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## Executive Summary

Wesley Mission are preparing a Planning Proposal which will guide the redevelopment of Frank Vickery Village at Sylvania. The redevelopment will ensure Frank Vickery Village meets the needs of current and future residents, while continuing to provide the local and broader community with a range of services.

The redevelopment will involve an increase in the number of independent retirement living units and residential aged care beds, as well as improving the overall quality of the facility so that it meets modern expectations of residents.

### Current and Proposed Development

Metric	Existing Village	Proposed Village	Change
Independent Living Units	202 ILUs	519 ILUs	+317 ILUs
Aged Care Beds	69 beds	126 beds	+57 beds

Source: Wesley Mission

This report provides an economic impact assessment of the proposed redevelopment, including an assessment of the supply and demand for both independent retirement living and residential aged care. In addition, it considers the economic benefits of the proposal in terms of investment, employment and strategic land use.

The key findings arising from the research and analysis presented in this report include the following:

- Suitability of the site for retirement living and aged care:** The subject site is well suited to a significant integrated senior living development having regard for the variety of locational factors considered to be important when choosing retirement accommodation. These include proximity to retail and town centre services; availability of health, recreation and leisure facilities; access to public transport; the natural features of the locality; and proximity to families and friends.

The fact that there is an existing village at the subject site which has been operational since 1948, and has been close to full occupancy over this period indicates strong demand to retire within the local area.
- Significant growth in the older population:** Significant growth in the older population will drive demand for independent retirement living and aged care. Currently, approximately 40,910 persons aged 65 years or older reside in Sutherland Shire, with this figure forecast to increase to approximately 58,140 persons over the next 16 years to 2036. This represents an average annual growth of 1,080 persons at an average of 2.2% per annum, well above the projected growth rate for the entire population of 0.5% per annum.

Over the 16-year period, the population aged 65 years and over is forecast to increase by a total of approximately +17,230 persons, accounting for 84% of total population growth of +20,540 persons.
- Demographic characteristics support retirement living:** The subject site is situated within an area which contains a demographic profile particularly suited to retirement living. For example, a very high proportion (86%) of older residents were born in regions where there is a high propensity to live in retirement village accommodation such as North-west Europe and Oceania (including Australian-born). The average for Greater Sydney is 66%.
- Existing market penetration of retirement villages:** An estimated 5% of persons aged 65 years or over in Sutherland Shire currently live in retirement village accommodation, which is slightly below the national average of approximately 6%. As indicated earlier, the demographic profile of the study area is conducive to a high market penetration and potential exists for the Sutherland Shire to accommodate a higher market penetration rate in the future.

- 5 **Retirement living supply in Sutherland Shire:** Eighteen retirement villages are located in Sutherland Shire providing a total of approximately 1,450 ILUs. The majority (89%) are operated by not-for-profit organisations and with only two villages being resident funded.

Frank Vickery Village is currently the second largest village in Sutherland Shire with 202 ILUs behind on the recently expanded Anglicare Woollooware Shores village in Sutherland which has 410 ILUs. The proposed renewal of Frank Vickery Village to 529 ILUs will make it the largest retirement village in Sutherland Shire. HammondGrove is the closest village and located to the south-west of the subject site on Bellingara Road and comprises 123 ILUs along with aged care facilities. This retirement village been undergoing redevelopment in recent years, and provides a local example of high-density retirement living units.

- 6 **Forecast demand for retirement living:** Sufficient demand exists to accommodate an expansion of independent retirement living at Frank Vickery Village comprising an additional 317 ILUs.

Assuming this market penetration remains constant, demand for an additional +440 ILUs are forecast for the period up to 2031. This is driven by the aging population in Sutherland Shire, as the number of residents aged 65 years and over increases by more than 12,600 persons over this period.

However, in view of the potential for an increase in the market penetration, a higher level of demand is considered likely. Assuming the market penetration increases to 6%, this would result in demand for an additional +840 ILUs over the 2020 to 2031 period.

- 7 **Forecast residential aged care demand and supply:** The current provision of residential aged care beds of 90 beds per 1,000 residents aged 70 years or over is above national planning benchmark of 78 beds per 1,000 residents aged 70 years or over. However, significant growth in the older age cohort of 70 plus years is forecast over the coming decades which will contribute to the need for additional residential aged care beds.

The population in Sutherland Shire aged 70 years or over is forecast to increase from 29,300 persons in 2020 to approximately 40,460 persons in 2031, representing growth of +11,160 persons. Assuming the national planning benchmark of 78 residential aged care beds remains, demand for a total of 3,160 aged care beds in the study area will eventuate by 2031.

Having regard for the potential future pipeline of 198 aged care beds, including the proposed 57 bed expansion of Frank Vickery Village, there will still be demand for an additional 330 beds in 2031 over and above the planned pipeline. On this basis, sufficient demand for the proposed expansion of residential aged care at Frank Vickery Village exists.

- 8 **Economic impacts:** In addition to meeting forecast demand for retirement living and residential aged care, the proposed renewal will also generate significant economic benefits in a time when growth in local employment opportunities and economic stimulus is required. For example, the proposed redevelopment will:

- Support a number of direct construction-related jobs and indirect jobs associated with construction activities.
- Support existing employment on the site and generate an approximately an additional 90 direct jobs and 80 indirect jobs in the wider economy.
- Support local businesses, including potential to contribute approximately \$5.6m to local retail sales.
- Provide additional revenue generating opportunities that will enable Wesley Mission to continue to provide the range of social and community services it current provides including financial guidance, psychiatric support, 24/7 crisis support, family programs and mental health services.

## Introduction

### Background

Wesley Mission are preparing a Planning Proposal which will guide the redevelopment of Frank Vickery Village at Sylvania. Frank Vickery Village, originally developed in 1948, is a senior living facility providing a mix of independent retirement living units and residential aged care. The redevelopment will ensure Frank Vickery Village meets the needs of current and future residents, while continuing to provide the local and broader community with a range of services. The redevelopment will involve an increase in the number of independent retirement living units and residential aged care beds, as well as improving the overall quality of the facility so that it meets modern expectations of residents.

This report provides an economic impact assessment of the proposed redevelopment, including an assessment of the supply and demand for both independent retirement living and residential aged care. In addition, it considers the economic benefits of the proposal in terms of investment, employment and strategic land use.

Ethos Urban are also preparing a separate planning report and a social impact assessment, all of which will form a suite of documents associated with the planning proposal to amend the Sutherland Shire Local Environmental Plan 2015.

### This Report

This report contains the following chapters:

- Chapter 1: Subject Site and Proposed Redevelopment:** Provides commentary on the subject site context including an overview of the proposed development and a review of the suitability of the site for redevelopment in the context of what is occurring in the surrounding area.
- Chapter 2: Population and Demographic Analysis:** Considers the existing and forecast demographic and socio-economic characteristics of the local population, particularly as they relate to seniors living demand.
- Chapter 3: Retirement Village Assessment:** Provides a market assessment for independent retirement living units (ILUs) including identifying a relevant catchment from which demand for retirement living at the subject site would expect to be derived, assessment of the existing market penetration of independent retirement villages, assessment of the current supply, and forecast demand for ILUs in the catchment and the broader region.
- Chapter 4: Aged Care Supply and Demand Analysis:** Identifies the opportunity for an increase in residential aged care at the subject site having regard for the forecast of demand for residential aged care, and an assessment of the current supply in the region.
- Chapter 5: Economic Impacts:** Identifies and provides commentary on the economic impacts of the proposed redevelopment, including estimates of construction and ongoing employment, support for nearby businesses, and capital investment.
- Chapter 6: Conclusion:** Provides a concluding statement regarding the proposed redevelopment, having regard for the analysis presented in preceding Chapters.

## 1 Subject Site and Proposed Redevelopment

This Chapter provides an overview of the subject site and its existing use, the proposed redevelopment, and the surrounding land use context.

