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Australia is about to experience a 'silver tsunami' – that is, our population of people aged over 65 is set to grow at a rate this nation has never seen before.

As the 2015 Intergenerational Report shows, the number of older Australians will more than double in the next 40 years, and as a nation we need to prepare now to ensure the building blocks are in place for healthy ageing.

At the forefront of those challenges will be ensuring there is an appropriate supply of housing that supports independent living right across the country, from our biggest cities to our many vibrant regional towns.

Our previous research shows retirement villages and other dedicated seniors communities can extend people's independence by an average of 5 years, thanks to appropriate housing design, on-site services and the support of generous like-minded communities.

These villages and communities also have the added benefit of not requiring government funding and reduce pressure on the aged care system.

With this silver tsunami population explosion, more of these communities will be required over the coming years and decades to facilitate healthy ageing.

The development – and redevelopment – of these communities can however be hindered by local planning regulations and schemes that don't take into account the unique characteristics of retirement villages. In some cases, these regulations don't even recognise retirement villages at all.

Hence the idea for this Retirement Living Planning Report Card was born. The aim of this report is to not only identify the current barriers to better planning of retirement villages in our states and territories, but to promote ideas and reforms for improvement.

We've worked with the organisations in the retirement living industry across Australia, as well as our partners at Urbis, over many months to explore the best options for improving planning solutions. In short, we found that every state and territory has significant room for improvement.

The reform suggestions are localised and recognise the differences in planning frameworks across our states and territories, to ensure they can be practically implemented.

Our aim is to widely promote these reforms and their associated benefits, to ensure the supply of seniors housing is strong enough to meet the increased demand, so our senior Australians can continue to live independently and more healthily for longer.



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OI EXECUTIVE SUMMARY

OVERVIEW

With more than 2,000 retirement villages in Australia, this is powerful testament of an industry underpinned by customer demand with a strong sense of purpose. These retirement villages operate in a highly regulated environment because of the business and financial models.

Further regulatory pressures are added due to the complex overlay of the individual planning frameworks, schemes and policies. Keeping pace with expected demand is in the interests of Governments and Australia's ageing residents who expect housing choices. The states can play an important strategic policy and regulatory role and they

have the power to review planning, and make reforms to ensure supply is not constrained due to a cumbersome planning regulatory environment.

An examination of the state planning systems by performance is a necessary step in bringing State Government attention to what is functioning well, and equally areas that require attention. Before the states could be scored, a planning framework was developed in consultation with Property Council of Australia members, built on four 'planning pillars' of Policy Direction, Legislative Framework, Site and Built Form Requirements, and Fees and Levies.

Planning controls in Victoria are in

made cumbersome by overlays and

inconsistencies.

principle easy to understand, however

SCORECARD RESULTS **OUEENSLAND** Overall, scores are low indicating a negative sentiment broadly around planning. Two sets of scores were created, one which Queensland is associated positively, scores the four pillars by state, and another scores each state on both from within and outside the five performance outcomes. Both are scores out of 100. Across state, a view driven primarily by the results, no single state stands out as an exemplar. Each Brisbane City Council's incentives has positive and negative attributes. The table below shows the initiative to drive development of overall score and ranking for each state. The rank is based on retirement living. However, until a composite score of the planning pillars and five performance amendments to the planning outcomes. schemes are approved by the Queensland Government, the package lacks statutory weight. **WESTERN AUSTRALIA NEW SOUTH WALES** In Western Australia, rules New South Wales leads the scores for individual Councils can be for Policy Direction as the only state extensive and not consistent that legislates a state planning policy across areas. for retirement villages, or Seniors' living as it is referred to. The State Environmental Planning Policy (SEPP) (Housing for Seniors or People with a disability) 2004 applies throughout New South Wales. **AUSTRALIAN CAPITAL** TERRITORY **SOUTH AUSTRALIA** OVERALL 3RD OVERALL 50.2 OVERALL 1ST OVERALL 52.8 OVERALL 36.5 South Australia ranks highly for Tasmania, the state with the highest progressiveness and efficiency. proportion of residents aged over 65 OVERALL 4TH OVERALL 46.8 The positive performance is further years, scored low on clarity, efficiency

and certainty. This is because there is

design and other built form guidance.

no mention of retirement villages in the

local planning schemes in terms of height,

explained by a system that refers

developments valued at over \$10

million in the City of Adelaide for

professional assessment.

 $^{^{\}star}$ Note, Northern Territory was not included because no surveys were completed in that location.

CONSISTENT THEMES ACROSS STATES

Irrespective of the inconsistencies in performances across the four planning pillars and outcomes, consistent themes emerged. These are common hurdles faced by developers of retirement villages across the states.

A key concern is that competition with standard residential development continues to intensify.

Competition for sites in inner and middle ring urban locations is fierce in most capital cities. It is unlikely that retirement villages would ever be the highest and best use. Furthermore, the combination of a complex financial model, required upfront investment of on-site infrastructure and complex design and built form requirements reduces the commercial viability. The rules favour residential development and disadvantage retirement villages.

The retirement living industry in New South Wales benefits from having a planning policy for retirement living, although critically needs an update and streamlining.

It provides certainty for the industry and allows for retirement villages in areas where otherwise it would not be permitted. Other states are looking for State Governments to play a more strategic role in land use strategy.

At a local level, there would be improved clarity and certainty as local planning schemes would be articulated based on standard instruments defined by the state. There are no targets for retirement village development in any state, yet the importance of them is universally acknowledged.

Governments can play an important role to address this disadvantage gap.

This could include a relaxation of requirements, provision of height and density bonuses and infrastructure credits, in recognition that villages often provide a level of on-site amenity.

Land availability is another concern in some states prompting a call for increased permissibility and allocation of land in local schemes for retirement villages.

Developers are interested in integration of retirement village living into residential and mixed use developments. There are many benefits including access to services and retail for residents, social integration with the community and in locations customers want to live in. This would result in product diversification for the industry to meet varying preferences of the customer and provide greater housing choice for retirees.

The industry is looking for better support from Governments, and much can be done by reform of the current planning systems and reflecting on positive features found in all states.

WITH MORE THAN 2,000
RETIREMENT VILLAGES
IN AUSTRALIA, THIS IS
POWERFUL TESTAMENT
OF AN INDUSTRY
UNDERPINNED BY
CUSTOMER DEMAND
WITH A STRONG SENSE
OF PURPOSE

1NTRODUCTION

Australia has approximately 2,300 retirement villages accommodating close to 200,000 seniors. The retirement villages in Australia operate in a highly regulated environment because of the business and financial models. The retirement sector is legislated at state level with each state administering its own Retirement Villages Acts, regulations and other instruments.

Further regulatory pressures are added due to the complex overlay of the individual state's planning frameworks, schemes and policies. The states play a significant strategic policy and regulatory role, and thus have the potential to effectively facilitate and enable retirement living development.

A report prepared for the Retirement Living Council in 2014 (RLC), 'The 5 A's of Retirement Living Planning' identified state government planning frameworks as one of the factors inhibiting retirement village development. These findings provide a useful evidence base for advocacy. This scorecard of the planning systems extends the evidence bringing a quantified understanding of planning performance measured against specific characteristics and outcomes.

The scorecard is not intended to focus on poor performance, and importantly offers insight from the industry into positive features.

Terminology for retirement living is not consistent across states and in this report, is referred to as retirement villages, seniors housing, retirement living or retirement facility depending on the terminology used in that state. However, the product being considered are 'retirement villages' as defined by the relevant State Retirement Village Acts.

THE JOURNEY

In preparing the scorecard report, there were three key stages of the process:

FRAMEWORK DESIGN

- Identify universal features
- Test with Property Council of Australia members
- Define outcomes

FRAMEWORK EVALUATION

- Design and conduct survey
- Develop scorecard method
- Test scores

SCORECARD REPORT

- Survey result interpretation
- Scorecard analysis
- State comparison

FRAMEWORK DESIGN AND EVALUATION

The challenge with evaluating a planning system at a state level is that most interactions with the system occur at a local level. Features can vary from one Council to another, and so it was important to identify attributes that would be universal for all planning systems. Broad relevance was therefore fundamental criteria for the framework. The planning assessment framework was initially designed with industry planners, then tested and refined with input from Property Council members. The framework is built around four key pillars, and hereon referred to as the planning pillars:

- Policy Direction
- Legislative Framework
- Site and Built Form Requirements
- Fees and Levies.

The four planning pillars and characteristics assessed in the scorecard are summarised in the table on page 11.

The other measure of a state's planning system was developed with consideration of what a well-functioning planning system would deliver. The set of five is a mix of expected and aspirational outcomes.

To assess the framework and develop a scorecard, a data source was required. In the absence of existing data, creating a primary data source was necessary. To this end, a survey was developed by Urbis capturing the four planning pillars and features. The survey was distributed in October 2017 by the Property Council of Australia, initially as an advocacy alert, and later via personalised emails to a targeted group of members. As a further measure of engagement, the survey was promoted to and completed by attendees at the National Retirement Living Summit in November 2017.



CONSISTENCY

Are rules applied uniformly across different local government areas?



CERTAINTY

Can a development proponent easily predict the outcome of their application?



PROGRESSIVE

Does the system promote innovation?



EFFICIENCY

Is the system expeditious in assessing development applications?

