

# TRANSCRIPT

## STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

### Inquiry into the retirement housing sector

Ballarat — 19 October 2016

#### Members

Mr Edward O'Donohue — Chair

Ms Nina Springle — Deputy Chair

Ms Margaret Fitzherbert

Mr Daniel Mulino

Ms Fiona Patten

Mrs Inga Peulich

Mr Adem Somyurek

Ms Jaelyn Symes

#### Participating Members

Ms Colleen Hartland

Mr Gordon Rich-Phillips

#### Staff

Acting secretary: Mr Patrick O'Brien

#### Witness

Mr James Guy, acting executive manager, economic partnerships, City of Ballarat.

**The CHAIR** — Welcome, Mr Guy. Thanks very much for being with us this afternoon. You are the acting executive manager of economic partnerships at the City of Ballarat.

**Mr GUY** — That is right.

**The CHAIR** — Fantastic. Before I invite you to make some opening remarks I will just caution that all evidence taken at this hearing is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, those comments may not be protected by this privilege. We have allowed about half an hour for our time today. We look forward to your opening remarks and presentation, and thereafter we will have questions.

**Mr GUY** — Thank you. It is a pleasure to appear before you today. I want to talk about the work that Ballarat has been doing over the last few years to plan for a significantly increased population over the next few years and, as part of that, the increasing number of people aged over 65 who will continue to look to live and retire in Ballarat. We are currently sitting at about 100 000 people and forecast to go 160 000 over the next 25 years, so that is a significant increase. Over that same time the number of people aged over 65 is expected to increase from around 15 per cent to about 20 per cent of the population, so it is incredibly important that we plan for a future for Ballarat which offers something for everyone who lives here at all stages of life. We are really looking at assessing the services that we provide and the type of city that Ballarat is so that it is fulfilling for people who are very young right through to those who are in their later years.

We are really looking at making sure there is enough opportunity for people to have the housing they need, which suits their purposes and which suits their budgets. A lot of that is about ensuring there is enough land available at different sizes and different locations and at different price points so that a lot of people who do not wish to live in a retirement village, for example, are able to access their own properties and that there is rental accommodation available as well. Obviously there is a huge demand for residential aged-care facilities. We are seeing a lot of them popping up at Ballarat at the moment and the market appears to be quite strong.

Currently Ballarat is moving towards trying to provide more services locally so that particularly older people are able to access more of the services they need in their local community without needing to travel right across the city. We are pushing very hard on the concept of the 10-minute city, which Ballarat is at the moment. You can generally drive across Ballarat in about 10 minutes. But of course with that kind of population growth we are looking at a city that will become more congested and more difficult to move around and so it is important for people to be able to access more of their daily needs in their local suburban centres. That will particularly support older people, as we are hoping to get a lot more opportunity for people to connect with each other and enjoy themselves in their local neighbourhood centre rather than having to come into the middle of Ballarat or some other area, as they do at the moment.

Most of our existing centres are mainly retail; you go there for shopping. There is often not a lot of other opportunities to just meet with other people. There are not a lot of opportunities to sit and enjoy each other's company in their suburban location. We are looking to make sure that we continue to improve that so as more of our population become older and are living in these areas they have access to all the kinds of services they need.

We have a significant role to play in things as well about heat and stress and the medical impact on older people and where they live. A lot of people on lower incomes live in areas with much lower tree canopy cover, for example. They tend to be much hotter areas. The City of Melbourne has been a real leader in looking at the impact that heat has on where older people live. I think there are some stats that during the major bushfire seasons more people die from heat-related stresses in their homes than ever occur in fire situations. We are very cognisant that Ballarat is well over 40 degrees in the summertime and so people who are vulnerable to heat stress tend to be older people or people who do not have such good health are able to be more comfortable in their homes.

We are also looking at transitioning the way we offer services for older people in the community. Currently we have a whole range of suburban senior citizen centres and community centres around the place which are easily accessible for older people, and transitioning them towards more hubs of activity. We have got some great partnerships with the University of the Third Age and we are looking at really promoting the opportunity for people that remain in their own homes to be able to access really informative and engaging services. We are obviously looking to continue to roll out things like our library services into suburban areas so that people do

not feel isolated as they get older living in their homes; they feel they can get out. They have got really enjoyable paths and trails and really important connections and they can feel included and positive about living their later lives in Ballarat.

**The CHAIR** — Thanks, Mr Guy, for those observations. It is interesting to learn about some of the work your city is doing as the population grows and ages. Dealing more specifically with that issue of supply that the first witness raised and also our previous witness raised about dealing with the growth in the industry that is needed to accommodate the ageing population and the demand for retirement village living and the like, what is the City of Ballarat doing in that regard and what needs to change at a more macro level through state government planning policy to address that issue?