### 1.1 Subject Site

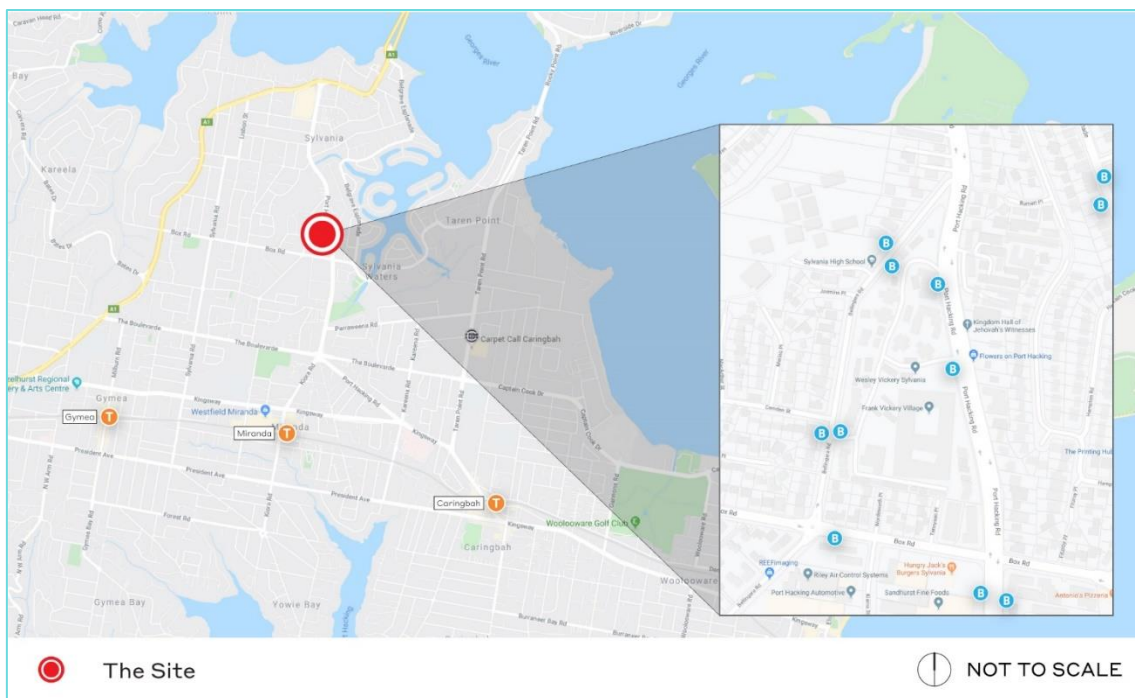
The subject site is located at 101 Port Hacking Road, Sylvania and is approximately 5.7 hectares in size. The existing village located at the subject site is known as 'Frank Vickery' and is run by Wesley Mission. Frank Vickery Village consists of a residential aged care facility (RACF), independent living units (ILUs), community facilities and an administration centre in buildings ranging from single-storey to four-storey buildings.

Located in Sutherland Shire, the subject site is approximately 85m south-east of Sylvania High school and approximately 960m north of the Miranda town centre. Port Hacking Road and Bellingara Road bound the site to the north, east and west, while low density housing borders the site to the immediate south. The surrounding area can be largely classified as a well-established residential area.

The subject site has an approximate street frontage to Port Hacking Road (which is classified as a State Road) of 435 metres and 450 metres to Bellingara Road. The internal road network, Vickery Drive, connects to the surrounding road network.

The subject site's locational context is shown in Figure 1.1 and Figure 1.2.

**Figure 1.1 Locational Context**



Source: Nearmap; Ethos Urban

**Figure 1.2 Aerial map**



Source: Nearmap; Ethos Urban

## 1.2 Regional Context

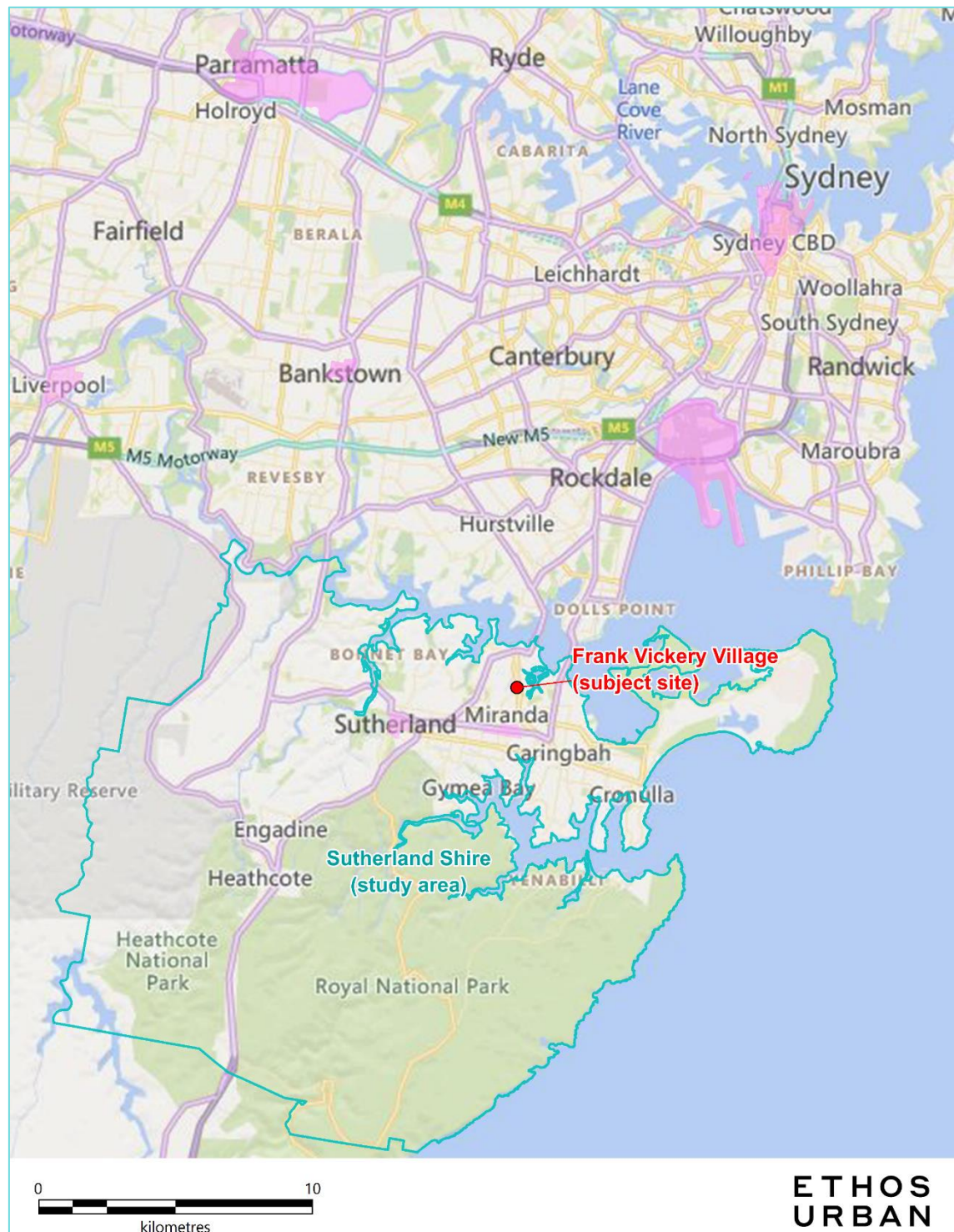
The subject site is located in the suburb of Sylvania in Sutherland Shire, approximately 19km to the south of the Sydney CBD.

Sutherland Shire contains a 2019 population of approximately 230,200 persons and has experienced only limited growth in recent years. Between 2011 and 2019, Sutherland Shire's population increased by 0.6% per annum compared to 1.8% per annum for Greater Sydney.

Sylvania is a largely established urban area located on the southern banks of the Georges Rivers. Characterised by low density housing, population growth in the area is largely driven by medium-density housing developments. Having regard for the demographic profile and house prices, the population in the surrounding area can be described as relatively affluent with above average incomes and relatively high house prices. In this context, the affordable housing for the elderly and the community services provided by Wesley Mission from the subject site are considered to be important.