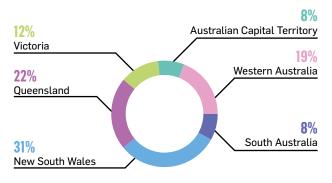


CLARITY

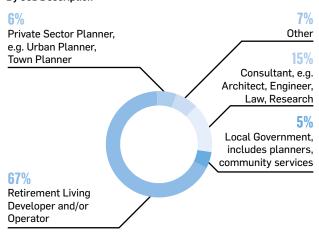
Are the rules of the game easy to understand?

SURVEY PROFILE

LOCATION PROFILE By State



PROFESSIONAL PROFILE By Job Description



SCORECARD METHODOLOGY

To develop the retirement scorecard a composite of the practitioner (planners) and perception survey (Property Council Members) responses were calculated, providing a single score by pillars and outcomes for each state.

A composite score provides a balance between the respondent perception and the practitioner's experience with the retirement planning system.

The calculation of the score was an average of the survey respondents by question combined with the rating.

This rating was then indexed to a score out of 100 consistently across all questions, which were then

aligned to pillars and outcomes, based on workshops with experienced planning practitioners and with Property Council members.

A practitioner workshop was held with planners to test results and provide insight and explanation for the results.

There were no perception survey responses from the Northern Territory and consequently an evaluation of this territory was not possible. The number of survey responses for Tasmania were too low to include, and as such perception survey results for Tasmania are not reported on.

THE PLANNING PILLARS



- State has a policy for 'retirement living'
- Articulated vision, objectives and priorities for 'retirement living' development
- Supply targets for 'retirement living'
- State has a strategy for the delivery of 'retirement living'



- 'Retirement living' is defined in the legislation
- Zone permissibility is consistent across areas
- Level of complexity i.e. consent requirements, approving authorities
- Fast track approval options

- Availability of height or floorspace bonuses
- A retirement living only zone
- Bonuses in high density mixed use zones
- Industry knowledge by the consent authority
- Use of site compatibility certificates



- Specified location amenity requirements for 'retirement living'
- Specified design requirements for 'retirement living'
- Arbitrary application of requirements, i.e. controls versus guidelines
- Design guidelines reflective of different retirement living typologies and needs



- Calculation of application fees is transparent
- Calculation of levies is transparent
- Levies are proportional to the physical and social infrastructure used by residents
- Contributions levied are consistent across Councils

O3 SCORECARD RESULTS

BY OUTCOME

Scores overall are low ranging from 20.0 for clarity in Tasmania to 69.0 for New South Wales for the consistency score. New South Wales is a stand-out for consistency, certainty and clarity because of broad application of the SEPP across the state. However, it performs low on the progressive score owing to the system's overlays and lack of progress on updating the SEPP.

South Australia ranks highly for progressiveness and efficiency for several reasons including professional assessment of developments over \$10 million,

regular updates to the Development Plans and importantly, developments are assessed on merit and not a default to planning by numbers.

Tasmania scored low on clarity, efficiency and certainty. This is because there is no mention of retirement villages in the local planning schemes in terms of height, design and other built form guidance. The lack of mention can also lead to a perception of limited obstacles which leads to a view the system is also progressive, which Tasmania scored well on relative to all other states. Assessments can be discretionary,

and furthermore schemes vary between Councils.

Queensland scores low on consistency owing to inconsistencies on permissibility and controls across Councils. The Queensland experience is that where there is appropriately zoned land, the process is relatively simple. Dedicated staff at Brisbane City Council adds to the view there are planning efficiencies in Queensland.

Analysis and explanation for the scores and rankings is provided under each state summary.

OUTCOMES SCORECARD MATRIX

Scores for outcomes by state

| , | | | -\ | | Q |
|------------------------------|-------------|-----------|-------------|------------|---------|
| | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| QUEENSLAND | 32.8 | 44.0 | 46.1 | 49.1 | 33.8 |
| NEW SOUTH WALES | 69.0 | 56.0 | 44.8 | 41.8 | 43.1 |
| AUSTRALIAN CAPITAL TERRITORY | 61.5 | 55.1 | 44.9 | 41.5 | 48.0 |
| VICTORIA | 52.1 | 40.3 | 51.3 | 53.1 | 37.1 |
| TASMANIA | 36.7 | 28.6 | 57.3 | 40.0 | 20.0 |
| SOUTH AUSTRALIA | 62.1 | 48.3 | 53.2 | 58.1 | 42.1 |
| WESTERN AUSTRALIA | 37.0 | 38.8 | 44.4 | 44.5 | 35.3 |

Scale: 0 (lowest) to 100 (highest)

OUTCOMES RANK

States ranked on outcomes

| | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
|------------------------------|-------------|-----------|-------------|------------|---------|
| QUEENSLAND | 7 | 4 | 4 | 3 | 6 |
| NEW SOUTH WALES | 1 | 1 | 6 | 5 | 2 |
| AUSTRALIAN CAPITAL TERRITORY | 3 | 2 | 5 | 6 | 1 |
| VICTORIA | 4 | 5 | 3 | 2 | 4 |
| TASMANIA | 6 | 7 | 1 | 7 | 7 |
| SOUTH AUSTRALIA | 2 | 3 | 2 | 1 | 3 |
| WESTERN AUSTRALIA | 5 | 6 | 7 | 4 | 5 |

Scale: 1 (lowest) to 10 (highest)

BY PILLAR

In New South Wales, policy direction ranks ahead of other states because it is the only state with a state-wide policy on retirement living.

Queensland ranks high on the fees and levies pillar because of the simple and transparent calculation approach.

The Australian Capital Territory ranks high for planning regulations as there is one plan applied across all areas. Tasmania scores highly on fees and levies because there is only one fee which also is viewed as modest. The state rates poorly for site and built form requirements because the use isn't referenced in planning schemes. Equally, this can be a positive as applicants can make their case as to why it should be developed and face less hurdles as a result.

PLANNING PILLAR SCORECARD MATRIX

| Scores for planning pillars by state | 8 | | 自 | |
|--------------------------------------|------------------|--------------------------|-----------------------------------|------------------|
| | POLICY DIRECTION | LEGISLATIVE FRAMEWORK | SITE & BUILT FORM REQUIREMENTS | FEES & LEVIES |
| QUEENSLAND | 12.5 | 42.9 | 53.4 | 83.3 |
| NEW SOUTH WALES | 42.5 | 46.7 | 57.6 | 53.3 |
| AUSTRALIAN CAPITAL TERRITORY | 12.5 | 57.4 | 53.7 | 56.7 |
| VICTORIA | 12.5 | 48.8 | 52.3 | 76.7 |
| TASMANIA | 12.5 | 40.0 | 63.3 | 83.3 |
| SOUTH AUSTRALIA | 12.5 | 54.7 | 60.5 | 66.7 |
| WESTERN AUSTRALIA | 12.5 | 45.5 | 44.6 | 53.3 |

Scale: 0 (lowest) to 100 (highest)

PLANNING PILLAR RANK

| States ranked on planning pillar | POLICY DIRECTION | LEGISLATIVE FRAMEWORK | SITE & BUILT FORM REQUIREMENTS | FEES & LEVIES |
|----------------------------------|------------------|--------------------------|--------------------------------|---------------|
| QUEENSLAND | 2 | 6 | 5 | 1 |
| NEW SOUTH WALES | 1 | 4 | 3 | 6 |
| AUSTRALIAN CAPITAL TERRITORY | 2 | 1 | 4 | 5 |
| VICTORIA | 2 | 3 | 6 | 3 |
| TASMANIA | 2 | 7 | 1 | 1 |
| SOUTH AUSTRALIA | 2 | 2 | 2 | 4 |
| WESTERN AUSTRALIA | 2 | 5 | 7 | 6 |

Scale: 1 (lowest) to 10 (highest)

KEY FINDINGS

Many of the findings echo those in the 'The 5 A's of Retirement Living Planning', and are therefore further evidence and weight for advocacy activity.

Perception survey results overall were negative reflecting a prevailing mindset and attitude towards planning generally. Despite some clear examples of positive features some respondents still rated these as poor, possibly unable to distance themselves from their default position of planning as an 'enemy'. Or, it is likely they were not aware of positive features. Reforms have the potential to improve outcomes and experience, but a note of caution that an attitudinal shift is probably difficult to achieve in the short term.

Set out below is a summary of the overarching findings with broad relevance across all states.

"

REFORMS HAVE
THE POTENTIAL TO
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SHORT TERM.

COMPETITION WITH STANDARD RESIDENTIAL

Competition for sites is challenging and in most of the capital cities retirement villages are not the highest and best use, limiting supply increases particularly in urban infill areas. Returns for retirement villages are lower than standard residential due to several factors including more onerous design and built form requirements, the upfront cost of providing on-site infrastructure amenity for residents and the complex financial arrangements.

LACK OF AVAILABLE LAND

There are concerns in most states about the supplydemand gap for retirement villages. Increased permissibility across zones and allocation of land in local schemes for retirement village development is called for. Operators are interested in developing in mixed use zones where residents could access retail amenity and services.

RESTRICTIONS ON DEVELOPING EXISTING RETIREMENT VILLAGES

Historic zoning and restrictive height controls do not support redevelopment of existing villages. For operators, they are left with sub-standard villages that no longer meet the expectations of the market.



