Before the Independent Hearings Panel
Waipā District Council

*under:* the Resource Management Act 1991

*in the matter of:* Submissions and further submissions in relation to Proposed Plan Change 26 to the Waipā District Plan

*and:* **Retirement Villages Association of New Zealand Incorporated**
(*Submitter 73*)

# Statement of Evidence of **Margaret Owens** on behalf of the Retirement Villages Association of New Zealand Incorporated

Dated: 6 April 2023

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**STATEMENT OF EVIDENCE OF MARGARET OWENS ON BEHALF OF THE RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INCORPORATED**

## INTRODUCTION

1 My full name is Margaret Julie Owens (Maggie).

2 I am the Immediate Past President of the Retirement Villages Association of New Zealand Incorporated (*RVA*). I have served as a member of the Executive of the RVA since 2004, and have now been in the industry for more than 30 years.

3 I have held sales and operating positions in retirement villages in New Zealand since 1990. I was formerly a Director of Bupa New Zealand – holding that position for 12 years. During that period I was responsible for the Independent Living portfolio at Bupa and was Acting Chief Operating Officer for 14 months. I was involved in the establishment of Bupa's St Kilda Retirement Village and Care Home in Cambridge, and St Andrew's Care Home and Retirement Village. I am currently a Non-Executive Director of Metlifecare, the second largest retirement village operator in New Zealand and a Chartered Member of the Institute of Directors.

4 My roles in the RVA include Chair of the Education Committee, a member of the Complaints, Conference and Accreditation Committees and Board Sponsor for the RVA Sustainability Forum. I am also an RVA representative on the Residents Advisory Group which liaises with residents on a quarterly basis.

5 Although I do not give evidence as an expert witness, I have considerable knowledge and understanding of the aged population and the retirement sector and its challenges. I have presented evidence at several resource consent hearings while with Bupa and presented to Taupō District Council on plan changes several years ago. More recently I have been involved in submissions to Wellington City Council and Kāpiti Coast District Council as part of their planning review processes.

6 I am generally familiar with Proposed Plan Change 26 to the Waipā District Plan (*PC26*) as it relates to the submissions lodged by Ryman Healthcare Limited (*Ryman*) and the RVA. I also note that I have read the Council Officers' Report as far as it relates to the RVA's and Ryman's submissions, particularly Appendix B, Section 4.4, which addresses all of the RVA's submission points.

## SCOPE OF EVIDENCE

7 My evidence will address:

7.1 The RVA and the retirement village regulatory context;

7.2 Ageing population demographics, health and wellbeing characteristics, and related demand for retirement villages;

7.3 The retirement housing and care crisis, and government recognition of the challenges ahead;

7.4 The role of retirement villages in responding to that crisis, and other benefits of villages;

7.5 The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (*Enabling Housing Act*) and our request for a consistent retirement village planning framework in Waipā District (*District*); and

7.6 Comments on PC26 as to whether it appropriately enables housing and care for the ageing population.

8 I comment briefly on some of the matters raised by the Council Officers Report in the body of my statement, noting Ms Nicki Williams for the RVA will address these matters in further detail. I also note I have read Professor Ngaire Kerse's evidence for the RVA and Ryman. Her evidence contains a range of themes which are consistent with my experience in the retirement sector and I support her views.

**EXECUTIVE SUMMARY**

9 The RVA represents the combined interests of the owners, developers and managers of registered retirement villages throughout New Zealand.

10 The demand for appropriate accommodation and care for older people is currently outstripping supply. Many of Waipā District's older residents are likely to be living in unsuitable accommodation. These circumstances will be impacting their physical health and safety and mental wellbeing.

11 New Zealand, including Waipā District, has a rapidly increasing ageing population. Waipā District's 75+ population (the key demographic for retirement villages) is forecast to more than double from 4,360 people in 2018 to 11,850 people in 2048. And, people are living longer and their health care needs, particularly after age 85 are increasing and becoming more complex, with increasing rates of comorbidities (multiple health conditions) in older people.

12 These factors, coupled with a trend towards people wishing to live in retirement villages, means that the demand for retirement accommodation and aged care will continue to grow.

13 The government has confirmed, in its Government Policy Statement on Housing and Urban Development (*GPS-HUD*),[1] that housing and caring for the rapidly increasing ageing population is a key housing and urban development challenge facing New Zealand.