Figure 1.3 shows the subject site, Sutherland Shire and the surrounding area.

Figure 1.3: Regional Location



Produced by Ethos Urban using MapInfo and Bingmap

### 1.3 Existing Wesley Mission Frank Vickery Village

The subject site currently comprises a residential aged care facility (RACF), independent living units (ILUs), community facilities, and an administration centre. It also includes an office for the Sydney and Sutherland Lifeline centre.

### ***Wesley Mission***

Wesley Mission is a not-for-profit seniors housing and residential aged care provider and has a long tradition of providing its residents a safe and welcoming community.

In addition to providing retirement living and residential aged care facilities, Wesley Mission also provides a critical outreach and support role for members of the community facing disadvantage, including physical and mental health. Like other not-for-profit organisations, financial sustainability is key to enabling the ongoing delivery and growth of its services to meet the needs of a growing and ageing population.

The subject site performs a critical role in enabling Wesley Mission to provide these services. Firstly, it provides a critical base for ongoing service delivery, and secondly, the retirement living and aged care operations provides funding and revenue to invest back into service delivery. This is crucial for the Frank Vickery Village where the site has not undergone any recent development and is in need of an upgrade to enhance the facilities for existing residents and cater for new residents, as a result of population growth and demographic changes.

### ***Frank Vickery Village***

Wesley Mission's Frank Vickery Village was originally opened in 1948 and was then known as the 'Sylvania Aged Couples Settlement'. In the early years, units provided private self-contained living for couples and the original concept for the Village was to assist with the financial needs of the elderly in the community.

The housing concept of the village has evolved over the years and the Village now provides a mix of residential aged care and independent retirement living units, in addition to providing assistance for those in financial and social need. Notably, the original brick orchard cottage which was part of the site during its opening in 1948 and was the birthplace of the Lifeline service, has since been re-modelled as a semi-detached cottage and remains occupied by Lifeline Sydney and Sutherland, providing services to residents and anyone across Australia experiencing a personal crisis.

The Frank Vickery Village has not undergone any major redevelopment since 1984 when a building program was approved to take place over a number of stages including Stage One for Bellingara Terraces, Stage Two (Grevillea Court), Stage Three (Garden Court) and Stage Four (Sylvania Terraces). A number of additional units (known as Acacia Court) and a Village auditorium was approved in 2000. It has now been more than 20 years since any major building works have occurred at the site and there is a need to invest in the site to ensure it meets modern expectations.

Currently, the subject site accommodates 69 residential aged care beds and 202 ILUs.

## **1.4 Proposed Redevelopment**

Wesley Mission are preparing a Planning Proposal that will guide the redevelopment of the Frank Vickery Village. The redevelopment will ensure the Village meets the modern needs of current and future residents, while continuing to provide the local and broader community with a range of support services including financial guidance, psychiatric support, 24/7 crisis support, family programs and mental health services.

Wesley Mission seek to continue to provide a sustainable community service and remain a housing provider through the opportunities presented on its Frank Vickery Village site. The proposed development uplift will provide for housing growth, diversity and affordability as well as for a continuation of the community services currently provided. Wesley Mission not only has the potential to address community needs for housing but to also generate essential revenue to reinvest in their service delivery.

To enable the redevelopment, Wesley Mission are proposing to rezone the land from its current R2 Low Density Residential zone to R4 High Density Residential zone that will support the greater intensity of uses proposed, along with a variety of other changes to the Sutherland Shire Local Environmental Plan 2015 associated with height provisions and floor space ratios (among other aspects).

The proposed redevelopment seeks to increase the number of residential aged care beds from 69 to 126, an increase of +57 beds; and increase the number of ILUs from 202 ILUs to 519 ILUs, an increase of +317 ILUs. An assessment of the demand for an increase in residential aged care and ILUs at the subject site is provided in the following chapters.

A summary of the proposed changes to the Frank Vickery Village is provided in Table 1.1.

**Table 1.1 Current and Proposed**

Metric	Existing Village	Proposed Village	Change
Independent Living Units	202 ILUs	519 ILUs	+317 ILUs
Aged Care Beds	69 beds	126 beds	+57 beds

Source: Wesley Mission

## 1.5 Suitability of the Subject Site for Redevelopment

Retirement village residents consider a variety of locational factors when choosing retirement accommodation, including proximity to retail and town centre services; availability of health, recreation and leisure facilities; access to public transport; the natural features of the locality; and proximity to families and friends.

The subject site is part of a well-established urban area which provides a range of facilities and services located nearby including retail/town centre services, health and entertainment/recreation facilities.

Suitability of the subject site as a location for an increased number of ILUs and residential aged care beds is discussed below:

- **Existing village.** There already is an existing village at the subject site which has been operational since 1948. The village has been close to full occupancy over this period, indicating strong demand to live within the local area.
- **Retailing and town centre services.** The subject site is in proximity to a number of regional and local centres, including:
  - South Gate Shopping Centre is located 1km to the north of the subject site is a local shopping centre that contains a Woolworths, Coles, Kmart, and a number of banking services.
  - Westfield Miranda is located 1.5 kms from the subject site and is a major regional shopping centre that includes a number of major retailers including Woolworths, Coles, ALDI, a number of bank branches, and a Big W. There is also extensive retail offerings around the shopping centre and a range of entertainment facilities are also provided including a cinema, and restaurants.
  - Sylvania local centre is a small local centre located 700 metres to the south west of the subject site. It contains an IGA Xpress, a butcher, a café, a bakery, a chemist and a takeaway shop.

- **Health facilities.** Multiple health centres (Sylvania Family medical centre, Good Samaritan Family Practice, CCA Specialist Medical Centre, Miranda Medical Centre, MyHealth Medical Centre, Urunga Medical Centre, and the Medical Centre) are located in proximity to the subject site. Existing hospitals in the area include Kareena Private Hospital and Sutherland Hospital (2km to the south east) and St George hospital (6 km to the north).
- **Recreational/leisure facilities:** Nearby recreation facilities include Sylvania Bowling Club (500 metres to the north-west), Tarent Point Bowling Club (1km to the east), Diggers Miranda RSL (1.7km to the south), Sharks League Club (4km south-east), and Sharks at Kareela Golf club (1.8km to the west).
- **Natural (or lifestyle) features.** The subject site is located within Sutherland Shire, in southern Sydney, known for its beaches, water views and outdoor facilities along the water, and national parks.
- **Public Transport.** There are a number of bus stops in proximity to the subject site that provide routes to Miranda interchange, Cronulla Station, and Hurstville Station. Miranda train station is located 1.9km to the south of the subject site.
- **Other factors influencing decisions on retirement village location:** Sutherland Shire has a slightly higher share of family households with children than Greater Sydney. The village provides an opportunity for grandparents to live close to their children's family and extended family.

Having regard for the above, existing and future residents at the Frank Vickery Village will have a relatively high level of accessibility to many features sought after by retirees including shopping, entertainment, health facilities and public transport.

## 2 Population and Demographic Analysis

This Chapter provides an analysis of the existing and forecast demographic and socio-economic characteristics of the local population, particularly as they relate to seniors living demand.