**Mr GUY** — There is a general requirement that you have got 15 years or more of land available to develop. We are very conscious that there needs to be enough land supply out there so that the market can operate effectively and offer both residential aged-care facilities as well as houses for people to remain in themselves. Our focus is making sure that there is ample supply there in well-planned suburbs so that people can effectively access property which suits their needs as they get older. As we look in areas covered by structure plans, the sorts of major growth fronts, there are areas specifically recognised for aged-care facilities. They are in areas which are intended to have really good access to services close by, and they are areas where we can look to focus on the quality of footpaths and some other connections across roads and all kinds of things to make sure that they are not an island within a suburb; that they are a really integrated part of that suburb so the people that live there feel they can move outside the facility and connect with others and the community.

**The CHAIR** — Those aged-care facilities, are they located as a result of the structure plan process, or is that driven by the market choosing the location

**Mr GUY** — There are some areas identified in structure plans. I am not clear on the exact detail of how it is recognised in there, but certainly there is a new facility at Lucas — that is our growth area at the moment — which is just going through that process of coming online. They are right in areas that have been earmarked for aged care for quite some time in the planning process.

**The CHAIR** — But retirement villages do not have that same application through the planning process, do they?

**Mr GUY** — Retirement villages?

**The CHAIR** — Yes.

**Mr GUY** — Look, it can be confusing in the planning process and the different definitions of different types of facilities. I probably will not go through that today, but they are generally recognised in precinct structure plans as areas where it would be appropriate. For areas not in structure plans, facilities can go on residentially zoned land with a permit, so that is a sort of market-driven decision on where they are located.

**The CHAIR** — We have received evidence today and from previous witnesses that this sort of open market environment makes it very difficult to make a retirement village stack up compared to an in-globed land subdivision. Is that something that the City of Ballarat has found in its growth fronts? Is that an issue that concerns the City of Ballarat?

**Mr GUY** — I could not comment on the market viability of them. We are certainly seeing them come online at a whole range of different locations around the city. The market is achieving them on the ground. How difficult it is or the number that do not get up, I could not tell you.

**Ms SPRINGLE** — Thank you for your contribution. I am interested to know about your perspective around rate differentiation for retirement villages. It is certainly something we have had a lot of people advocate for and that we are hearing in other hearings that we have had. I am keen to get a sense of a council's perspective, because we have not heard that at this point. Obviously it is quite a controversial issue.

**Mr GUY** — Yes. Look, our view would be that rates are a land tax; they are not a user-pays system. There is not a direct relationship between the actual facilities that I use — I do not necessarily go to the aquatic centre, but I would pay for that in my rates — because in the overall service provided to the community it is deemed to be an equitable way to do it. We would not be supportive of differential rating in that case. We would look the

other way and be encouraging people living in those facilities to be out and active in the community, enjoying all the facilities that we provide. Inherently people who visit will always utilise the roads. The overall amenity of Ballarat as a safe and attractive city improves everyone's quality of life and their property values and the attractiveness and all that kind of thing. So we would say that it is a land value issue, not a user-pays issue.

**Ms SPRINGLE** — There are councils in metro Melbourne, a handful, that do differentiate their rates, so it would not be something that Ballarat would even consider?

**Mr GUY** — It is not on the table at this stage. Certainly with rate capping and other things coming in, the revenue to continue to provide the services that we do becomes increasingly tight. I think that is not being looked at actively at the moment.

**Ms PATTEN** — I just wanted to further explore the Chair's questions. Am I clear that in the Ballarat strategy going forward you do not put aside land for retirement housing rather than aged-care facilities; you certainly do not mark out any areas specifically for retirement housing?

**Mr GUY** — Not in our overall 25-year plan. We are not in the market of providing aged-care facilities, so our role is to make sure that the market can operate effectively by having enough land supply available and by having the planning controls efficient so that if someone does see a market need and wants to put in a facility, we can facilitate and help that to come on ground.

**Ms PATTEN** — Yes, but, as the Chair said, they would be competing with the general residential development for that land.

**Mr GUY** — For land? I am not entirely clear on exactly how it is shown in our structure plans. I would need to have a look at how the actual plan is written. Outside the structure plans, just in general areas of the city, you are right, it is competing with the general property market.

**Ms PATTEN** — We have heard some evidence around mobile home retirement housing. I wondered in Ballarat whether that is an issue. One of the recommendations came about having some building permit regulation on mobile homes and caravan parks. Is that something that is being discussed or thought about within your council?

**Mr GUY** — There has not been detailed thinking about it. Certainly we are aware it is an issue right across Victoria. We are always keen for there to be appropriate controls to make sure that people are safe where they live and that they have an opportunity to live a really fulfilled life. There are measures in place so that, for example, their neighbour cannot overtly impact on them and their amenity. We would always be concerned if there were loopholes that were not ensuring that people were living safely, particularly older people, who are probably more vulnerable and in some cases less able to raise the alarm through the bureaucracies and that kind of thing. So we would certainly always be interested to see how that progresses, because I know it has been spoken about Victoria-wide as something which is increasingly common, if you like, and we would just be keen to make sure and get experiences from people that are purchasing those properties and living there that they are feeling secure and they are living in a safe place.

**The CHAIR** — Thanks very much, Mr Guy. A transcript will be with you in the next week or so. Thanks for your evidence today.

**Witness withdrew.**