INFRASTRUCTURE CONTRIBUTIONS NOT ALIGNED TO USAGE

A consistent frustration is that infrastructure contributions for retirement villages are calculated in the same way as they are for standard residential developments. Allowances for reduced car usage, transport, open space and community facilities are not made and this relates to the point about a lack of knowledge among authorities of the retirement village concept, and resident lifestyles.

SHARED USAGE OF SERVICES BY PUBLIC AND RESIDENTS

Villages are restricted from offering on-site retail and services to the broader community. Ability to do this would improve the commercial viability of services and potentially allow them to provide a better offer if they had access to a larger market.

LACK OF UNDERSTANDING OF MARKET NEEDS

There are broad assumptions made about how residents in retirement villages live, and what type of home retirees are looking for. In Victoria, one example provided was Council requiring a mix of smaller apartments than the developer proposed. This view did not consider the ability of the market to pay for larger apartments or their preferences. It seems to be a case of focus on dwelling numbers and not the mix of housing.

IMPORTANCE OF THE STATE IN PROVIDING DIRECTION

The industry is looking for the State to play a more strategic role in land use strategy when it comes to retirement villages. Structure plans and local planning schemes should draw on State defined standard instruments, which would provide better clarity and certainty for the industry. Clear and consistent definitions of retirement villages distinct from aged care and residential would be an important outcome. There is also a call for targets further extending the role of the State in securing supply for the future.



REFORM RECOMMENDATIONS

The recommended reforms are a response to the issues and limitations raised in the key findings. There are four main themes with specific action points under each. Action points may relate to more than one theme.

INCREASE LAND AVAILABILITY

Increase opportunities for development to meet demand for retirement specific housing by:

- Allocating land at local /structure plan levels
- Increase permissibility of retirement living use in states where it is limited, ideally permissible in all residential zones
- Set minimum thresholds for retirement living in new residential developments
- Set targets for retirement living development for Council areas based on socio demographic analysis and profiles.

2. SUPPORT MORE COMMERCIALLY VIABLE DEVELOPMENTS

Facilitate a more even playing field for retirement living developers to compete with standard residential by:

- Flexibility on requirements related to car park ratios, landscape reductions, setbacks and distance thresholds
- Access to height and floorspace bonuses to offset the larger apartments and additional car parking that is required
- Infrastructure credits for developers to reflect lower usage of public infrastructure where amenity is provided on-site by the village
- Support for redevelopment of existing facilities
- Relaxation of controls that prohibit use of onsite commercial uses by non-residents.

3 IMPROVE ALIGNMENT WITH MARKET NEEDS

Better acknowledgement that developers should be able to tailor to market needs, considering:

- Flexible approach to design controls, used as guidance rather than controls
- An outcome focussed approach and less obsession with rules and regulations
- Education of authorities on retirement living concept and financial model, and insight into residential drivers.

4 ELEVATE RETIREMENT LIVING TO STATE IMPORTANCE

Give more weight and importance to retirement living by:

- Development of State Policy on retirement living
- Develop a consistent set of definitions for retirement living
- Defining a consistent set of controls and design guidance for developers
- Build capacity for local Councils to appropriately assess retirement living projects, either with guidelines, or provision of a mandatory set of criteria
- Set explicit state-wide targets to support development with alignment to population growth and socio-demographic needs.

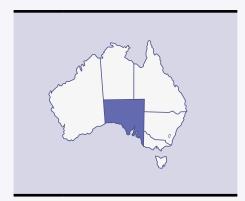
STATE-BY-STATE PERFORMANCE

This chapter provides a summary of the scorecard results for each state supported by detailed analysis of each pillar and outcome, along with suggested reforms for each state.

The states appear in order of overall rank starting with South Australia which was ranked first overall. Further rankings are provided for each pillar and outcome for that state.



SOUTH AUSTRALIA



888

State population

1,676,653



State population aged 65 years and older

306,591



Proportion of population aged 65 years and older

18%



Overall score

52.8/100



Rank relative to other states

1st

PLANNING CONTEXT

In South Australia, the key planning instrument is the Development Act 1993 and Development Regulations 2008.

The Planning Strategy for South Australia outlines direction for land use across the state for different regions.

The other state significant policy is the South Australian Planning Policy Library that establishes the planning framework for application at a local level with standardised definitions, zones and development control provisions. This strong framework, combined with a merit-based assessment approach account for the high score and rank.

It is noted that the South Australian Planning system is currently in reform, transitioning to the Planning, Development and Infrastructure Act, 2017 and Planning, Development and Infrastructure (General) Regulations, 2017.

There is no definition for retirement villages and it is referred to under the broad umbrella of 'supported accommodation'.



THE FRAMEWORK PILLARS



'Retirement village' is defined under the Retirement Villages Act 2016, with no definition provided under planning legislation.

South Australia does not have a state policy for retirement villages. The South Australian Planning Policy Library includes standard planning provisions on Supported Accommodation, Housing for Aged Persons and People with Disabilities, which aims to provide well designed supported accommodation for community groups with special needs in appropriate locations.

South Australia's strategic plan, Planning Strategy for South Australia, identifies a 25% increase in housing to meet the needs of a growing population. This policy acknowledged that there will be an increase in population requiring aged care housing, but without retirement village targets distinct from broad housing targets.





LEGISLATIVE FRAMEWORK



Overall Score on Legislative Framework

Framework

54.7 100

Rank relative to other states



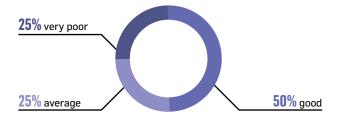
A 'retirement village' would generally be assessed onmerit in a residential zone, unless otherwise specified as non-complying by policy area or precinct provisions. This approach as a weighted assessment on merit, as opposed to numbers planning is a key reason for the positive score.

A 'retirement village' would always require a planning approval regardless of zoning because it does not meet the requirements for exemption under Schedule 3 or 1A of the Development Regulations. The planning controls are informed by State Policy and thus generally consistent across areas.

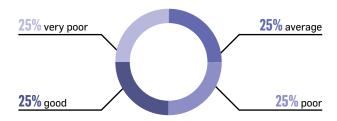
Another strong feature of the South Australian planning system is developments valued at over \$10 million in the City of Adelaide are assessed by the State Planning Commission (SPC). The assessment process is more streamlined under the SPC, and another underlying factor for the strong score. Yet, it could also lead to a more stringent assessment.

Development Plans are updated in South Australia at least every five years, and for many Councils every two years.

ZONE CONSISTENCY Permissibility Across Areas



PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



Overall Score on Site and Built Form Requirements 60.5 100 Rank relative to other states

2ND

Consistency related to site and built form requirements across areas is generally good since the site and built form requirements are informed by State Planning Policy (SPP). Requirements are simple to apply since there is not an additional layer as in the SEPP in New South Wales.

The site and built form requirements are sometimes applied strictly but not always so depending on the Council a flexible approach is taken.

There is a statement about the character of the neighbourhood that determines requirements, and linking back to the statement is important, thus the requirements are used more as a guide.

Most Council policies do not distinguish between standard residential in terms of minimum design standards for site areas, density, car parking and private open space.

FEES AND LEVIES



Overall Score on Fees and Levies

66.7 100

Rank relative to other states

ATH

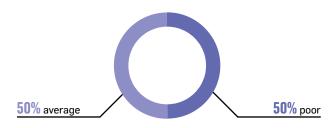
The four main sets of fees and levies that apply in South Australia are development assessment fees, retirement living fees under the State Retirement Act based on the number of residents, development contributions and a construction and industry levy.

The State levied fees are standard and thus consistent. However, Councils can set their own fees for charges such as development application fees. This and the number of fees and levies are factors that reduce the score for South Australia on this pillar.

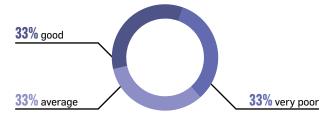
Fees are calculated towards the end of the project. It's a bonded amount based on precise specifications which could be as detailed as requiring a specific tree species.

There isn't always a relationship between the fees and infrastructure needs of retirement residents.

CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



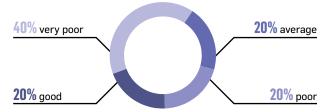
FEE AND LEVY CONSISTENCY Consistency Across Local Government Areas



PROVISION FOR INNOVATION Occurrence of Flexible Approach



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage



PERFORMANCE OUTCOME SCORES

South Australia performs better than nearly all states on most performance outcomes. This is primarily due to merit assessments and the broad nature of the legislation which allows for greater opportunities.

CONSISTENCY

A 'retirement village' would generally be assessed on merit in a residential zone, unless otherwise specified as non-complying by policy area or precinct provisions. The planning controls are informed by State Policy and thus generally consistent across areas.

However, there are inconsistencies in the way in which retirement living land uses are referenced in Development Plans, i.e. supported accommodation, retirement home, retirement village etc.

CERTAINTY

There is generally good certainty around planning controls, but these can also be subjective.

PROGRESSIVE

There is progressive mindset insofar as the Development Plans are updated in South Australia at least every five years, and for most Councils every few years.

Outcomes are built form focussed and it is rare for there to be consideration of the market's needs. Some controls are stringent but there is some degree of flexibility. Site and built form requirements vary by Council which makes it hard for planning system users to be across all requirements. In South Australia, manufactured homes are being retrofitted for retirement living, a sign of progressive attitudes.