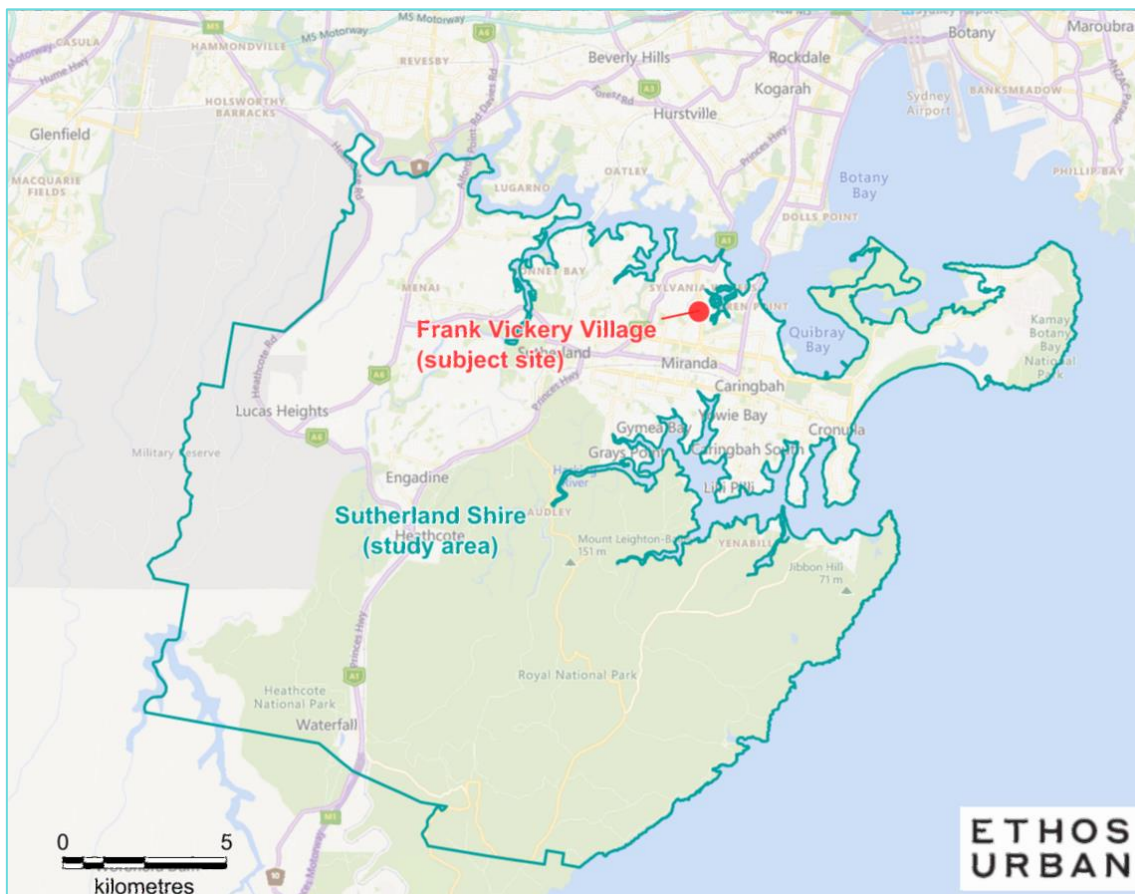
### 2.1 Study Area

Retirement village and age care residents typically seek retirement living and aged care accommodation within their own communities, and this is typically reflected in a high proportion of residents originating from within 10km.

Having regard for a desire to retire within the same community and the geographic features of the surrounding area including the Georges River to the north of the subject site and the Royal National Park to the south, it is reasonable to expect a large proportion of future residents at the Frank Vickery Village will originate from the Sutherland Shire.

On this basis, a study area has been identified for the purpose of assessing the demand and supply of independent retirement living and aged care accommodation which reflect the boundaries of Sutherland Shire and which is shown in in Figure 2.1.

**Figure 2.1 Study Area**



Source: Ethos Urban using MapInfo, Bingmap and StreetPro

## 2.2 Population and Demographic Characteristics of the Study Area

### Population Growth Trends

In 2019, approximately 230,180 persons lived in the study area (refer Table 2.1). Between 2011 and 2019, only moderate population growth had occurred, increasing by approximately 10,360 residents at an average of 0.6% per annum. This compares to an average of 1.8% per annum throughout Greater Sydney.

Population growth trends in the Sutherland Shire and the local areas (referred to as Statistical Area 2s) within Sutherland Shire are shown in Table 2.1.

The areas of Cronulla - Kurnell – Bundeena and Sutherland – Kirrawee experienced the largest population increases, increasing by +2,670 persons and +2,220 persons between 2011 and 2019, respectively. Sylvania - Taren Point, which contains the Frank Vickery Village, increased by approximately +1,300 persons of this period, representing annual growth of 1.0% per annum.

Sutherland Shire is largely an established urban area and provides limited opportunities for large scale greenfield residential development, particularly in the Sylvania – Taren Point area. Population growth in this locality is largely derived from urban intensification.

**Table 2.1 Study Area Population Trends, 2011 to 2019**

SA2s	2011	2019	Av. Annual Growth (2011 to 2019)	Total Growth (2011 to 2019)
<b>Study Area (Sutherland Shire)</b>	<b>220,250</b>	<b>230,610</b>	<b>0.6%</b>	<b>10,360</b>
<i>Greater Sydney</i>	<i>4,608,950</i>	<i>5,312,160</i>	<i>1.8%</i>	<i>703,210</i>
<b><u>SA2s with the Study Area</u></b>				
Gymea - Grays Point	17,480	18,360	0.6%	880
Miranda - Yowie Bay	18,430	19,430	0.7%	1,000
<b>Sylvania - Taren Point</b>	<b>15,890</b>	<b>17,190</b>	<b>1.0%</b>	<b>1,300</b>
Caringbah	11,450	12,880	1.5%	1,430
Caringbah South	12,150	12,870	0.7%	720
Cronulla - Kurnell - Bundeena	22,940	25,610	1.4%	2,670
Lilli Pilli - Port Hacking - Dolans Bay	3,220	3,270	0.2%	50
Woolaware - Burraneer	7,960	8,390	0.7%	430
Heathcote - Waterfall	6,680	6,730	0.1%	50
Illawong - Alford's Point	11,230	10,600	-0.7%	-630
Menai - Lucas Heights - Woronora	21,820	21,720	-0.1%	-100
Oyster Bay - Como - Jannali	21,480	22,200	0.4%	720
Royal National Park	20	30	5.2%	10
Sutherland - Kirrawee	20,160	22,380	1.3%	2,220
Engadine	17,230	17,500	0.2%	270
Loftus - Yarrawarrah	7,490	7,450	-0.1%	-40
Woronora Heights	4,010	3,570	-1.4%	-440

Source: ABS

### ***Demographic Characteristics***

Demographic characteristics of the total study area population are summarised in Table 2.2 and provide a general understanding of the characteristics of the broader population within the local area.

The key demographic characteristics of the study area population include:

- **Higher household incomes**, with the median household income 37.4% above the median for Greater Sydney.
- **Older demographic**, with 16.9% of the population aged 65 years or older, compared to 13.9% for Greater Sydney, and a median age of 39.6 years compared to 36.4 years.
- **Largely Anglo-Saxon born**, with 82.9% of residents being Australian born compared to 61.9% for Greater Sydney.
- **Lower density form of development**, with separate houses accounting for 64.0% of occupied households compared to 57.2% for Greater Sydney.
- **High level of home ownership**, with 77.7% of households either fully-owning their dwelling or purchasing their dwelling with a mortgage, compared to 64.2% for Greater Sydney.

**Table 2.2 Demographic Characteristics, 2016**

<b>Category</b>	<b>Study Area</b>	<b>Greater Sydney</b>
<b><u>Income</u></b>		
Median household income (annual)	\$104,190	\$92,200
Variation from Greater Sydney median	13.0%	-
% of Households earning \$2,500pw or more	37.4%	31.8%
<b><u>Age Structure</u></b>		
0-4 years	6.2%	6.4%
5-19 years	18.8%	18.2%
20-34 years	17.8%	23.1%
35-64 years	40.2%	38.3%
65-84 years	14.2%	12.0%
85 years and over	2.7%	2.0%
Median Age (years)	39.6	36.4
<b><u>Country of Birth</u></b>		
Australia	82.9%	61.9%
Other Major English Speaking Countries	7.2%	7.6%
Other Overseas Born	9.9%	30.5%
<b><u>Household Composition</u></b>		
Couple family with no children	25.6%	23.8%
Couple family with children	40.3%	37.5%
One parent family	10.1%	11.1%
Other families	0.7%	1.3%
Lone person household	21.0%	21.7%
Group households	2.2%	4.6%
<b><u>Dwelling Structure (Occupied Private Dwellings)</u></b>		
Separate house	64.0%	57.2%
Semi-detached, row or terrace house, townhouse etc.	13.7%	14.0%
Flat, unit or apartment	21.9%	28.2%
Other dwelling	0.4%	0.5%
Occupancy rate	93.6%	92.3%
Average household size	2.7	2.8
<b><u>Tenure Type (Occupied Private Dwellings)</u></b>		
Owned outright	38.1%	30.0%
Owned with a mortgage	39.6%	34.2%
Rented	21.7%	35.1%
<b><u>Monthly Mortgage Repayments (occupied private dwellings being purchased)</u></b>		
Median monthly mortgage repayment	2,490	2,240
Variation from Greater Sydney median	11.2%	-
<b><u>Weekly Rent</u></b>		
Median weekly rent	460	450
Variation from Greater Sydney median	2.2%	-

Source: ABS, Census of Population and Housing, 2016

## 2.3 Population Forecasts of the Older Population

Population forecasts for the study area population, including the older age cohort of 65 years plus are summarised in Table 2.3. Population forecasts have been prepared with reference to ABS data and official state government forecasts (NSW Population Projections 2019).