14 The RVA agrees. We consider that the need to enable appropriate accommodation and care options for older people is a matter of great importance for New Zealand and the Waipā District. Retirement villages play a critical role in communities by providing specialist accommodation that meets the needs of older people. This accommodation has a range of social benefits, including enabling physical and mental wellbeing and independence. Retirement villages also help to materially address the general housing crisis, reduce "bed blocking" in hospitals and result in employment and economic benefits.

15 The RVA's members are currently heavy users of Resource Management Act 1991 (*RMA*) processes. Members rely on resource consents to authorise much needed retirement developments, and to provide for ongoing operational needs for villages. However, as the RVA's submission outlines, the RMA has caused a number of major challenges.

16 I understand, as Ms Williams outlines, that Tier 1 council planning frameworks need to account for changes in urban environments resulting from changing demographics. The RVA considers that planning provisions must acknowledge that retirement villages and other aged care facilities are part of the fabric of residential living environments. They also need to take account of the reality that there is a limited number of available sites for retirement villages. These sites need to be used efficiently. We acknowledge the potential for retirement villages to have effects on the external environment, and agree that planning controls are needed to manage potential effects. But, these controls need to be clear and proportionate. It is also important that the specialist functional and operational needs of retirement villages and their residents are acknowledged. These needs mean that retirement villages – although expected and able to fit in and manage their external effects adequately - can have a different look and feel to typical residential uses.

17 Accordingly, the RVA and its members were greatly encouraged by the Enabling Housing Act. We see the present process as a significant enabler of accelerating housing intensification for the ageing population. As well as participating in the PC26 review, I note that the RVA is heavily engaged in Intensification Streamlined Planning Processes (*ISPP*) across the country. We are seeking consistent provisions in all the 'Tier 1' urban environments, which

[1] GPS-HUD was issued in September 2021.

we consider appropriately respond to the relevant statutory directions. Consistency is very important for certainty and efficiency. I also note that the RVA has consulted heavily with its members to ensure the provisions we seek have unified support.

18 In the Waipā District, the key outcome we seek is to accelerate housing intensification for the ageing population. This will be achieved through a consistent and enabling regulatory framework which clearly responds to the needs of an ageing population and the unique features of retirement village activities.

19 In the RVA's view, PC26 is not currently fit for purpose. It seeks to manage retirement villages using what I understand are outdated controls from the old Plan. The RVA is concerned that the Plan is substantially more restrictive of retirement villages than other multi-unit residential developments. The Officer also wrongly assumes that retirement villages would always be inconsistent with the medium density residential standards (*MDRS*). Member feedback, including in this District, is that villages will comfortably fit within the MDRS context. I am aware of a Summerset village having been recently consented in Cambridge for a predominantly one storey development, with some taller buildings. Mr Brown also notes a similar Ryman example.

20 I also note in particular the need for express recognition that retirement villages are a residential activity. People live in retirement villages. The amenities and features of villages are part and parcel of that living.

21 PC26 also needs to provide for the efficient use of suitable sites for retirement villages in all zones that anticipate residential activities (including on larger sites) given the shortage of such sites.

22 We also seek to ensure the functional and operational characteristics of retirement villages are appropriately provided for and that any regulatory controls are proportionate and targeted to relevant effects. Our members consider the proposed discretionary activity status for retirement villages that do not meet development standards, and the proposals for public notification will be significant barriers in the consent process and will slow down the necessary provision of housing. Mr Matthew Brown and Ms Williams address these matters in more detail.

23 The specific changes sought by the RVA are contained in Ms Williams' statement of evidence.

**THE RVA**

24 The RVA, incorporated in 1989, is a voluntary industry organisation that represents the interests of the owners, developers and

managers of registered retirement villages throughout New Zealand. It is also established to govern and develop operating standards for the day-to-day management of retirement villages, and protect their residents' wellbeing.

25 Today, the RVA has 407 member villages throughout New Zealand, with approximately 38,520 units that are home to around 50,000 older New Zealanders. This figure is 96% of the registered retirement village units in New Zealand.[2]

26 The RVA's members include all five publicly-listed companies (Ryman Healthcare, Summerset Group, Arvida Group, Oceania Healthcare, and Radius Residential Care Ltd), other corporate groups (such as Metlifecare and Bupa Healthcare) independent operators, and not-for profit operators (such as community trusts, and religious and welfare organisations).

**THE WIDER REGULATORY CONTEXT**

27 The retirement village industry is regulated by the Retirement Villages Act 2003 (*RV Act*), associated regulations, and codes of practice, including the Code of Practice and a "Code of Resident Rights", all established through the RV Act.