EFFICIENCY

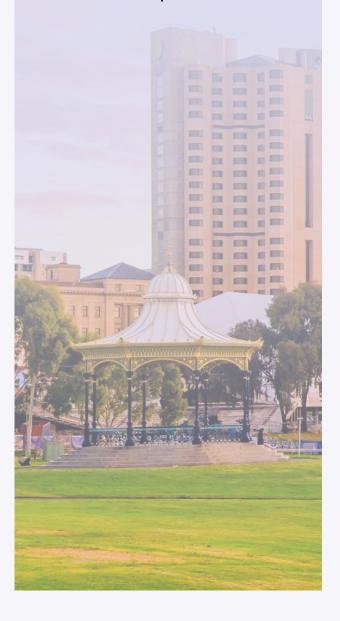
Under Schedule 10 of the Development Regulations, any development valued at \$10 million plus in the City of Adelaide is directed to the State Planning Commission for expert assessment and managed by a dedicated case manager. This is not the assessment approach more broadly across South Australia.

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|-----|-------|-------------|-----------|-------------|------------|----------------|
| ^ _ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 62.1 | 48.3 | 53.2 | 58.1 | 42.1 |
| | RANK | 2nd | 3rd | 2nd | 1st | 3rd |



REFORM OPPORTUNITIES IN SOUTH AUSTRALIA

The suggested reforms below draw from consultation with Property Council members in the framework design phase, survey responses and tested with planners in each jurisdiction. There are fewer suggestions than other states which reflects the high scores for the state in relation to the legislative framework and site and built form requirements.



DENSITY INCENTIVES

 Offer height and density incentives. Density is currently limited by single storey controls.

GREATER FLEXIBILITY ON SITE AND BUILDING REQUIREMENTS

Site and built form provisions hinder development of retirement living as they relate to standard residential development. The requirements do not take into consideration acceptance for smaller sites, smaller scale of open space and a more communal living environment.

DIFFERENTIATE BETWEEN RESIDENTIAL AND RETIREMENT VILLAGES

 Specific recognition that retirement living accommodation has different acceptable design standards and density to standard residential.

NEW SOUTH WALES



State population

% 7,480,230



State population aged 65 years and older

1,217,654



Proportion of population aged 65 years and older

16%



Overall score

PLANNING CONTEXT

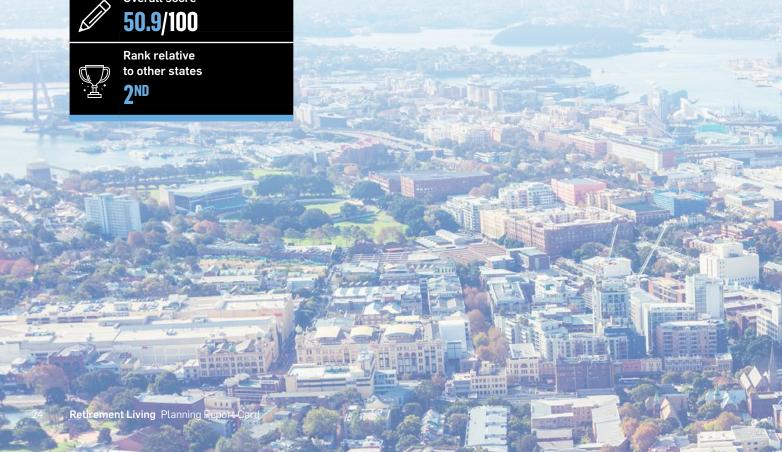
The New South Wales Government is implementing a range of new policies and legislation and some are under review.

The key strategic plans for Sydney are the 'Greater Sydney Regional Plan', which sets out the vision to 2056 for a city based around three city metropolises, and the 'District Plans'. The latter provides direction on implementation of the Sydney plan at a district level.

There are Regional Plans for nine NSW regions with targets for growth, housing, employment and infrastructure.

At a State Policy level, the State Environmental Planning Policies (SEPP) are a feature of the NSW Planning System. The role of the SEPPs is to deal with matters of State or Regional planning importance. Some SEPPs are currently under review.

Retirement living in New South Wales is defined under 'Seniors Housing' and includes residential aged care, however the two uses are defined separately.



THE FRAMEWORK PILLARS



New South Wales is the only state with a state planning instrument in place for the development of retirement villages, or 'seniors housing', as it is referred to in the policy.

Policy direction for senior's housing is an important feature of a planning system's capacity to support the development of housing for seniors. A planning system that recognises retirement villages as a housing option distinct from other housing is a starting point. Strong policy direction can result in consistency and certainty for the industry.

The State Environmental Planning Policy (SEPP) (Housing for seniors or people with a disability) 2004 applies throughout New South Wales.

Benefits of the SEPP are:

- Facilitates the development of retirement villages in New South Wales
- Creates opportunities for the development of retirement villages in locations where otherwise it would not be permitted under local planning controls
- Provides all Councils with detailed principles relating to site requirements, design principles and development standards
- Creates an even playing ground as developments need to comply with the same set of rules and principles.

Local Governments can use the Environmental SEPP to refuse an application for seniors housing effectively surpassing the Seniors SEPP, and thus undermining the Seniors SEPP as the prevailing policy.

An amendment to the SEPP has been proposed related to site compatibility certificates (SCC) for additional land. The amendment seeks to clarify that a SCC cannot be used or amended for additional land unless the land meets the SCC criteria.

There are five-year broader housing targets identified in the 'District Plans', however no targets specific to the development of housing for retirees or seniors. Greater direction, incentives or requirements for Councils to provide more Seniors housing is needed. Other regional growth plans are in the process of being drafted which will provide strategic direction for local planning.





LEGISLATIVE FRAMEWORK



46.7 100

Rank relative to other states

In New South Wales, the SEPP provides certainty and consistency however, the planning controls are not seen as easy to interpret.

Whilst the SEPP should provide certainty, Local Councils override State Policy interpreting specified controls as minimum controls which Councils then reserve the right to refuse applications based on not meeting these 'minimum' controls.

Another characteristic of a progressive system is the availability of height and density bonuses. Most of the industry survey respondents were aware of access to height and density bonuses. Minor density bonuses are available in NSW for an affordable component of seniors' housing but it's understood there has not been strong take-up. Flexibility for uplift is a critical requirement to encourage development of retirement living housing.

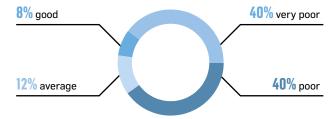
The planning system doesn't provide clear opportunities for innovation. Highlighting this is the lack of differentiation recognised between independent living units (ILUs) and residential aged care (RAC). Consequently, little or no consideration is given to the very different needs of a resident dependent on care compared with a resident who lives independently.

Knowledge and understanding of market needs are considered poor. There is a default to assessing projects through a built form lens taking a myopic view, and subsequently overlooking any social and economic drivers.

ZONE CONSISTENCY Permissibility Across Areas



PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



Overall Score on Site and Built Form Requirements **57.6** 100

Rank relative to other states

The SEPP affords a level of consistency with two in three industry survey respondents rating consistency as average or good. Consequently, a similar degree of certainty is provided.

Requirements could be applied as controls or arbitrarily by authorities. In New South Wales, the view is they are often applied as controls and interpreted as a minimum standard. Some say they are sometimes applied taking a strict approach.

One of the examples where site and built form requirements are imposed without consideration of needs and behaviour relates to access to services. Nearly one in two industry survey respondents rate relevance of the requirements to market needs as poor, or very poor.

An existing village in Sydney, located just outside the 400-metre threshold access to public transport is refused expansion, highlighting the strict application of the site requirements.

When it comes to flexibility, the industry view is the requirements rarely allow for innovation. Some have experienced flexibility but it is not the norm.

FEES AND LEVIES



Overall Score on Fees and Levies

53.3 100 Rank relative to other states

<u>₽</u>61

Overall consistency across Councils when it comes to the calculation of fees and levies is not rated positively. Some Councils have Section 94 Contribution Plans, and some Councils have a percentage tax as Section 94, while some Councils give relief to retirement villages. Under the NSW planning system, Councils can collect contributions from developers to fund essential infrastructure needs triggered by the development.

In New South Wales, Section 94 makes no recognition of the needs of Seniors with the contribution based on broad residential entitlement, one factor accounting for the State's low rank on this pillar. Another reason is the number of infrastructure charges (Section 94 Contributions, Trunk Charges and State Infrastructure Charges). Fees are set out clearly in Section 94 Contribution Plans which provides a level of certainty.

In New South Wales, there seems to be no consistent relationship between the levies and fees paid by developers being allocated to infrastructure that will be used by the retirement village residents.

CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



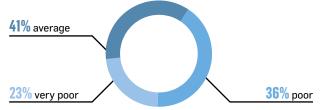
PROVISION FOR INNOVATION Occurrence of Flexible Approach



FEE AND LEVY CONSISTENCY Consistency Across Local Government Areas



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage



PERFORMANCE OUTCOME SCORES

With a Seniors SEPP, New South Wales scores highly for consistency and ranks positively on certainty and clarity relative to the other states. The weakest outcome scores for New South Wales are for progressive and efficiency, ranked behind other jurisdictions.

CONSISTENCY

New South Wales rates highly for consistency due to the application of the state policy across all jurisdictions. Mandatory permissibility of seniors housing in 'R1 'General Residential', 'R2 Low Density Residential', 'R3 Medium Density Residential', and 'B4 Mixed Use' across the state provides for a consistent approach.