A total of approximately 40,910 persons aged 65 years or older reside in the study area in 2020, with this figure forecast to increase to approximately 58,140 persons over the next 16 years to 2036. This represents an average annual growth of 1,080 persons at an average of 2.2% per annum, well above the projected growth rate for the entire population of 0.5% per annum.

Over the 16-year period, the population aged 65 years and over is forecast to increase by a total of approximately +17,230 persons, accounting for 84% of total population growth of +20,540 persons.

Over the period 2020 to 2036, the share of persons aged 65 years and over is projected to increase from 17.6% in 2020 to 23.0% by 2036, illustrating a significant ageing of the study area population. These residents will seek a mix of both independent retirement living and aged care accommodation dependent upon their own circumstances and preferences.

Overall, the population of the study area is projected to become older, a trend that is consistent across Australia.

**Table 2.3 Forecast Population in the Study Area, 2016 to 2036**

	2016	2020	2026	2031	2036	2020 to 2036
<b>Total Population</b>	<b>226,460</b>	<b>232,210</b>	<b>242,790</b>	<b>251,100</b>	<b>252,750</b>	<b>20,540</b>
Av. Annual Growth		1,440	1,760	1,660	330	1,284
Average Annual Growth Rate		0.6%	0.9%	0.7%	0.1%	0.5%
<b>Persons aged 65+</b>	<b>37,140</b>	<b>40,910</b>	<b>47,950</b>	<b>53,540</b>	<b>58,140</b>	<b>17,230</b>
Share of total population	16.4%	17.6%	19.7%	21.3%	23.0%	
Av. Annual Growth		940	1,170	1,120	920	1,080
Average Annual Growth Rate		2.4%	4.0%	2.8%	2.1%	2.2%

Source: NSW 2019 Population Projections; ABS; Ethos Urban

## 2.4 Ethnicity of Older Study Area Residents

In 2016, the study area contained a very high proportion (85.6%) of older residents born in regions where there is a high propensity to live in retirement village accommodation, significantly above the average of 65.6% of older residents across Greater Sydney born in those same regions.

Analysis of ABS Census 2016 data shows that older persons born in North-west Europe have the highest propensity to live in retirement village accommodation (as defined in the ABS Census), with 7.1% of persons aged 65 years or over living in a retirement village. In 2016, 12.2% of older study area residents were born in North-western Europe, compared to 11.5% for greater Sydney.

The study area has a significantly higher share of older residents (72.5%) who were born in Oceania (largely Australian-born) compared to the average for greater Sydney (52.8%), who also have a high propensity to living in retirement village accommodation compared people born in other regions of the world.

Conversely, the study area has a low proportion of older residents born in regions where there is a comparably low share of residents living in retirement village accommodation such as South-East Asia, Southern and Eastern Europe, and North Africa and the Middle East.

A summary of the origin of birth for study area residents aged 65 years or over is shown in Table 2.4.

**Table 2.4: Origin of Birth of Study Area Residents Aged 65 Years and Over, 2016**

Location	% of Residents Aged 65+ in Retirement Village Accommodation	Study Area	Greater Sydney
<b>Region</b>			
North-West Europe	7.1%	12.2%	11.5%
Oceania and Antarctica	5.6%	72.5%	52.8%
Sub-Saharan Africa	5.2%	0.9%	1.3%
<b>Sub-total</b>	<b>na</b>	<b>85.6%</b>	<b>65.6%</b>
Americas	3.0%	1.2%	2.0%
Southern and Central Asia	2.5%	0.6%	2.2%
South-East Asia	1.3%	1.4%	5.0%
North Africa and the Middle East	1.0%	1.9%	4.9%
North-East Asia	1.0%	1.7%	6.1%
Southern and Eastern Europe	1.2%	7.6%	14.2%
<b>Sub-total</b>	<b>na</b>	<b>14.4%</b>	<b>34.4%</b>
<b>Total</b>	<b>5.0%</b>	<b>100.0%</b>	<b>100.0%</b>

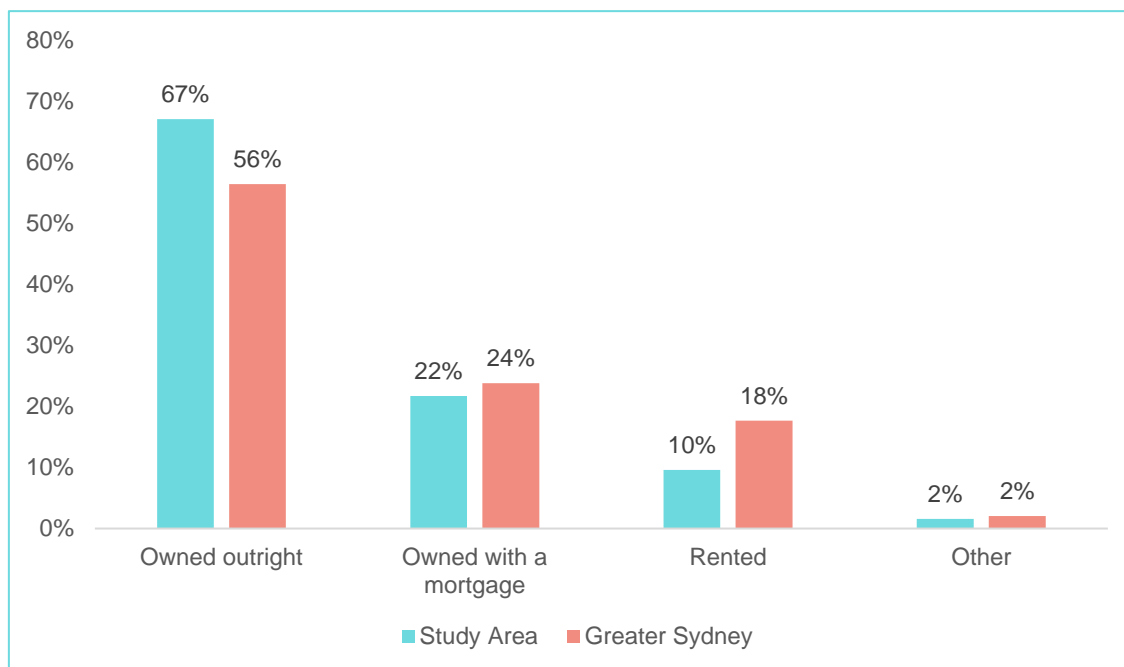
Source: ABS, Census of Population and Housing, 2016

## 2.5 Home Ownership of Older Catchment Residents

Equity held in the home is typically the main source of funds when moving into a retirement village. Therefore, understanding the home-ownership profile of older residents provides an indication of the ability of study area residents to afford the purchase of a retirement village unit.

The home-ownership profile of study area residents aged 55 years or over in 2016 indicates that these residents have high levels of home ownership compared to residents aged 55 years or over in Greater Sydney, with 67.1% of residents owning their own home outright, compared to 56.4% in Greater Sydney.

A summary of the home-ownership profile of older study area residents in 2016 is shown in Figure 2.2.

**Figure 2.2: Home Ownership of Residents Aged 55 Years or Over, 2016**

Source: ABS, Census of Population and Housing, 2016

## 2.6 Trends in House Prices

As indicated earlier, the sale of the home is typically the main source of funds when looking to move into a retirement village. Therefore, a review of local housing values is an important indicator of potential retirement village demand and price points.