28 'Retirement village' is defined in section 6 of the RV Act as[3]:

> … the part of any property, building, or other premises that contains 2 or more residential units that provide, or are intended to provide, residential accommodation together with services or facilities, or both, predominantly for persons in their retirement, or persons in their retirement and their spouses or partners, or both, and for which the residents pay, or agree to pay, a capital sum as consideration and regardless of [various factors relating to the type of right of occupation, consideration, etc]…

29 The regulatory regime is focussed on consumer protection via a comprehensive disclosure regime, so that residents can make an informed decision to move to a village.

30 This regulatory regime includes the following:

30.1 Registration of retirement villages with the "Registrar of Retirement Villages". The Registrar places a memorial on the land title. The memorial means that the village can only be sold as a retirement village and that the residents' tenure is ranked above all other creditors to the village. The residents

[2] There are also almost 6,000 Occupation Right Agreements for care suites as part of the aged care system.

[3] Noting this is slightly different to the RMA definition.

have absolute rights to live in their units and have access to the village amenities.

30.2 Retirement village operators are required to appoint a "Statutory Supervisor" whose job is to protect residents' interests and report to the Registrar and the Financial Markets Authority that the village is being operated in a financially prudent manner.

30.3 Operators are required to provide intending residents with a disclosure statement that sets out the village's ownership, financial position, status, and a range of other important information. This statement provides comprehensive guidance to ensure that a resident's decision to move into a retirement village is an informed one.

30.4 Before signing a contract (an "Occupation Right Agreement" or "ORA"), an intending resident must consult a solicitor who must explain the details of the contract and sign an affirmation that they have provided that advice.

31 The codes of practice that regulate the industry include a code of practice and a code of residents' rights.[4]

32 The Code of Practice is administered by the Ministry of Business, Innovation and Employment, and it governs the day-to-day management of the villages. The Code sets out the minimum standards for the operation of retirement villages. These standards address a wide variety of matters, including documents that operators must provide to intending residents, staffing policies and procedures, safety and security policies, fire and emergency procedures, the frequency and conduct of meetings between residents and operators, complaint procedures, as well as communications with residents.

33 The RVA is the sole auditing agency for its members' compliance with the Code of Practice. Audits of RVA members are undertaken every three years by independent accredited auditing agencies. There is also a Disciplinary Tribunal which hears complaints about member villages. This role was created at the RVA's AGM in 2009. The Tribunal is chaired by the Hon Dr John Priestly KC, a retired High Court Judge. At this stage there have been no cases brought to the Tribunal.

34 The Code of Residents' Rights is set out in the RV Act.[5] The Code is a summary of the minimum rights conferred on retirement village residents. It ensures that residents are respected and consulted on

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[4] Both codes are available online (Code of Practice and Code of Residents Rights).

[5] Schedule 4.

material matters that affect their contracts. The Code sets out a residents' rights to services, information, and consultation, the right to complain, the right to a speedy and efficient process for resolving disputes, the right to use a support person or representative in dealings with the operator or other residents at the village, the right to be treated with courtesy, and the right not to be exploited by the operator.

35 This wider regulatory context means that the retirement village industry is highly regulated and, as a result in my experience, characterised by high quality operators. The majority of industry participants are long term operators of villages, not developers, so I understand that their reputation is highly important to them.

## AGEING POPULATION DEMOGRAPHICS

### New Zealand

36 The proportion of older people in our communities compared to the rest of the population is increasing. Soon, there will be more people aged 65+ than children aged under 14 years.[6] By 2034, it is expected that New Zealand will be home to around 1.2 million people aged 65 and over - just over a fifth of the total population.[7]

37 The ageing population of New Zealand reflects the combined impact of:

37.1 Lower fertility;

37.2 Increasing longevity (due to advances in medical technology and increased survival rates from life-threatening diseases); and

37.3 The movement of the large number of people born during the late 1940s to early 1960s (the "baby boomers") into the older age groups.

38 The largest increases in the 65+ age group will occur in the 2020s and 2030s, as the "baby boomers" move into this age group.