CERTAINTY

It is mandatory for seniors' housing to be permissible with consent in the land use zones mentioned above. To this extent, there is certainty for the industry. However, the applicability to certain zones and 'urban zoned land' is unclear along with the overlays that can reduce the level of certainty. Examples include environmental affectations, transport requirements and gradient overlays.

The Seniors SEPP provides a positive degree of certainty regardless of where the proposed development is. However, certainty is eroded where local planning authorities refuse applications citing non-compliance with the Environmental Planning and Assessment Act 1979. The SEPP provides weight for approval authorities to refuse proposals that do not strictly meet the controls which are geared only to low density outcomes, i.e. 8 metres height limit.

Although there is a State Policy, Local Governments apply other controls that removes the consistency afforded by the SEPP.

PROGRESSIVE

There have been no updates of the zoning system to allow for tailoring to a specific site. For example, there is no flexibility to vary controls across a large site where variable heights and densities could provide better outcomes. Some flexibility has been shown in special uses zones such as recreation which clubs fall under, and hence a whisper of progression. There is room for greater flexibility that could

lead to progressive outcomes. There is more flexibility available through the site compatibility process.

The importance of seniors housing as a form of community infrastructure needs to be recognised. Historic zoning does not support the redevelopment of existing villages, a key issue in the state. State planning policies should give even greater incentives to redevelop existing villages. Without incentives, it will be very difficult to make developments work. One suggestion is to model the controls on the Affordable Rental Housing SEPP which allows for preferential treatment by way of different controls and pathways for sites with existing affordable housing.

Another case to highlight the lack of flexibility and thus constraining innovation, is limiting the use of integrated retail and services to on-site residents, and therefore no ability to capture broader market usage.

EFFICIENCY

The planning system in New South Wales is very complex with a State Policy, Local Policy and various layers of matters. The planning controls are difficult to interpret as there are many different circumstances, and compounded with local inverts.

While there are statutory and target timeframes for applications these are rarely met. Greater resources are required in state and local governments, and while development applications with a value of \$20 million and over are referred to regional planning panels, the assessment reports are still prepared by local councils.

There are no fast track options available for seniors' housing applications.

CLARITY

There is good clarity relative to other states because of the single State Instrument. Clarity could be improved particularly when Council requirements may not be consistent with the SEPP.

For example, the SEPP has a height limit of 8 metres, but may be more for a Council triggering the need for separate documentation. The SEPP should be better worded to remove interpretation uncertainties.

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|----|-------|-------------|-----------|-------------|------------|---------|
| ^_ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 69.0 | 56.0 | 44.8 | 41.8 | 43.1 |
| | RANK | 1st | 1st | 6th | 5th | 1st |

REFORM OPPORTUNITIES IN NEW SOUTH WALES

The suggested reforms below draw from consultation with **Property Council members in** the framework design phase, survey responses and tested with planners in each jurisdiction. Some may be specific to New South Wales, and some may have broader relevance and thus captured in the key recommendations in part one of the report.



INCENTIVES

Make floorspace and height bonuses available for retirement villages to enable them to compete more effectively with standard residential developments. Furthermore, incentives should be made available given the additional development costs developers incur due to mandated larger apartments.

CONTRIBUTIONS REFORM

Section 94 contributions are based on standard residential entitlement and don't consider the reduced demands placed on infrastructure by retirement village residents when they access amenity such as open space, or community facilities provided on-site. Seniors housing should be exempt from special state levies such as the Special Infrastructure Contributions (SIC).

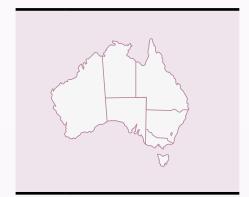
FLEXIBILITY

- Allow seniors housing to be co-located with other uses such as residential and retail for better integration and access to amenity
- Make the site compatibility process more flexible and outcomes focussed
- Improve permissibility of seniors living in other zones such as recreation, i.e. golf course, bowling clubs etc
- Provide flexibility for height and floorspace uplift
- Provide flexibility on controls for redevelopment of existing retirement villages
- Provide greater level of flexibility in relation to enforcement of environmental overlays, which require improved clarity.

UPDATE SEPP FOR RELEVANCE

- Update SEPP to provide clarity around outdated concepts to bring in line with current standard instruments
- Reduce risk of refusal at a local level due to environmental and heritage orders
- Recognition of different needs of resident to standard residential such as car park provisions to reflect reduced usage and ownership
- Distinction between ILUs and RAC in recognition of different requirements and drivers of independent living and supported living such as access and building controls.

AUSTRALIAN CAPITAL TERRITORY



State population

868 397,397



Territory population aged 65 years and older

49,969



Proportion of population aged 65 years and older

12.5%



Overall score



Rank relative to other states

PLANNING CONTEXT

The Australian Capital Territory Planning Strategy sets out a plan for future development built around five outcomes and nine strategies. The document sets out a broad policy agenda with an overall of creating a more compact and efficient city.

The Territory Plan provides statutory planning controls for land use and built form and on future land releases and includes retirement living specific provisions in the Residential Design Code.

The overarching term of 'residential use' covers residential housing, residential care, supportive housing and retirement villages. Independent living specifically is not defined.

THE FRAMEWORK PILLARS



As with all states except New South Wales, there is not a policy for retirement in the Australian Capital Territory, and hence the score is consistent with other states.

LEGISLATIVE FRAMEWORK



Overall Score on Legislative Framework 57.4

Rank relative to other states



ZONE CONSISTENCY
Permissibility Across Areas

60% average 40% good

The key reason for the high rank on this pillar is developers are working within the regulations of a single plan. Specific provisions for retirement living are included in the Residential Design Code. Despite one plan, survey respondents don't see permissibility across suburbs as an outcome.

PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



Overall Score on Site and Built Form Requirements

53.7 100

Rank relative to other states

The Australian Capital Territory scores positively on consistency, certainty and clarity related to site and built form requirements relative to other states because of the broad use of the Territory Plan. The view is that flexibility isn't typically extended which impacts negatively on the overall pillar score. However, survey perceptions indicate the industry sometimes experiences flexibility.

FEES AND LEVIES



Overall Score on Fees and Levies

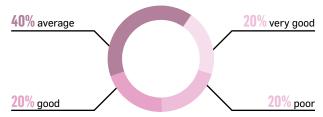
56.7 100 Rank relative to other states

While the scores and rank on fees and levies is low relative to other states, they are simple and easy to understand. The perception scores are lower meaning the industry did not view fees and levies as positively as industry in some states.

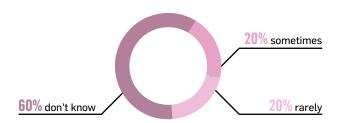
CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



FEE AND LEVY CLARITY Easy to Understand



PROVISION FOR INNOVATION Occurrence of Flexible Approach



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage

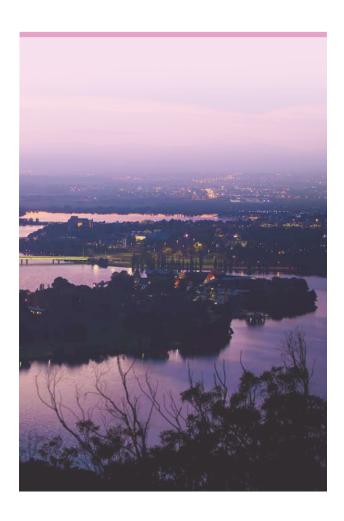


PERFORMANCE OUTCOME SCORES

In the Australian Capital Territory, clarity, certainty and consistency rate well because the Territory Plan applies to the entire area. The Australian Capital Territory's image for progressiveness is poor and most likely relates to frustrations about the lack of strategic land release by the Government.

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|----|-------|-------------|-----------|-------------|------------|---------|
| ^_ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 61.5 | 55.1 | 44.9 | 41.5 | 48.0 |
| | RANK | 3rd | 2nd | 5th | 6th | 1st |

REFORM OPPORTUNITIES IN AUSTRALIAN CAPITAL TERRITORY



REZONE LAND TO CREATE MORE OPPORTUNITIES

 Increase the release of land zoned for retirement villages with incentives to support development.
 Include a review of community zoned land informed by socio demographic analysis to ensure allocation aligned to market need.

PROVIDE OPPORTUNITY FOR HEIGHT AND DENSITY BONUSES

There is scope within specific retirement zoning to push the boundaries with density and height however this can be appealed at great cost and with some risk to the original development application approval.

REUSE OF COMMERCIAL BUILDINGS FOR RETIREMENT LIVING USES

 Incentivise adaptive reuse for retirement living in Canberra given the volume of vacant and semi vacant C Grade office buildings.

VICTORIA



State population

5,926,624



State population aged 65 years and older

922,599



Proportion of population aged 65 years and older

16%



Overall score



Rank relative to other states

PLANNING CONTEXT

Planning Schemes are developed by Councils and State Government. The Planning Scheme is a statutory document which sets out objectives, policies and provisions relating to the use and development of land.

In preparing a planning scheme the Council draws from the Victorian Planning Provisions (VPP) to include provisions which are mandatory in all planning schemes, and provisions relevant to local planning policies. The VPP sets out a framework for definitions, zones and development control provisions for application state-wide across local government areas.

The key strategic document is 'Plan Melbourne 2050 Vision', providing direction on growth and development in the Melbourne Metro area. Regional Growth Plans provide direction to local Councils in regional areas for growth and development.