In general terms, little variance exists in the median house price in suburbs throughout the study area with the 2019/20 financial year median house price ranging from a low of \$1,110,000 in Kirrawee to \$1,350,000 in Sylvania. In the same financial year, the study area recorded a median price of \$1,230,000, which is well above the median for Greater Sydney at \$930,000.

Over the 10 years to 2019/20, median house prices in suburbs across the study area increased by between 5.6% and 7.4% per annum. Price growth across the suburbs has been fairly uniform, with annual price growth declining in recent years before a return to growth in 2019/20.

While median house price growth occurred in 2019/20 throughout the study area, house price growth throughout the study area is likely to be somewhat limited over the next year or so due to the impact of the Covid-19 pandemic on housing markets.

Recent trends in median house prices in the study area are shown in Table 2.5.

**Table 2.5 Recent Trends in House Price Growth, Selected Suburbs, 2005/6 to 2019/20**

	<b>Sutherland Shire</b>	<b>Sylvania</b>	<b>Miranda</b>	<b>Caringbah</b>	<b>Sutherland</b>	<b>Kirrawee</b>
FY 2005/06	\$586,000	\$647,500	\$547,475	\$570,000	\$492,500	\$542,500
FY 2006/07	\$600,000	\$630,000	\$539,500	\$585,000	\$515,000	\$550,000
FY 2007/08	\$625,000	\$663,000	\$603,750	\$626,000	\$507,500	\$555,000
FY 2008/09	\$600,750	\$660,000	\$570,000	\$615,000	\$495,000	\$559,500
FY 2009/10	\$701,000	\$765,000	\$645,000	\$659,000	\$580,000	\$627,000
FY 2010/11	\$740,000	\$758,000	\$710,000	\$710,000	\$625,000	\$665,000
FY 2011/12	\$737,500	\$788,000	\$710,000	\$745,000	\$630,000	\$657,500
FY 2012/13	\$770,000	\$800,000	\$740,500	\$762,500	\$644,000	\$685,000
FY 2013/14	\$862,000	\$885,000	\$858,000	\$880,000	\$758,750	\$788,000
FY 2014/15	\$1,000,000	\$1,120,000	\$975,000	\$1,020,000	\$912,000	\$918,250
FY 2015/16	\$1,160,000	\$1,193,000	\$1,226,025	\$1,250,000	\$1,088,250	\$1,074,250
FY 2016/17	\$1,300,000	\$1,355,000	\$1,382,000	\$1,420,000	\$1,191,000	\$1,210,000
FY 2017/18	\$1,300,000	\$1,391,500	\$1,330,000	\$1,395,000	\$1,255,000	\$1,220,000
FY 2018/19	\$1,130,000	\$1,145,000	\$1,130,000	\$1,200,000	\$1,082,350	\$1,023,650
FY 2019/20	\$1,230,000	\$1,350,000	\$1,235,000	\$1,262,500	\$1,143,750	\$1,110,000
<b>10yr AAGR</b>	<b>5.8%</b>	<b>5.8%</b>	<b>6.7%</b>	<b>6.7%</b>	<b>7.0%</b>	<b>5.9%</b>
<b>10yr Price Change</b>	<b>+\$529,000</b>	<b>+\$585,000</b>	<b>+\$590,000</b>	<b>+\$603,500</b>	<b>+\$563,750</b>	<b>+\$483,000</b>

Source: Pricerfinder (2020); Ethos Urban

Notes: other suburbs showed Sutherland Shire have similar price levels and 10 year average annual growth rates indicating a relatively uniform housing market across the LGA.

### 3 Retirement Village Assessment

This Chapter provides a market assessment for independent retirement living units (ILUs) at the subject site.

#### 3.1 Retirement Village Supply in the Study Area

Eighteen retirement villages are located within the study area providing a total of approximately 1,450 ILUs. The majority (89%) are operated by not-for-profit organisations and with only two villages being resident funded.

Frank Vickery Village is currently the second largest village in the study area with 202 ILUs behind on the recently expanded Anglicare Woollooware Shores village in Sutherland which has 410 ILUs. The proposed renewal of Frank Vickery Village to 529 ILUs will make it the largest retirement village in Sutherland Shire.

HammondGrove is the closest village and located to the south-west of the subject site on Bellingara Road and comprises 123 ILUs along with aged care facilities. This retirement village been undergoing redevelopment in recent years, and now provides a local example of high-density retirement living units (refer Section 3.5).

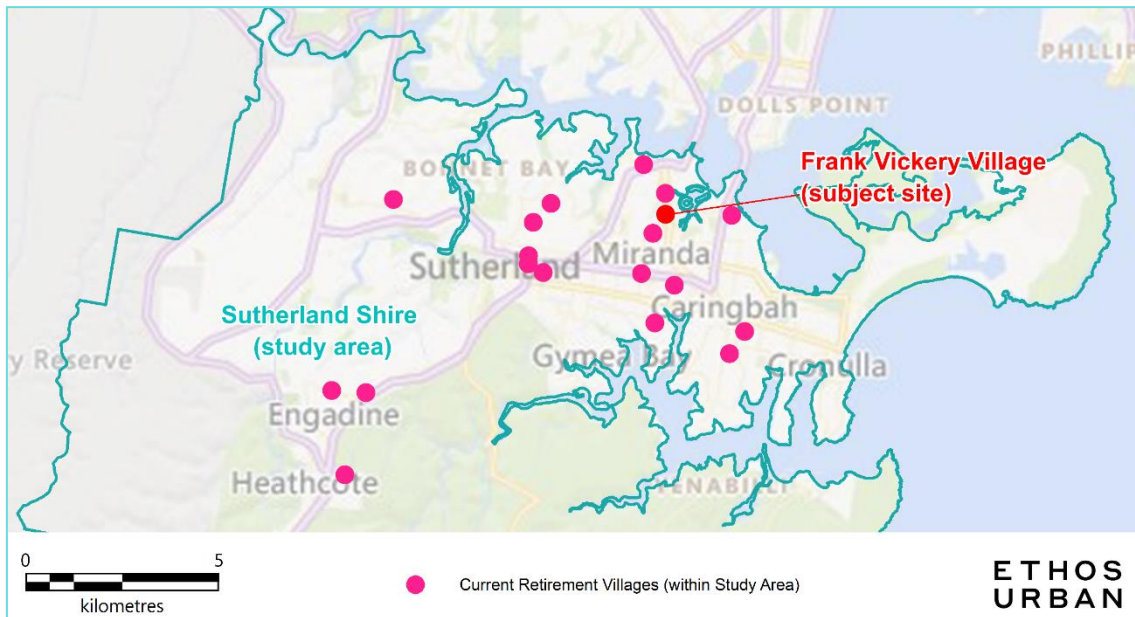
A summary of retirement villages within the study area is provided in Table 3.1, while Figure 3.1 shows their location along with other key competing villages located beyond the study area.