39 The growth in the 75+ age bracket is also increasing exponentially (as illustrated by the graph[8] below). It is estimated that 364,100 people in New Zealand were aged over 75 in 2022. By 2048, the

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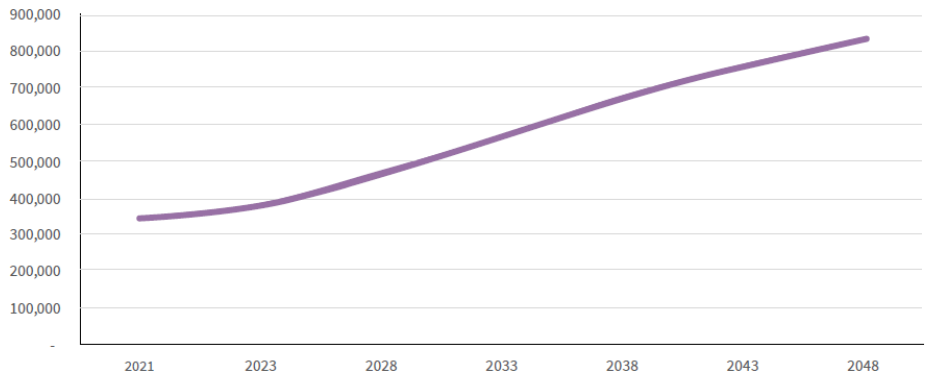
6 Better Later Life – He Oranga Kaumatua 2019 to 2034, page 6.

7 Ibid.

8 Jones Lang LaSalle, NZ Retirement Villages and Aged Care Whitepaper, July 2022, page 8.

population aged 75+ is forecasted to more than double to 804,600 people nationally.[9]

Figure 2 Total NZ 75+ population 2021-2048




Source: JLL Research; Statistics New Zealand

40 Older people aged 85+ comprise the most rapidly increasing age group in the country, with the numbers projected to almost triple from 93,500 in 2022 to 227,600 in 2048. Given around 45% of this age group require aged care beds, this growth will create a need for a minimum of an additional 84,700 aged care beds to be provided by 2048.

**Waipā District context**

41 The growth in the 75+ age bracket in the Waipā District is significantly greater than the national average. Statistics New Zealand estimates that in 2018, 4,360 people were aged over 75. By 2048, this number is forecasted to more than double to 11,850.[10]

42 The growth in the 85+ age bracket in the District is also significant. Statistics New Zealand estimates that in 2018, 1,160 people were aged over 85.[11] By 2048, this number is forecasted to almost triple to 3,700.[12]

**Health and wellbeing of older people**

43 There are a range of health factors which impact on people's wellbeing and independence and which draw them to live in retirement villages. Health factors can affect even the most basic tasks such as the ability to bath, dress, move around the house, use

9 Statistics New Zealand, National Population Projections, by age and sex, 2022 (base) – 2073 <https://nzdotstat.stats.govt.nz/wbos/index.aspx#>.

10 Statistics New Zealand, Population Projections <https://nzdotstat.stats.govt.nz/wbos/index.aspx#>.

11 Ibid.

12 Ibid.

the toilet, maintain continence and prepare meals. People may also have trouble with housekeeping, taking medication, shopping, managing their own finances, travelling, and using the telephone for communication.

44 Mental wellbeing issues are also growing, including isolation, loneliness, and related depression due to many older people living alone, and often also being separated from family and friends due to their increasing mobility restrictions.

45 Professor Kerse addresses these matters in more detail in her evidence.

46 In my experience, retirement villages are an important way to fight social isolation and loneliness. Based on recent data collected by UMR Research New Zealand,[13] the most important factors for people when deciding to move into a retirement village are 'security and safety', 'peace of mind' and 'hassle-free lifestyle'. Villages provide safe, warm, appropriate housing and a community of interest for their residents with the opportunity for socialisation should they choose to take it up. This has wider benefits for the community as a whole. For example, the improved social and health support provided in retirement villages alleviates pressure placed on health and social care services freeing up these resources for other community members.

**Suitability of accommodation**

47 Because of these health and wellbeing issues, many of New Zealand's older residents are currently living in unsuitable accommodation. "Unsuitable accommodation" in this context can mean a couple or a single person living in a large house that is expensive and difficult to maintain and heat properly, has barriers to mobility such as stairs, or is built on a hill, or has a garden that they cannot maintain. Unsuitable accommodation could also include housing that is of such a distance from key services and amenities that it limits their access to their community and care needs.

48 Retirement villages allow older people to continue living in their established community, while down-sizing to a more manageable property (i.e. without stairs or large gardens). Retirement village living provides security, companionship and peace of mind for residents. Residents will also, in most cases, have easy access to care and other support services.

49 In this context, it is also important to note that retirement villages have a very different new-build pattern than the rest of the

[13] UMR Research New Zealand, 'Residents Survey – Retirement Villages Association', January 2021. The results were based on questions asked in an online survey distributed to 100 retirement villages across New Zealand.

country's new-build housing stock.[14] The retirement village industry is building units that match the needs of smaller households, with approximately 90% of retirement village units providing one or two bedrooms.[15] Retirement units are also purpose-built for older people. They are accessible for those with mobility restrictions, are modern, warm and comfortable, and responsibility for their upkeep and maintenance falls on the village operator rather than the resident.