'Smart Planning' is a two-year reform initiative of the current Sate Government to reform Victoria's planning system. The aims of the program are to improve effectiveness and efficiency through rules and policy reform and development of new digital systems. Policies under review include reform of zones and infrastructure contributions, aged care and development contribution plans though nothing specific to retirement living.

Retirement living in Victoria is referred to as 'retirement village.'

THE FRAMEWORK PILLARS



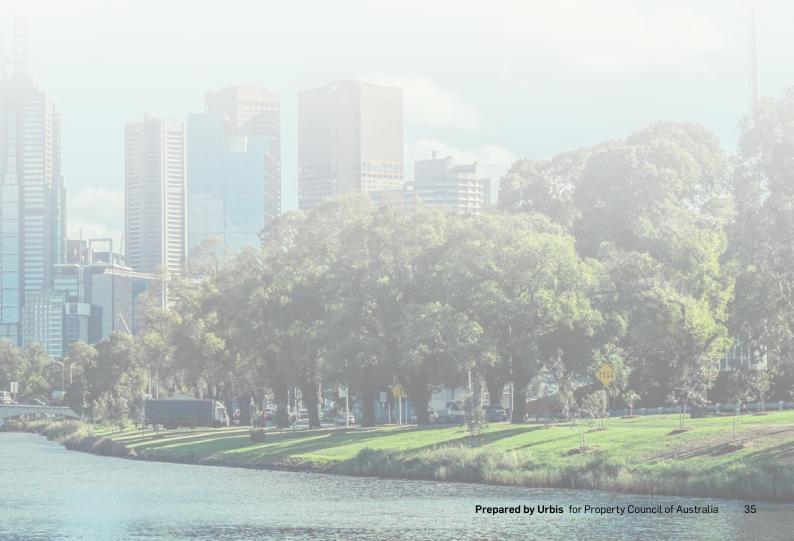
The absence of a State Policy for retirement living in all states except New South Wales gives the states equal ranking on the policy direction pillar. Consequently, all states rank a distant second to New South Wales.

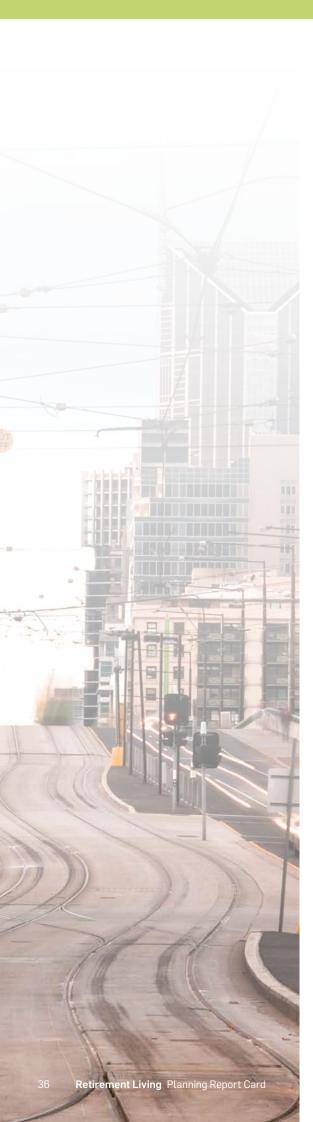
There is no state policy for the planning of retirement villages in Victoria. Clause 11 in the Victorian Planning Provisions Policy refers to encouraging housing diversity in the state.

Plan Melbourne 2050 refers to an ageing population in Melbourne, however without any targets for seniors housing to accommodate the growth.

The VPP provides Local Councils with the opportunity to develop their own policies for the development of retirement villages.

Some Councils have strategic polices on ageing in place but they may not be implemented in the planning schemes, and therefore carry no statutory weight.





LEGISLATIVE FRAMEWORK



48.8 100

Rank relative to other states



Zoning and permit requirements are consistent across the state of Victoria but this is not the experience of all. Planning controls are subjectively applied by different Councils which creates an overall impression of inconsistencies in the planning regulation framework. This leads to uncertainty for developers.

The clear majority of industry survey respondents regard the Victorian planning system as complex due to numerous overlays, a sentiment more apparent relative to other states.

Developments are determined under individual planning schemes. One positive is that Vic Smart, a more efficient way of dealing with low-impact straightforward planning permit applications, has increased the range of code assessable developments.

Alternative planning pathways and fast track options are not regarded as a feature of the Victorian system.

Knowledge among authorities on the appreciation of the retirement resident's needs and lifestyle are rated poorly, a consistent theme across all states.

ZONE CONSISTENCY Permissibility Across Areas



PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



Overall Score on Site and Built Form Requirements



Rank relative to other states

There are mandatory controls in the broad planning system which doesn't always apply to retirement villages, but depends on the zoning and overlays.

Consistency in relation to the application of site and built form across Councils is considered average. Some Councils seek greater specification which can include compliance with certain colours, roof elevations and materials.

Applying the built form requirements is relatively straightforward for professional planners, but challenging for developers who are reliant on planners for guidance and advice.

The site and built form requirements are often applied as controls rather than guidelines. However, consideration is sometimes allowed for site and location characteristics, meaning there is some flexibility.

There is a general acknowledgement by Councils that they should take an adaptable approach to retirement villages, an encouraging sign of progressiveness.

FEES AND LEVIES



Overall Score on Fees and Levies

76.7 100

Rank relative to other states



Consistency in the application of fees and levies across areas is quite good.

Applicants generally know their position and what is expected of them by way of contributions and fees as they are calculated on the value of the project.

There is some acknowledgement of transparency and relationship between fees, levies and actual infrastructure needs, but it is not the experience of all. Nonetheless, this aspect is viewed more favourably relative to other states.

CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



FEE AND LEVY CONSISTENCY Consistency Across Local Government Areas



PROVISION FOR INNOVATION Occurrence of Flexible Approach



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage



On performance outcomes, Victoria does not stand out as a positive example and mostly sits mid-way between the top and bottom performers.

CONSISTENCY

Consistency is good in terms of zoning however not for the planning controls. The controls vary across local government areas and developments are determined under individual planning schemes.

CERTAINTY

In the absence of a state policy, there could be better certainty since proponents must be familiar with multiple schemes and comply with requirements unique to each scheme. Assessments are made at a Local Government level, and therefore applicants are vulnerable to the politics and subjective influences at this level. Furthermore, third party appeal rights can lead to further unpredictability, and it is not uncommon to end up in the Victorian Civil and Administration Tribunal (VCAT).

PROGRESSIVE

Councils typically don't consider applications for retirement villages through the eyes of market preferences. To highlight this point, an example of development was provided where

a Melbourne Council expressed preference for a focus on one and two bedroom units in a development, and were not open to the developer's preferred two and three-bedroom mix. This was despite the socio-economic profile of the market indicating capacity to pay a premium for larger units. Another example is an objectionable view of gates in communities by some Councils when security is an important driver for residents.

On a positive point, there is flexibility in terms of built-form as there is with residential allowing for design innovation. The planning system allows for height and density bonuses with options currently being explored for Fishermans Bend.

For any amendments, it's a protracted process and so generally innovation or change is not encouraged.

EFFICIENCY

The consenting requirements for retirement village developments are the same as those for residential developments which are relatively simple to comply with. However, the extent of planning overlays more broadly creates unnecessary complexity to straightforward development applications and can negatively impact on efficiency outcomes.

CLARITY

Clarity is not a strong feature of the planning system partly due to the lack of central state direction. Planning schemes have become increasingly complex and difficult for the non-planner to understand and navigate. The level of clarity will vary across respective local planning schemes.

| | CONSISTENCY | CERTAINTY | - | EFFICIENCY | CLARITY |
|-------|-------------|-----------|------|------------|---------|
| SCORE | 52.1 | 40.3 | 51.3 | 53.1 | 37.1 |
| RANK | 4th | 5th | 3rd | 2nd | 4th |



REFORM OPPORTUNITIES IN VICTORIA

The suggested reforms below draw from consultation with Property Council members in the framework design phase, survey responses and tested with planners in each jurisdiction. Some may be specific to Victoria, and some may have broader relevance and thus captured in the key recommendations in part one of the report.



SET STATE GOVERNMENT POLICY

 State direction gives weight to the importance of retirement villages and help support and justify applications at a local level. Policy would also help guide development clarifying requirements and considering height and FSR incentives.

BETTER EDUCATION OF AUTHORITIES

 Educate authorities to the needs of retirement residents and use of more informed resources for assessments. Appreciating the insight developers have into their market and responding with a flexible approach to say mix and design would be valued.

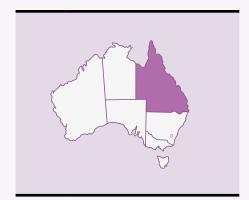
INFRASTRUCTURE CONTRIBUTIONS REFORM

 Recognition that where retirement villages provide amenity such as open space and community facilities, infrastructure fees payable should reflect that.

REVIEW 3RD PARTY APPEAL RIGHTS

Review of third party appeal rights to limit delays and hurdles caused by objections. The objection thresholds vary across Councils which could be reviewed. The review of aged care planning controls is positive, while still designed to achieve good built form outcomes. These changes could be broadened out to retirement villages.