**Table 3.1: Retirement Village Supply in the Study Area, 2020**

<b>Retirement Village</b>	<b>Location</b>	<b>Operator</b>	<b>Not-for-profit/ resident funded</b>	<b>No. of Existing Units</b>
Ardency Aroona	Yowie Bay	Lend Lease	Resident funded	86
Bupa Acacia Gardens Sutherland	Sutherland	Bupa	Resident funded	82
Craiglea Retirement Village	Engadine	The Stewards Foundation of Christian Brethren	Not for profit	15
Donald Robinson Village	Kirrawee	Anglicare	Not for profit	120
Fatima Court	Caringbah	Southern Cross Care	Not for profit	12
Frank Vickery Village	Sylvania	Wesley Mission	Not for profit	202
Hammond Grove Miranda	Miranda	Hammondcare	Not for profit	123
Hellenic Village	Miranda	St Basil's Homes	Not for profit	40
Juliana Retirement Village	Miranda	Juliana Retirement Village	Not for profit	54
Lithuanian Village	Engadine	Sydney Lithuanian Women's Social Services Association	Not for profit	17
Our Lady of the Way Retirement Court	Sylvania	Catholic Church	Not for profit	16
St Vincent's Care Services Heathcote	Heathcote	Catholic Archdiocese of Sydney	Not for profit	166
Thomas Dunlea Court	Kirrawee	Southern Cross Care	Not for profit	10
Thomas Holt - Kirrawee	Kirrawee	Thomas Holt Memorial Village Ltd	Not for profit	62
Thomas Holt - Stafford Court	Jannali	Thomas Holt Memorial Village Ltd	Not for profit	15
Thomas Holt Memorial Village - Sutherland	Sutherland	Thomas Holt Memorial Village Ltd	Not for profit	7
Warena Village	Bangor	Baptist Community Services	Not for profit	10
Woollooware Shores	Sutherland	Anglicare	Not for profit	410
<b>Total</b>				<b>1,447</b>

Source: Ethos Urban

**Figure 3.1 Retirement Village Supply and Competition**



Source: Ethos Urban using Mapinfo and BingMaps

### 3.2 Indicative Future Pipeline

A review of Sutherland Shire Council's Development Application Tracker and Cordell Connect database indicate that no other active proposals for retirement villages in Sutherland Shire currently exist.

### 3.3 Existing Retirement Village Market Penetration in the Study Area

The existing market penetration of retirement villages in the study area is considered to be broadly in-line, if not slightly below, the national average.

An estimated 5.0% of persons aged 65 years or over in the study area currently live in retirement village accommodation (see Table 3.2), which is slightly below the national average of approximately 6%.

Market penetration measures the share of residents who are 65 years and over that live in a retirement village, as such, as the market penetration rate reflects the current provision of independent retirement living within an area.

As indicated earlier in Chapter 2, the demographic profile of the study area is conducive to a high market penetration with an ethnic profile which typically views retirement village accommodation favourably. Indeed, the demographic profile of the study area compares very favourably against other local government areas within Greater Sydney. In addition, competing retirement villages located just beyond the study area (refer Chapter 3) are likely to have attracted prospective retirement village residents from within the study area. Taken together, potential exists for the study area to accommodate a higher market penetration rate in the future.

Table 3.2 summarises the current estimated market penetration of retirement villages in the study area.

**Table 3.2: Retirement Village Market Penetration, 2020**

<b>Category</b>	<b>2020</b>
Study area population aged 65+ years	40,910
Retirement village supply (ILUs)	1,450
Estimate persons living in retirement village (@ 1.4 persons/ILU)	2,030
<b>Estimated market penetration</b>	<b>5.0%</b>

Source: Ethos Urban

Note: figures are rounded

### 3.4 Forecast Demand for Retirement Living in the Study Area

In general terms, the existing market penetration in the study area is considered to be broadly in-line, if not slightly below, national benchmarks.

Assuming this market penetration remains constant, demand for an additional +440 ILUs are forecast for the period up to 2031. This is driven by the aging population of the study area, as the number of residents aged 65 years and over increases by more than 12,600 persons over this period.

However, in view of the potential for an increase in the market penetration, a higher level of demand is considered likely. Assuming the market penetration increases to 6%, which is considered highly achievable providing an appropriate supply of quality retirement living accommodation is provided, this would result in demand for an additional +840 ILUs over the 2020 to 2031 period.

The higher level of demand in the latter scenario, reflects the situation where latent (or pent-up) demand exists whereby older residents in the study area have chosen to remain in their existing homes due to the lack of appropriate local retirement village options. A renewal of independent retirement living at Frank Vickery Village which provides high-quality modern accommodation will provide an opportunity for these residents to move into a retirement village and remain in their own community.

The development of a modern retirement village is therefore expected to contribute to realising unmet existing demand and a higher market penetration over time. Furthermore, it is consistent with other high-density developments in the area, such as the Hammondcare village to the south.

An overview of the analysis of forecast demand for ILUs for both the low scenario where the market penetration remains constant, and the high scenario where the market penetration increases slightly to 6.0% by 2026 is shown in Table 3.3.

The analysis illustrates sufficient demand exists to accommodate a renewal of independent retirement living at Frank Vickery Village comprising an additional 317 ILUs.

**Table 3.3: Forecast Demand for Retirement Village Units, 2020-2031**

Category	2020	2026	2031	Change, 2019-2031
<b><u>Low Scenario (constant market penetration)</u></b>				
Market penetration	5.0%	5.0%	5.0%	-
Study area population aged 65+ years	40,910	47,950	53,540	+12,630
Forecast persons in retirement living units	2,030	2,370	2,650	+620
<b>Forecast demand for retirement living units</b>	<b>1,450</b>	<b>1,690</b>	<b>1,890</b>	<b>+440</b>
<b><u>High Scenario (increased market penetration)</u></b>				
Market penetration	5.0%	6.0%	6.0%	+1 ppt
Study area population aged 65+ years	40,910	47,950	53,540	+12,630
Forecast persons in retirement living units	2,030	2,880	3,210	+1,180
<b>Forecast demand for retirement living units</b>	<b>1,450</b>	<b>2,060</b>	<b>2,290</b>	<b>+840</b>

Source: Ethos Urban

### 3.5 Examples of High-density Seniors Living Projects

A trend towards high-density senior living, or vertical villages, is underway in Australia's major cities. This trend is driven by a range of factors including the following:

- Continued ageing of the population
- A reduction in the number of greenfield sites available for large-scale single storey retirement village development
- A desire for residents to remain in their communities as they retire
- An increased acceptance of higher-density or apartment living by society in general but also older people.

Information contained in the *Property Council Retirement Village Survey 2019* indicated that 48% of villages under-construction at the time had some form of higher-density development and this compared to only 18% in 2018. The planned redevelopment of Frank Vickery Village is in-line with modern industry trends.

A number of examples of higher-density retirement village developments, including examples in Sutherland Shire, are provided on the following pages.

**HammondCare Miranda**

**Table 3.4     Hammond Grove/Hammondcare Miranda**

Facility name	Hammond Grove/HammondCare
Suburb	Miranda
Status	Under construction/partially complete
Number of ILUs	123
Number of residential places	92
Onsite facilities	Wellness centre with swimming pool, gym, and hair and beauty salon, library, lounge, café, 24 hour emergency call system,
Notes	Final stage (stage 5) of extension currently under construction will include aged care facility

Source: Ethos Urban Research



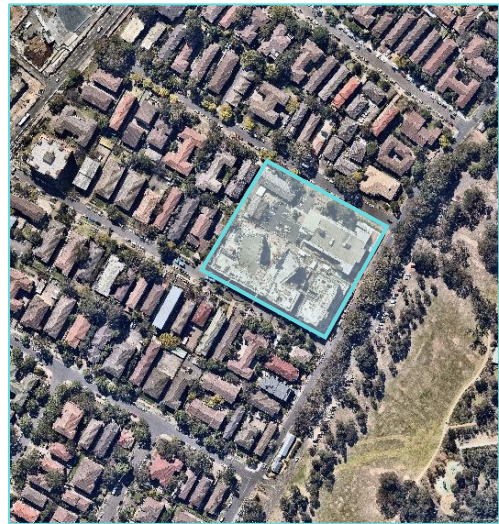
Source: NearMaps

Uniting Care Westmead

Table 3.5     Uniting Care Westmead

Facility name	Uniting Care Westmead
Suburb	Westmead
Status	Under construction (estimated to be completed late 2020)
Number of ILUs	217
Number of residential care places	114
Onsite facilities	Consulting rooms for health professionals, centre for healthy ageing, club room, library and café.
Notes	Residents move in Sept 2020

Source:    Ethos Urban Research



Source: NearMaps, Uniting Care



**Aveo Bella Vista**

**Table 3.6 Aveo Bella Vista**

Facility name	Aveo Bella Vista
Suburb	Bella Vista
Status	Construction ongoing (Staged over the next 5 to 6 years)
Number of ILUs	446
Number of residential care places	144
Onsite facilities	Resident bistro and bar, health and wellness suite including physiotherapy and remedial massage
Notes	First stage (64 villas) completed

