avoidance of investors which are not committed long term to the success of the community</p>	<p>A staged approach may be necessary to developing more 'mixed' communities</p> <p>Requirements to work collaboratively with a range of stakeholders who have roles in strengthening communities and community development</p> <p>Requirements for community consultation to ensure community involvement and ownership in process (e.g. development of Community Enhancement Plan)</p> <p>Addressing stigma associated with social housing and 're-branding' communities may be required</p>	<p>Roles in strengthening communities and community development</p>	<p>Multiple stakeholders have roles in strengthening communities and community development (e.g. local council polices to enhance/improve town centres)</p> <p>Community involvement in consultation processes</p>

● market economics

gravitas

		Links to policy initiatives focused on reducing stigma associated with social housing (e.g. housing design)				
--	--	---	--	--	--	--

'MIXED' COMMUNITIES	Objectives	Policy Response /Considerations	Outcomes	Impacts/Implications		
				HNZC	Other housing stakeholders	Other stakeholders
Participation and Access	<p>To ensure that 'mixed' communities respond to and meet a greater diversity of need and expectation</p> <p>To ensure that 'mixed' communities do not further disadvantage community members already facing multiple disadvantage</p>	<p>Development interventions ensure the provision of goods and services that are appropriate, accessible and affordable for a range of community members by income, household tenure, age, ethnicity etc.</p> <p>Questions remain whether and how policy interventions can influence the provision of goods and services (or whether the 'market' will ultimately determine this)</p>	<p>'mixed' communities appeal to and provide for a greater range of needs and expectations</p> <p>Continued economic and community participation by existing low income community members</p> <p>'Mixed' communities are sustainable in attracting and retaining diversity thus increasing</p>	<p>Requirements for community analysis/needs assessment</p> <p>There may be an optimal level of social housing required in any community to ensure the ongoing feasibility/provision of goods and services meeting the needs of low income residents</p> <p>Requirement for collaborative planning and partnerships with stakeholders who will influence the range of goods and services available (e.g.</p>		<p>A range of stakeholders will influence/have roles in determining the range and types of goods and services available locally</p>

● market economics

gravitas

			likelihood of realising the economic benefits of 'mixed' communities	government agencies, social service providers, investors)		
--	--	--	--	---	--	--

‘MIXED’ COMMUNITIES				Impacts/Implications		
				Principles	Objectives	Policy Response /Considerations
Appropriate mechanisms/tools for developing sustainable ‘mixed’ communities may differ from community to community	That mechanism/tools to develop ‘mixed’ communities are appropriate to local context That a range of options/interventions are available for developing ‘mixed’ communities	Interventions will likely include a mix of both existing and new policy initiatives e.g. Potential sales of HNZC stock Re-development of existing stock/areas of concentrated social housing Existing home ownership initiatives Incentives to encourage private development of ‘mixed’ communities	Locally appropriate sustainable and successful development of ‘mixed’ communities	Understanding required of what mechanism/tools may be most appropriate in specific contexts and why Requirements for community analysis to determine appropriate mechanisms/tools Selected policy interventions must be aligned/consistent with principles and objectives articulated under ‘Addressing Deprivation’, ‘Strengthening Communities’ and ‘Mixed Communities’ (e.g. avoiding excessive disparity within communities,	Involvement in determining appropriate type and mix of policy interventions	Involvement in determining appropriate type and mix of policy interventions

		<p>Existing 'pepper potting' policies</p> <p>Strengthening communities/enhancing community appeal to reduce loss of community members with skills, capacity, higher incomes etc.</p>		<p>retaining existing social cohesion and strengths, avoiding further disadvantage to those already disadvantaged)</p> <p>Requirement for collaborative partnerships with other stakeholders</p> <p>Questions remain as to how much change is required and how quickly in order to realise the benefits of 'mixed' communities</p>		
--	--	--	--	--	--	--