QUEENSLAND



State population

860 4,703,192



State population aged 65 years and older

717,951



Proportion of population aged 65 years and older

PLANNING CONTEXT

The Planning Act 2016 provides the legislative framework for the plan making process and development assessment in Queensland.

The 'State Planning Policy' (SPP) provides a set of principles to underpin the Queensland planning system. State led interests are identified and direction provided on integrating these interests into Local Government Planning Schemes. The SPP provides broad planning principles and empowers Local Governments to make their own rules.

The Queensland planning system is 'performance based' and therefore assessment theoretically should be outcome focussed, and not overly prescriptive and inflexible.

Retirement living in Queensland is referred to as 'retirement facility' and defined as a residential use of premises for an integrated community and specifically built and designed for older people.



THE FRAMEWORK PILLARS



As with most states, there is no state policy for the development of retirement villages in Queensland. The Planning Act 2016 provides the overarching planning framework. It does not determine state or local policy on retirement villages.

The State Planning Policy acknowledges the need for housing diversity in response to changing demographics including ageing.

The policy is a principle based policy used to inform local planning schemes and considered by the State when assessing development.

There are broad housing targets and guidelines to encourage a broad mix of housing without specific reference to seniors housing.





LEGISLATIVE FRAMEWORK



Overall Score on Legislative Framework

42.9 100

Rank relative to other states

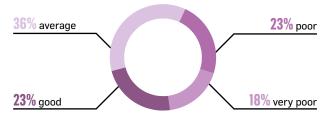
The Queensland experience is that where there is appropriately zoned land the applications are relatively simple. The performance based approach to the planning system has provided some flexibility, but in the absence of a proper understanding of the land use and its operational needs, government officers can be reluctant to proactively pursue performance based approaches.

Zone permissibility and planning controls are not consistent since the views on whether retirement living development should occur vary between Councils, thus impacting on the score for this pillar.

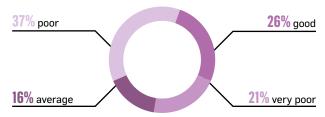
Brisbane City Council (BCC) has shown leadership and initiative in establishing a framework of incentives to cultivate the delivery of more seniors housing. Reduced infrastructure charges have taken effect, however changes to the planning schemes have not been endorsed by the Queensland State Government although some progress has occurred. One proposed amendment that would allow for development of retirement housing in sport and recreation zones will not occur. The Council declined to accept the conditions for the amendment set by the State Government citing them as too onerous. Incentives for height and density makes retirement village development more competitive.

Retirement living development gets pushed to the fringes of cities because of highest and best use. There is recognition from some Councils that this is not appropriate. In Queensland, the retirement industry has begun to see incentives making it more competitive for retirement living development.

ZONE CONSISTENCY Permissibility Across Areas



PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



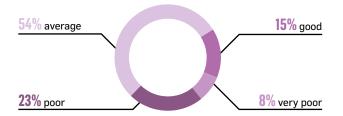
Overall Score on Site and Built Form Requirements 53.4 100 Rank relative to other states

Two in three industry survey respondents rated the planning controls in terms of simplicity as good or average in terms of ease of use. Making allowances for the prevailing negative bias means this result should be interpreted as a positive.

The site and built form requirements are often applied as controls regardless of site or location characteristics. Nevertheless, there is a view that sometimes they are flexible, and thus provide scope for innovation.

Planning schemes in Queensland typically are not sensitive to innovation or tailoring to the needs of the customer.

CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



PROVISION FOR INNOVATION Occurrence of Flexible Approach



FEES AND LEVIES



Overall Score on Fees and Levies

83.3

Rank relative to other states

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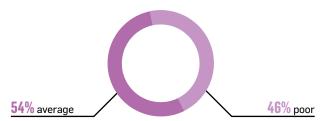
In Queensland, standard rates and charges apply calculated on gross floor area (GFA) sq.m and per unit charges. This universal and simple approach to fees and levies provides clarity, consistency and certainty for the industry and the key reason why Queensland ranks first on this pillar. Regardless of this simple approach, the industry still interprets fees and levies with a negative lens evidenced by the industry perception survey. This is most

Furthermore, the number of charges is generally limited to Development Assessment (DA) fees and infrastructure charges.

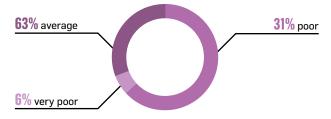
While the calculation approach is to be applauded, the fees don't necessarily reflect the social and infrastructure demands placed on by retirement village residents.

FEE AND LEVY CONSISTENCY Consistency Across Local Government Areas

likely due to the high charge rates



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage



Queensland outranks other states on efficiency which is largely due to the service focussed approach Brisbane City Council has adopted.

PROGRESSIVE

Brisbane City Council has shown outstanding leadership on an incentives framework. This has been stalled awaiting endorsement from the Queensland State Government on amendments to the planning scheme. Incentives for height and density makes retirement village development more competitive, and with State Government weight could result in better outcomes.

EFFICIENCY

Brisbane City Council offers a dedicated internal team whose role is to drive the process forward and resolve issues. The introduction of a Key Client Manager is assisting with streamlining assessments. This is an example of an efficiency mechanism widely regarded as positive.

The Queensland experience is that where there is appropriately zoned land the applications are relatively simple. The performance based approach to the planning system has provided some flexibility, but officers can be reluctant to support performance based approaches as already noted.

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|---|-------|-------------|-----------|-------------|------------|---------|
| ^ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 32.8 | 44.0 | 46.1 | 49.1 | 33.8 |
| | RANK | 7th | 4th | 4th | 3rd | 6th |



REFORM OPPORTUNITIES IN QUEENSLAND

The suggested reforms below draw from consultation with **Property Council members** in the framework design phase, survey responses and tested with planners in each jurisdiction. Some may be specific to Queensland, and some may have broader relevance and thus captured in the key recommendations in part one of the report.

STATE GOVERNMENT ENDORSEMENT OF BCC INCENTIVES

 Call for the State Government to approve amendments to the planning schemes. Until the State Government gives legal weight to the proposed incentives all applications will be site specific.

BROADER ADOPTION OF BCC-STYLE INCENTIVES

• The industry would like to see adoption of BCC-style incentives by other Councils.

ZONING EXPANSION

 Increase the number of zones for retirement facility permissibility and inclusion in non-residential zones such as recreation areas.

FLEXIBILITY ON BUILT FORM REQUIREMENTS

 Wider recognition that building heights and built form should be relaxed for providing retirement facility housing. The strict application of requirements and controls can make projects uncommercial.

WESTERN **AUSTRALIA**



State population

⁰β⁰ 2,474,414



State population aged 65 years and older

346,183



Proportion of population aged 65 years and older



Overall score



Rank relative

PLANNING CONTEXT

The principal planning legislation in Western Australia is the Planning and Development Act 2005 and Town Planning Regulations 1967. The current 'Draft State Planning Strategy' defines land use planning as a key part of the broader economic, social and environmental planning.

The State Planning Framework is the overarching Sate Planning Policy (SPP) with separate SPPs for different subjects and locations.

The Western Australian Government has commenced a reform of the planning system directed at creating a more strategic and streamlined planning system.

In Western Australia, retirement villages are not defined and are addressed as 'special purpose dwelling' for aged and dependant person's dwelling. The omission of retirement villages from the planning framework is a factor in the lower ranking relative to other states.



THE FRAMEWORK **PILLARS**



There is no state policy with specific application to retirement villages.

The Residential Design Codes under the state Planning Policy specify built form design standards for seniors housing under requirements for 'aged persons' dwellings' which has direct implications for yield and on-site building standards.

SPP3:1 outlines the Residential Design Codes that apply to all residential development in the State including specific provisions around retirement village development. The R-codes include standards for lot sizes, setback and open space requirements and plot ratios.





LEGISLATIVE FRAMEWORK



Overall Score on Legislative Framework 45.5 100 Rank relative to other states



The fixed Development Application assessment timeframes, i.e. 60 days for unadvertised, 90 days for advertised, creates an overall positive planning experience in Western Australia. For applications valued at more than \$2 million, assessment panels can be voluntarily accessed. The benefits are a single point of decision making backed up by some rigid timeframes and strict reporting requirements.

There is good consistency in the planning controls based on the consistent use of the R-codes, i.e. R40 and R60 codes, which Councils can also opt out of. In most residential zones retirement living is permissible 'as of right, and where not potentially as a 'discretionary use'.

While good framework principles exist in the system, there are some inconsistencies in zone permissibility as some Councils don't define the use in their planning schemes. These inconsistencies most likely account for the low rank on this pillar.

A general observation in the State is that authorities are focussed on dwelling numbers not the mix and type of dwellings.

ZONE CONSISTENCY Permissibility Across Areas



PLANNING CONTROL CLARITY Simple and easy to use



SITE AND BUILT FORM REQUIREMENTS



Overall Score on Site and Built Form Requirements

Rank relative to other states

The rules for individual Councils can be extensive and not consistent across areas, and once again likely to be a factor in the low ranking. Councils are unpredictable with some responding with additional costs, such as width of roads and fence materials.

There is a strict application of site and built form requirements at a State level regardless of site or location characteristics. Sometimes Councils may take a flexible approach but this can also mean more stringent requirements.

Currently, all residential development controls are being reviewed by the State which may provide for flexible and responsive approaches in the future.

Despite lot and density concessions retirement villages are absent from the planning framework. Normal residential housing requirements are often imposed on retirement living.