50 Further, retirement villages generally offer on-site amenities, such as pools, gyms, theatres, libraries, bars and restaurants, communal sitting areas, activity rooms, bowling greens, and landscaped grounds. These amenities are provided to meet the specific needs of retirement village residents, leading to significant positive benefits for residents.

## RETIREMENT VILLAGE DEMAND

### Retirement Village typologies

51 'Retirement Village' is an umbrella term given to all types of retirement living. There are two different types of retirement villages, 'lifestyle retirement villages' and 'comprehensive care villages':

51.1 Lifestyle retirement villages focus mostly on independent living units with a small amount of serviced care on a largely temporary basis. When a resident becomes frailer over time, usually they would be forced to leave a lifestyle village as the provision of serviced care is usually not suitable as a long term solution. Relocating into a new and unfamiliar environment at this time is often very stressful for residents.

51.2 Comprehensive care retirement villages provide a full range of living options to residents, providing a 'continuum of care' from independent living to serviced care, rest home, hospital and dementia level care within the same village. This 'continuum of care' approach allows residents to remain in the same 'home' as their needs change.

52 Each village type attracts a different resident demographic. The average age of residents moving into comprehensive care retirement villages is early 80's, with an overall average age in the mid to late 80's. These residents usually choose to live in their own homes for as long as possible and move to a retirement village primarily due to a specific need (e.g. deteriorating health, mobility, or for companionship). Lifestyle villages cater for a younger, more

[14] CRESA, Retirement Village Housing Resilience Survey (June 2014), and Equity Release – Realities for Older People (August 2016).

[15] CRESA, Equity Release – Realities for Older People, August 2016.

active, early retiree. The average age of a resident moving into a lifestyle village is approximately late 60's.

53 The RVA has seen a marked change in retirement accommodation over the last 20 years. In the past, lifestyle villages without care were relatively common. As the population ages, the retirement village industry is seeing a greater demand for a 'continuum of care' in one location - from independent units through to hospital and dementia care. Today, many villages are being developed with some degree of residential care in their campus. Some villages are committed to a full continuum of care, while others focus on providing a smaller number of rest home beds that are available for residents if they are needed.

54 Another important trend is for operators to build serviced apartments, where a resident moves in and out of care as required but without having to physically move from their apartment. These developments are a direct response to market demands. The sector is focused on providing a mix of independent living units and care options to meet the range of financial, social and other resources our residents have.

55 A number of operators also focus on providing social housing as part of their villages. This can be a mix of affordable Occupation Right Agreements and rental units.

56 'Care only' facilities are increasingly rare. This is because under the current government funding regime for health care provision, it is not possible to justify the capital cost of building stand-alone residential care facilities. As a result, no residential care facilities, apart from extensions to existing facilities, have been built in the last ten years or so.

57 Ultimately, the retirement village industry provides appropriate accommodation to address the specific needs of the older population, including a range of large and smaller scaled retirement villages and aged care homes with differing services, amenities and care. This variety enables differing price points and options, which are vital to enabling choices for the growing ageing population.

**Retirement village role in providing housing**

58 Retirement villages already play a significant part in housing and caring for older people in New Zealand. Presently, 14-15% of the 75+ population live in retirement villages, a penetration rate that has risen from around 9.0% of the 75+ population at the end of 2012.[16]

[16] Jones Lang LaSalle, NZ Retirement Villages and Aged Care Whitepaper, July 2022, page 17.

59 At the same time as the aged population is increasing, the demand for retirement villages is increasing due to:

59.1 A growing acceptance of the benefits of living in a village;

59.2 A longer life expectancy and continuing demand for care. In this regard, retirement villages cater to the specific needs of residents with differing levels of health and independence; and

59.3 An increasing demand for purpose-built, comfortable and secure dwellings. The RVA's members have established reputations for building high quality villages to address the needs of residents and employing professional and caring staff.

60 The RVA's members have 407 villages across the country, providing homes for around 50,000 residents. Over the next 5 to 10 years, that number is anticipated to grow significantly with 86 new villages and 130 expansions to existing villages, providing 22,200 homes for approximately 28,900 additional residents.

61 In Waipā District, 25.9% of the 75+ age group population live in a retirement village, which is much higher than the national average of 14.3%. As the population continues to increase, the RVA expects that there will be a further increase in demand for retirement villages in the District.

