



SUBMISSION ON PUBLICLY NOTIFIED PROPOSAL FOR POLICY STATEMENT OR PLAN, CHANGE OR VARIATION

Clause 6 of Schedule 1, Resource Management Act 1991

To Mackenzie District Council

Name of submitter: Retirement Villages Association of New Zealand Incorporated (RVA)

- 1 This is a submission on Mackenzie District Council's (*Council*) proposed amendments to the Mackenzie District Plan (*District Plan*): Proposed Plan Change 20 – Strategic Direction Chapters (*PC20*).
- 2 The RVA has a significant interest in how PC20 provides for and regulates retirement village and aged care in the Mackenzie District (*District*). The RVA wishes to ensure that PC20, and in particular the Strategic Directions in the District Plan, recognise the ageing population as a significant resource management issue for the District and enable the development of retirement villages.
- 3 The RVA could not gain an advantage in trade competition through this submission.

BACKGROUND

Retirement Villages Association

- 4 The RVA is a voluntary industry organisation that represents the interests of the owners, developers and managers of registered retirement villages throughout New Zealand. The RVA has 407 member villages throughout New Zealand, with approximately 38,520 units that are home to approximately 50,000 older New Zealanders, roughly equivalent to the population of Timaru. This figure is 96% of the registered retirement village units in New Zealand.
- 5 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, religious and welfare organisations.

National policy

- 6 The under-provision of retirement living and aged care in New Zealand is at crisis point, with the growing ageing population facing a significant shortage in appropriate accommodation and care options. This problem is immediate, and demographic changes mean that the demand for retirement accommodation and aged care will continue to grow. The Government Policy Statement on Housing and Urban Development 2021 ([GPS-HUD](#)) recognises the ageing population as one of the key housing and urban development challenges facing New Zealand.¹ The GPS-HUD

¹ <https://www.hud.govt.nz/assets/Urban-Development/Government-policy-statement-GPS/FINAL-GPS-HUD.pdf>

records that “[s]ecure, functional housing choices for older people will be increasingly fundamental to wellbeing.”²

Benefits of retirement villages

- 7 Retirement villages provide appropriate accommodation and care for a vulnerable sector of our community with different housing and care needs compared to the rest of the population. They allow older people to continue living in their established community, while down-sizing to a more manageable property (ie smaller households, without stairs or large gardens). Retirement village living provides security, companionship and peace of mind for residents improving mental wellbeing.³ Residents will also, in most cases, have easy access to care and other support services and amenities that are designed to meet the specific needs of residents.
- 8 Retirement villages already play a significant part in housing and caring for older people in New Zealand. Currently, across New Zealand, 14.3% of the 75+ age group population live in retirement villages, a rate that has risen from around 9.0% of the 75+ age population at the end of 2012.⁴ New build data from Statistics New Zealand shows that retirement village developments provided between 5% and 8% of all new residential developments between July 2016 and July 2021.
- 9 Retirement villages assist with reducing pressure on the public healthcare sector by reducing what is known as ‘bed blocking’. Retirement villages also help to ease demand on the residential housing market and assist with the housing supply shortage in New Zealand. 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 the housing market annually through new retirement village builds. Retirement villages also contribute significantly to employment, both during construction and to support their day-to-day operation.

Increasing demand for retirement villages

- 10 The proportion of older people in our communities compared to the rest of the population in New Zealand is increasing. The 75+ demographic in the Mackenzie District is predicted to more than triple between 2018 and 2048, from about 290 in 2018 to 1,020 in 2048.⁵
- 11 Across New Zealand, demand for retirement village accommodation is outstripping supply. The ageing population and longer life expectancy, coupled with a trend towards people wishing to live in retirement villages that provide purpose-built accommodation, means that demand is continuing to grow. The COVID-19 pandemic has also contributed to a strong demand to access retirement villages and limited stock availability.⁶

² GPS-HUD, page 10.

³ PWC ‘Retirement village contribution to housing, employment, and GDP in New Zealand’ (March 2018). Brown, N.J., “Does Living Environment Affect Older Adults Physical Activity Levels?”. Grant, Bevan C. (2007) ‘Retirement Villages’, *Activities, Adaptation and Aging*, 31:2, 37-55.

⁴ Jones Lang LaSalle, NZ Retirement Villages and Aged Care Whitepaper, June 2021, page 15.

⁵ Statistics New Zealand, Subnational population projections, by age and sex, 2018(base)-2048.

⁶ Ibid, pages 5 and 25.

Consenting challenges for retirement villages

- 12 There are a number of unique challenges in planning and constructing new retirement villages. Cumbersome, rigid and uncertain resource management processes and practices have contributed considerably to New Zealand's housing and retirement village living crisis.
- 13 Retirement villages are a residential activity, generally located in residential and mixed use commercial areas. Older people generally want to stay in the communities where they currently live during their retirement (ie "age in place"). However, sites in existing residential areas that are appropriate for retirement village and aged care developments are extremely rare, due to size and location requirements. It is therefore important that retirement villages are encouraged and enabled across all residential and commercial/mixed use zones.
- 14 There are key differences between retirement villages and typical dwellings that are generally not properly acknowledged in planning frameworks. Because of their functional and operational needs, retirement village and aged care facilities tend to be larger than surrounding residential housing, for example in height and bulk in order to properly cater for resident needs.
- 15 While retirement villages are residential in nature, they do not necessarily fit in with typical urban design rules for residential development with councils expecting the same amenity controls to be applied as used for traditional housing typologies (e.g. outlook, sunlight, privacy, outdoor living spaces, landscaping and the like). In addition, retirement villages often include a wide range of communal amenities and services for resident needs and convenience and RVA members have faced challenges in consent processes where retirement villages are viewed as a mixed residential and commercial use.
- 16 As a result, consenting of retirement villages has been unnecessarily complex and time consuming. These issues emphasise the need for clear and enabling objectives for retirement villages to be included in PC20.