While Western Australia ranks low on this pillar, it's important to note the highest state score was 63.3, and most states scored below 60.0, and thus this should not be interpreted with alarm.

FEES AND LEVIES



Overall Score on Fees and Levies

Rank relative to other states



In Western Australia development application fees are consistent across the State. Development contributions payable in greenfield areas vary depending on the structure plan, which may account for the low score and rank.

In urban built up areas there are no development contributions payable which is a positive.

Generally, levies are based on standard assumptions of single lot residential based on site area, not density and thus transparent.

Most would say the calculation is neither poor nor good in terms of proportional relationship to the needs and usage of the development's residents, which could be interpreted as a positive.

CLARITY OF SITE AND BUILT FORM REQUIREMENTS Simple and Easy to Use



FEE AND LEVY CONSISTENCY Consistency Across Local Government Areas



PROVISION FOR INNOVATION Occurrence of Flexible Approach



FAIR CALCULATION OF FEES AND LEVIES Charges are Proportionate to Need and Usage



Relative to other states Western Australia does not perform as well as other states on most outcomes.

CONSISTENCY

Development contributions vary across Councils and by different structure plans. The use of R-codes across the State provides some level of consistency.

CERTAINTY

There is good consistency in the planning controls based on the consistent use of the R-codes, i.e. R40 and R60 codes.

The supply of land is limited for retirement uses, and the complexity of bringing a retirement village to market is too expensive, and thus certainty is unclear.

PROGRESSIVE

A flexible approach to retirement living developments is possible but depends on the Council. The R-codes are meant to be flexible but are sometimes mandated by Councils.

Typically, little consideration is given to market needs of the end user with the system focussed on dwelling numbers, and no regard for product mix.

The memorials on titles restricts commercial uses in retirement villages, leaving Western Australia out of step with other states and influencing the low score.

EFFICIENCY

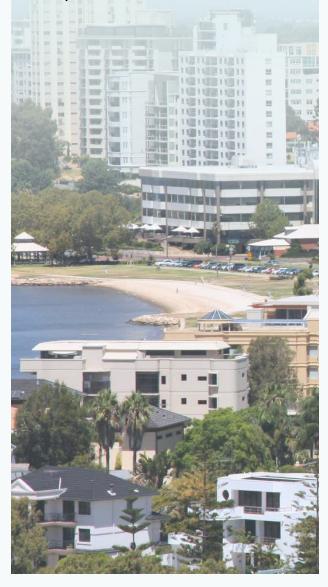
The planning system provides a more efficient pathway for developments valued at \$10 million plus, and \$20 million plus in the City of Perth, which are directed to the Development Assessment Panel. This system has strict timeframes, strict reporting requirements and a single point of decision-making. Despite this pathway, the perception of efficiency is still low.

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|----|-------|-------------|-----------|-------------|------------|---------|
| ^_ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 37.0 | 38.8 | 44.4 | 44.5 | 35.3 |
| | RANK | 5th | 6th | 7th | 4th | 5th |



REFORM OPPORTUNITIES IN WESTERN AUSTRALIA

The suggested reforms below draw from consultation with Property Council members in the framework design phase, survey responses and tested with planners in each jurisdiction. Some may be specific to Western Australia, and some may have broader relevance and thus captured in the key recommendations in part one of the report.



PARTIAL LIFTING OF THE MEMORIALS

 Memorials are a unique characteristic of Western Australia related to titles and has the effect of restricting commercial uses in retirement villages. Understanding residents needs in relation to appreciation of services and amenity would provide insight to inform submissions to Government.

ALLOCATION OF LAND FOR RETIREMENT VILLAGES

To meet demand, it is suggested that land be identified for retirement village development as part of strategic planning. This could be as a minimum threshold provision for residential developers. It should be acknowledged that some institutional developers do this of their own accord as part of master planning communities.

R-CODE UPLIFT

 Improve density bonuses or uplift in the R Codes for retirement village developments, which would act to incentivise vertical village outcomes.

CLEAR DEFINITIONS

There is a call for consistent state-wide definition of retirement villages in the model scheme provisions for 'retirement village' and 'aged care' to provide certainty of permissibility.

TASMANIA



State population

509,961



State population aged 65 years and older

98,738



Proportion of population aged 65 years and older

19%



Overall score



Rank relative to other states

PLANNING CONTEXT

Tasmania currently has Interim Planning Schemes, with new Planning Schemes expected to follow. The new Tasmanian Planning Schemes will consist of State Planning Provisions, comprising a set of planning rules for zones and codes making up a suite of controls; and Local Planning Provisions, which will be developed by local councils to apply to their local area.

The State Planning Provisions came into effect on 2 March 2017 as part of the Tasmanian Planning Scheme but they will have no practical effect until the Local Planning Provisions are in effect in municipal areas.

'Retirement villages' are defined in Tasmania as use of land to provide permanent accommodation for retired people or the aged, and a residential aged care facility is separately defined.



THE FRAMEWORK PILLARS



In Tasmania, there are no State Policies directly related to the provision or need for retirement villages despite Tasmania being the fastest ageing state with the largest proportion of population aged over 65 years. There is at least recognition there is a need for a State Policy.

Many Councils in Tasmania are so small they do not have the resources to develop strategies and policies to support an ageing population's needs.

Each Council offers a unique model of service delivery and partnerships that have been created specifically to meet the needs of their own communities. This includes some Councils owning and operating independent living units.

Retirement villages fall within the residential use class in Tasmanian Planning Schemes.

LEGISLATIVE FRAMEWORK



Within residential zones (except for Rural Living Zone), retirement villages are considered permitted uses, meaning a permit is required.

There is no direction at a state level and thus no specific mention of retirement villages within the planning scheme in terms of height, design and other built form requirements. The lack of direction provides an explanation of the low rank.

Planning Schemes vary between Council municipalities and application can be discretionary and influenced by political factors, which can lead to uncertainty for developers, another factor for the poor rating.

The new Tasmanian Planning Scheme will consist of State Planning Provisions, comprising a set of planning rules for zones and codes making up a suite of controls; and Local Planning Provisions, which will be developed by local councils to apply to their local area.

SITE AND BUILT FORM REQUIREMENTS



There is no specific mention of retirement villages within the planning scheme in terms of height, design and other built form requirements. Consequently, applicants make a case as to why it should be developed. Not being required to comply with a set of onerous requirements is likely to be a key factor in the high score for this pillar relative to other states. The absence of clarity however is likely to be viewed as a negative.

FEES AND LEVIES



Development application fees are the only fees payable in Tasmania and regarded to be modest, hence why Tasmania rates positively on this pillar. Councils set their fees independently, therefore they vary from Council to Council.

There is no specific infrastructure contribution levy for retirement villages.

Tasmania performs well relative to other states for being progressive, which does not necessarily mean they are innovative. As retirement is not mentioned in the Planning Schemes, the positive is that there are limited obstacles to overcome. This may lead to a view that Tasmania is easy and progressive. Without broader direction, however, the planning system lacks certainty and clarity.

PROGRESSIVE

The flexibility shown by Councils on built form requirements is a factor in the high score, as flexibility would be a measure system users would consider when assessing how progressive a planning system is.

The Planning Schemes however don't allow for updates or change that could result in a better outcome for the market. It is the built form requirements that defines development outcomes and Councils are open to considering flexibility.

As assessment is subjective, some Councils are more likely to consider the needs of the market, which is again a measure of flexibility.

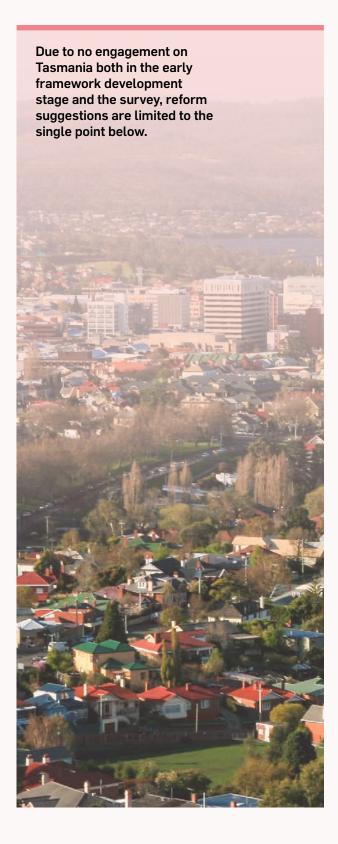
EFFICIENCY

There are no fast track options and the high efficiency score is due to the lack of layers and generally a simple planning system with no overly prescriptive requirements.

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|----|-------|-------------|-----------|-------------|------------|---------|
| ^_ | | CONSISTENCY | CERTAINTY | PROGRESSIVE | EFFICIENCY | CLARITY |
| | SCORE | 36.7 | 28.6 | 57.3 | 40.0 | 20.0 |
| | RANK | 6th | 7th | 1st | 7th | 7th |



REFORM OPPORTUNITIES IN TASMANIA



REFERENCE RETIREMENT VILLAGES IN PLANNING SCHEMES

- For reference in planning schemes the use should be referred to at a higher state policy level to inform planning schemes. Small Councils with limited resources won't have the incentive or capacity to allow more specifically in local schemes and hence importance of State Government direction
- State-wide and LGA specific retirement living targets are important since the need is more urgent in Tasmania due to a higher proportion of residents aged 65+ relative to other states.





AUSTRALIA

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