62 There are currently 12 retirement villages in the Waipā District. Currently, those retirement villages are home to around 1,110 residents. There are a further four villages in development. A number of additional villages will nevertheless be needed to meet the demands of the ageing population and high penetration rate in the District.

**The growing crisis**

63 The RVA considers that the under-provision of retirement living and aged care in New Zealand is at crisis point. It is generally accepted that the growing ageing population is facing a significant shortage in appropriate accommodation and care options. This problem is immediate, and projected to worsen in the coming decades as older age groups continue to grow.

64 Together with the above-noted trend towards people wishing to live in retirement villages, also means that demand for this typology is continuing to grow. This trend is creating a severe and growing shortage of retirement villages, as supply cannot match demand.

65 This crisis is evidenced by the increasing number of the RVA's members' villages that have waiting lists (including existing villages

and those under construction). Many RVA member villages have waiting lists of 2 or more years, which is a significant amount of time for people in need of care to wait.

66 The COVID-19 pandemic has also exacerbated the crisis. Overall, retirement villages performed remarkably well in protecting the most vulnerable by providing safe communities and companionship during the tough periods of lockdown. This performance has resulted in an even stronger demand to access retirement villages and further limited stock available.[17]

67 The government has recognised that housing and caring for the rapidly growing aged section of the population is a key housing challenge in its overarching direction for housing and urban development. The GPS-HUD records that "*[s]ecure, functional housing choices for older people will be increasingly fundamental to wellbeing*."[18]

68 A key connecting government strategy, Better Later Life – He Oranga Kaumatua 2019 to 2034, outlines what is required to have the right policies in place for our ageing population, including creating diverse housing choices and options.[19] The strategy notes that "*[m]any people want to age in the communities they already live in, while others wish to move closer to family and whānau, or to move to retirement villages or locations that offer the lifestyle and security they want*."[20]

69 The RVA supports that government policy and seeks that it be implemented in local planning documents, including PC26.

**Retirement villages' role in addressing the housing crisis**

70 Retirement villages help to ease demand on the residential housing market and assist with the housing supply shortage in New Zealand. That is because growth in retirement village units is faster than growth in the general housing stock, and the majority of new villages are located in major urban centres. The retirement village sector therefore also contributes significantly to the development of New Zealand's urban areas, and the particular challenges urban areas face.

71 The retirement village sector allows older New Zealanders to free up their often large and age-inappropriate family homes and move to comfortable and secure homes in a retirement village. The RVA estimates that around 5,500 family homes are released back into

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17 Jones Lang LaSalle, NZ Retirement Villages and Aged Care Whitepaper, July 2022, pages 3 and 23.

18 GPS-HUD, page 10.

19 The GPS-HUD is available online.

20 Ibid, page 32.

the housing market annually through new retirement village builds. This represents a significant contribution to easing the chronic housing shortage. A large scale village, for example, releases approximately 300 houses back onto the market to be more efficiently used by families desperate for homes. To illustrate, retirement units are generally occupied by an average of 1.3 people per unit, compared to an average of 2.6 people per standard dwelling.

**Other benefits of retirement villages**

72 The retirement village sector produces other broader benefits, including:

72.1 The sector employs approximately 19,000 people to support day-to-day operations. Between 2018 and 2026, approximately 9,500 new jobs will have been created from construction of new villages. The sector contributes around $1.1 billion to New Zealand's GDP from day-to-day operations.[21] More recently, and importantly, the sector has generated jobs in industries that have been impacted by COVID-19 (such as hospitality and accommodation).

72.2 The contribution of retirement village construction is also substantial. For example, a large scale new village will cost in the order of $100-$200 million to construct. Retirement village construction is also expected to employ approximately 5,700 FTEs each year.[22]

72.3 Retirement villages also support Te Whatu Ora, Health New Zealand by providing health care support for residents that would otherwise be utilising the public healthcare system thereby reducing "bed blocking" in hospitals.

72.4 Due to the lower demand for transport (including because of on-site amenities), retirement villages contribute proportionately less to transport emissions than standard residential developments. Operators also invest in a range of other methods to reduce carbon emissions from the construction and operation of villages.

**PLANNING FOR RETIREMENT VILLAGES**

**Challenges**

73 The RVA's members are currently heavy users of RMA processes. Members rely on resource consents to authorise much needed

[21] PWC 'Retirement village contribution to housing, employment, and GDP in New Zealand' (March 2018) page 4.

[22] Ibid.

retirement developments, and to provide for ongoing operational needs for villages and other developments.