Mackenzie Spatial Plans

- 17 The Council's 2021 Mackenzie Spatial Plans provide a high-level blueprint for the future of the District over a 30 year planning horizon, and are intended to be turned into Council policy through the District Plan review process.⁷ The Mackenzie Spatial Plans specifically highlights the Mackenzie community's desire for retirement homes, and includes a Spatial Planning Principle on Housing Choice that seeks to "[e]nsure specialised accommodation such as retirement homes... is provided for and enabled through planning provisions".⁸ The RVA submits PC20 provides an opportunity to implement the Mackenzie Spatial Plans and recognise the ageing population and the provision of retirement villages as a significant resource management issue for the District.

⁷ Mackenzie Spatial Plans Report – September 2021, page 2.

⁸ Mackenzie Spatial Plans Report – September 2021, page 11.

SUBMISSION ON PC20

- 18 The RVA considers that PC20 does not adequately provide for the Mackenzie District's ageing population, and fails to address the critical need for retirement and care accommodation.

Submissions in opposition

- 19 The RVA considers PC20, as it relates to retirement villages:
- 19.1 Will not promote the sustainable management of natural and physical resources;
 - 19.2 Will not promote the efficient use and development of natural and physical resources;
 - 19.3 Is contrary to good resource management practice;
 - 19.4 Does not provide a strategic framework that adequately provides for retirement villages taking into account their functional and operational needs and their particular effects; and
 - 19.5 Is otherwise inconsistent with the relevant provisions of the RMA, including the purposes and principles of the RMA under Part 2.
- 20 Without limiting the generality of the above, other more specific reasons for the RVA's opposition are set out below.

Submissions on specific provisions

Chapter: ATC – A Thriving Community

- 21 The RVA opposes ATC-O1 in part.
- 22 The RVA supports ATC-O1(1), which is "*there is a range of living options, businesses, and recreation activities to meet community needs*". However, the RVA opposes the proposed drafting of ATC-O1(3) as it requires "*the amenity values and character of different areas are maintained or enhanced*". The objective fails to recognise that amenity values and character evolve over time in response to changes in society. Changes to amenity values are not of themselves an adverse effect.⁹ It also fails to recognise that specialised accommodation, such as retirement villages, are different from standard residential typologies. The functional and operational needs of retirement villages result in larger scale building formats than standalone housing. For example, retirement villages often locate all care rooms and common amenities in a central building.
- 23 The RVA seeks amendments to ATC-O1 to ensure the planned character (not existing character) of different areas is the key consideration and to enable the housing choice needs of the community to be met.

Chapter: UFD – Urban Form and Development

- 24 The RVA opposes UFD-O1 in part.
- 25 The RVA supports UFD-O1(5) as it requires the District's townships and settlements to grow and develop in a way that responds to the needs of the community,

⁹ NPSUD, Objective 4.

including diversity in housing. However, the RVA opposes the reference to maintaining character in UFD-O1(4), for the reasons already outlined in relation to ATC-O1 above.

- 26 The residents of retirement villages are typically made up of former home owners and occupiers from the immediately surrounding community. It is important that UFD-O1(4) does not limit retirement living options in a way that would lead to people needing to move away from their existing communities, loved ones and families at a critical time in their lives when they need more comprehensive care.
- 27 The RVA also seeks the addition of a new objective that supports provision of housing for the ageing population of the Mackenzie District as follows: "*Recognise and enable the housing and care needs of the ageing population*". The RVA considers this objective is necessary to reflect the Spatial Planning Principle on Housing Choice.
- 28 Given its strategic nature, the RVA does not request other more specific objectives within the Strategic Direction Section. However, the RVA seeks the following objectives and policies be included when Council prepares its Residential Chapter:
- 28.1 *Changing communities:* To provide for the diverse and changing residential needs of communities, recognise that the existing character and amenity of the [add] zone will change over time to enable a variety of housing types with a mix of densities.
- 28.2 *Larger sites:* Recognise the intensification opportunities provided by larger sites within the [add] zone by providing for more efficient use of those sites.
- 28.3 *Provision of housing for an ageing population:*
- (a) Provide for a diverse range of housing and care options that are suitable for the particular needs and characteristics of older persons in [add] zone, such as retirement villages.
 - (b) Recognise the functional and operational needs of retirement villages, including that they:
 - (i) May require greater density than the planned urban built character to enable efficient provision of services.
 - (ii) Have unique layout and internal amenity needs to cater for the requirements of residents as they age.
- 28.4 *Role of density standards:* Enable the density standards to be utilised as a baseline for the assessment of the effects of developments.

DECISION SOUGHT

- 29 The RVA seeks:
- 29.1 The relief set out in the submission above; and
- 29.2 Any additional, alternative or consequential relief to address the RVA's concerns, including amendments or deletion of any objectives to better enable retirement villages in the Mackenzie District Plan.

- 30 The RVA wishes to be heard in support of the submission.
- 31 If others make a similar submission, the RVA will consider presenting a joint case with them at a hearing.

Signed for and on behalf of Retirement Villages Association of New Zealand Incorporated
by John Collyns

John Collyns, Executive Director
9 September 2022

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