74 However, as the RVA's submission outlines, the RMA has caused a number of major challenges.[23] A key challenge for retirement village operators is the inconsistent retirement village planning frameworks across New Zealand, which are also often overly complex. These issues lead to lengthy consenting debates and ultimately, delays in the delivery of critical accommodation for older people.

**What we need**

75 The RVA considers better alignment of planning regimes and consistency within district plans will result in a better, more efficient system in the long term. Based on the RVA's members' experience, the RVA considers it is highly desirable to provide a common approach to approving the construction, operation and maintenance of retirement villages. A consistent framework would be very beneficial in terms of reducing investment in planning processes and facilitating the consenting of villages. The framework would be implemented in all zones where residential activities are anticipated to ensure people can "age in place".

76 The RVA has achieved good progress on bespoke planning regimes for retirement villages through the likes of the Christchurch Replacement District Plan process. It is now seeking greater consistency and more enabling provisions in line with the National Policy Statement for Urban Development and the Enabling Housing Act. The RVA is heavily engaged in ISPPs across the country. We are seeking consistent provisions in all the 'Tier 1' districts, which we consider appropriately respond to the relevant statutory directions. Consistency is very important for certainty and efficiency. I also note that the RVA has consulted heavily with its members to ensure the provisions we seek have unified support.

77 The key outcome we seek is to accelerate housing intensification for the ageing population in a consistent and enabling regulatory framework which clearly responds to the needs of an ageing population and the unique features of retirement village activities. This includes recognising retirement villages as a residential activity and enabling retirement villages consistently throughout all relevant zones. We also seek to remove undue planning restrictions, which are needed to better reflect the government's housing intensification requirements.

[23] RVA Submission, pages 11-15.

## PC26 AND COUNCIL OFFICER'S REPORT

### Overview

78 In the RVA's view, and guided by Ms Williams, the regime is not fit for purpose. Overall, the RVA considers PC26 must:

78.1 Clearly recognise retirement village activities are appropriate uses in residential zones. It should also not be assumed that retirement villages cannot meet the MDRS. Member feedback indicates the opposite;

78.2 Provide for the efficient use of suitable sites for retirement villages in all zones that anticipate residential activities (including on larger sites) given the shortage of such sites; and

78.3 Recognise the functional and operational needs of retirement villages to ensure consenting requirements for retirement villages are proportionate.

79 These matters are addressed in more detail below.

### Recognise appropriate retirement village activity status

80 A key issue with many existing district plans is their failure to explicitly recognise that retirement villages are fundamentally a residential activity, and should therefore be enabled in all residential zones. This issue has resulted in consenting challenges. Members of the community, and sometimes even council officers can take the view that retirement villages are non-residential activities that should only be provided for in non-residential zones, or they may seek to assess different parts of a village in a different manner (such as a commercial activity).

81 The Council Officer's Report in this case recognises retirement villages as a residential activity. However, the Officer considers that specific rule framework for retirement villages, including the permitted activity status for retirement villages as a land use in residential zones, is inappropriate,[24] and that retirement village provisions in zones other than the medium density residential zone (*MDRZ*) are beyond the scope of PC26.[25] The Officer also states that retirement villages will generally always be beyond the scale of the MDRS.[26]

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[24] Council Officer's s42A Report at 9.22.5. See also, for example, page 123, Appendix B, submission point 70.8.

[25] Council Officer's s42A Report at 9.22.6.

[26] Council Officer's s42A Report at 9.22.5. See also, for example, page 122, Appendix B to the Council Officer's Report, submission point 70.1.

82 I acknowledge that activity categories are largely a planning matter and scope issues are a legal matter. However, I disagree with the general proposition of the Council Officer. I also note that the primary purpose of retirement villages is to provide permanent homes for the residents that live there, whether that be in higher care environments or in independent living. In the RVA's experience, people living in retirement villages would universally describe the village as their home. Retirement villages provide a range of ancillary services, however those services are provided for residents only and complement the residential function of retirement villages by meeting the particular needs of the older residents. These services are not typical commercial or retail activities, because these are almost never available for the public.

83 I also note, as Mr Brown has also pointed out, that planning approaches which do not properly provide for retirement villages create significant complexities and delays.

84 The Council Officer considers that a separate activity status for the land use component of retirement villages versus the construction of retirement villages would be confusing.[27] With respect, I would argue the contrary. As set out by Ms Williams, there is no effects-based reason to support the application of a restrictive activity classification for the land use activity of retirement villages.[28] Member feedback also indicates that retirement villages can comfortably fit within the planned urban environments they go into. As an example, I am aware of Summerset's recently consented village in Cambridge, which provides for a predominantly one storey development, with some taller buildings. I **attach** an example of the approved plans. Mr Brown also refers to a similar Ryman proposal.

**Provide for the efficient use of suitable sites for retirement villages**

85 The Council Officer does not support enabling development of retirement villages within the Commercial Zone due to the residential nature of retirement villages.[29]

86 Sites in existing residential areas which are appropriate for retirement villages and aged care developments are extremely rare, due to size and location requirements. As such, other sites outside of residential zones that provide good amenity and access to services (e.g. health facilities, restaurants and cafes, etc.) will also be considered by the RVA's members for the provision of retirement villages.

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27 See, for example, page 125, Appendix B, submission point 70.36.

28 Statement of evidence of Ms Nicki Williams (dated 6 April 2023) at [97].

29 Council Officer's s42A Report at 9.22.7.

87 As such, sites of the required size and in good locations are highly unique and valuable resources in our larger cities. They need to be efficiently used.

88 Furthermore, areas will change and develop over the next 5 to 10 years and may become more suitable for retirement village activities. Retirement village operators have had a very successful track record of repurposing brownfield sites. It is therefore important PC26 remains sufficiently flexible to account for changes in the Waipā District's urban environment.

89 In addition, and this is a general comment, large sites provide retirement village operators with a range of opportunities to internalise effects by using a variety of design techniques. Examples include generous setbacks, stepped up building heights, and carefully designed layouts to ensure that any external effects are appropriately managed. The main building of many modern villages, for example, is often bulkier and of a different height to surrounding neighbourhoods, and is therefore often placed in the centre of the village. Summerset's Cambridge village shows how these design strategies have been used.

**Recognise the functional and operational needs of retirement villages and the unsuitability of urban design guide controls**

90 A key consenting challenge faced by the RVA's members is an expectation from council officers that the internal amenity controls used for traditional housing typologies (e.g. outlook, sunlight, privacy, outdoor living spaces, landscaping and the like) are appropriate for retirement villages. Wide discretions and requirements set out in residential design guides also slow down consenting processes substantially.

91 Retirement village and aged care facilities tend to be different from 'typical' residential housing in order to properly cater for resident health, wellbeing, mobility and amenity needs. To illustrate, retirement villages contain a range of unit types to cater for the different care and mobility needs of the residents. The accommodation ranges from independent townhouses and apartments, through to serviced apartments, hospital beds and dementia rooms. This range of living options will include different types of amenities (e.g. kitchens, bathrooms, lounges, etc.) and layouts (e.g. serviced apartments and care rooms need to have quick, accessible, and all weather access to communal living and dining areas) to cater to the specific needs of residents.

92 Further, in the experience of the RVA's members, council officers often attempt to redesign village layouts based on what they think might be suitable, without proper knowledge of village and residents' needs.

93 Retirement village residents have a much greater degree of choice of 'living rooms' than residents in typical dwellings through the provision of several communal living spaces. These areas are typically well oriented for daylight and enjoying an outlook into a large and attractive outdoor space.

94 Retirement villages provide most, if not all, of the resident amenities on-site without the need for external community infrastructure or space. These services and amenities are important due to the frailty, and lack of mobility, of many residents. They also provide a better quality of life for residents than could be offered without these communal services. For example, a townhouse would not have space for a pool or gym. I also note that many amenities provided in retirement villages are indoors. This is because residents tend to prefer warm and dry environments for their leisure activities.

95 Retirement villages also use new, low maintenance building products and design techniques to ensure their efficient operation. These design requirements can result in change when compared to surrounding neighbourhoods that were built many decades in the past.

96 For these reasons, the RVA seeks a refined set of controls for internal amenity matters. It also seeks to exclude retirement villages from the applicability of urban design guide controls, and instead insert tailored matters of discretion relating to retirement villages.[30]

97 In our experience, retirement villages fit very well in their environments. They are peaceful and tranquil places, often including significant landscaping and open spaces. As noted, and as Mr Brown points out, village operators also use a range of design techniques to ensure effects on neighbours are appropriately managed.

**CONCLUSION**

98 The RVA considers that PC26 must be amended to properly respond to the retirement housing and care crisis and provide for the wellbeing of older people within the community. The specific changes sought by the RVA are addressed in Ms Williams' statement of evidence.

**Maggie Owens**
**6 April 2023**

[30] RVA Submission, page 45.

## SUMMERSET CAMBRIDGE VILLAGE – APPROVED PLANS