Source: Ethos Urban Research



Source: NearMaps, Aveo

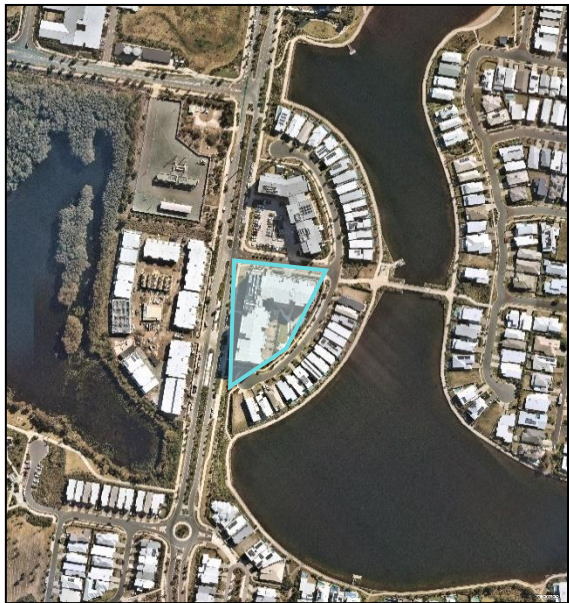


Shine Birtinya (Stockland)

Table 3.7 Shine Birtinya

Facility name	Shine Birtinya
Suburb	Birtinya
Status	Completed
Number of ILUs	140
Number of residential places	-
Onsite facilities	Wellness centre, medical consulting room, resident bar
Notes	-

Source: Ethos Urban Research



Source: NearMaps, Stockland



## 4 Aged Care Supply and Demand Analysis

The proposal involves an expansion of 57 residential aged care beds at the Frank Vickery Village. This Chapter identifies the opportunity for an increased amount of residential aged care at the subject site having regard for the forecast of demand for residential aged care, and an assessment of the current supply in the region.

### 4.1 Aged Care Supply in the Study Area

According to Department of Health information (2020) and a review of residential aged care development in the study area over the past year, a total of 26 RACFs are located in the study area. In total, these RACFs comprise approximately 2,630 government-funded residential aged care places.

An overview of these facilities is provided in Table 4.1, while Figure 4.1 shows the location of each facility. In addition to aged care facilities in the study area, a number of facilities are also located just beyond the study area boundary.

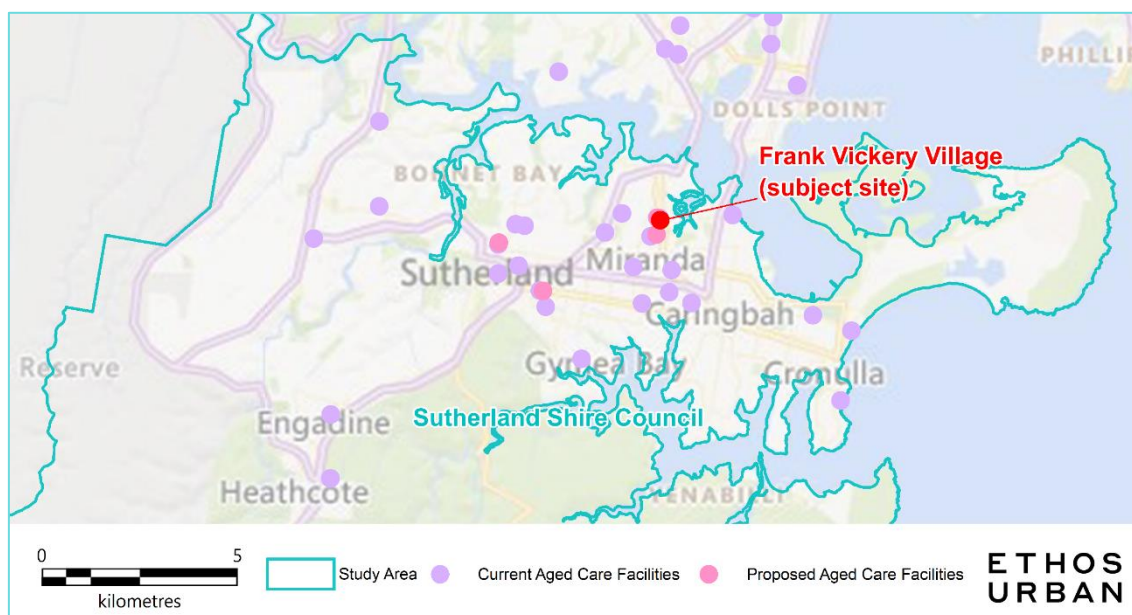
Successive Commonwealth Governments have been working towards providing 78 residential aged care beds per 1,000 persons aged 70 years or over. In 2020, an estimated 29,300 persons in the study area are aged 70 years or over – this estimate is based on a combination of ABS data and DPIE population projections.

On this basis, the 2,630 residential aged care beds in the study area represents a provision of 90 residential aged care beds per 1,000 study area residents aged 70 years or over. This would indicate the current supply of residential aged care in the study is sufficient.

**Table 4.1: Residential Aged Care Supply in the Study Area, 2020**

<b>Aged Care Facility</b>	<b>Location</b>	<b>Provider</b>	<b>Residential places</b>
Advantaged Care at Barden Lodge	BARDEN RIDGE	Advantaged Care Pty Ltd	62
Alkira Gardens	MIRANDA	The Sisters of Our Lady of China Health Care Pty Ltd	90
BaptistCare Warena Centre	BANGOR	BaptistCare NSW & ACT	130
Bupa Sutherland	SUTHERLAND	Bupa Aged Care Australia Pty Ltd	144
Carino Care at Sylvania	SYLVANIA	Carino Care Pty Ltd	70
Catholic Healthcare Percy Miles Villa	KIRRAWEE	Catholic Healthcare Limited	40
Cronulla Seaside Aged Care	CRONULLA	Pathways Aged Care Pty Limited	40
Goodhew Gardens	TAREN POINT	Anglican Community Services	123
GyMEA Bay Aged Care	GYMEA BAY	Apex Software Pty Limited	59
HammondCare - Miranda	MIRANDA	HammondCare	92
Heritage Care Illawong	ILLAWONG	Heritage Care Pty Ltd	68
IBIS Care Miranda	MIRANDA	IBIS (No 2) Pty Ltd	76
Juliana Village	MIRANDA	Juliana Village Association Ltd	73
Lark Ellen Aged Care	SUTHERLAND	Apex Software Pty Limited	62
Mildred Symons House	JANNALI	Anglican Community Services	127
Miranda Aged Care Facility	MIRANDA	Doherty & Associates Pty Ltd	80
Moran Engadine	ENGADINE	Moran Australia (Residential Aged Care) Pty Limited	156
Moran Sylvania	SYLVANIA	Moran (Sylvania) Care Pty Ltd	181
Pathways Cronulla Pines	CRONULLA	Pathways Aged Care Pty Limited	169
Southern Cross Care Nagle Residential Aged Care	SUTHERLAND	Southern Cross Care (NSW & ACT) Limited	40
St Basil's Miranda	MIRANDA	St Basil's Homes	101
St Vincent's Care Services Heathcote	HEATHCOTE	St Vincent's Care	213
Stella Maris Aged Care Facility	CRONULLA	Stella Maris Aged Care Facility	75
The Palms Nursing Home	KIRRAWEE	Palms Aged Living Management Services Pty Ltd	72
Thomas Holt Kirrawee	KIRRAWEE	Illawarra Retirement Trust	218
Wesley Vickery	SYLVANIA	Wesley Community Services Limited	69
<b>Total</b>			<b>2,630</b>

Source: Department of Health (30 June 2019); individual aged care facility websites; Ethos Urban

**Figure 4.1 Aged Care Supply and Future Pipeline, 2020**

Source: Department of Health (30 June 2019); Ethos Urban using MapInfo, Bingmap and StreetPro

## 4.2 Future Residential Aged Care Pipeline

A review of the CordellConnect database and individual aged care operator websites, indicates a potential pipeline of almost an additional 200 residential aged care beds. This includes the proposed expansion of 57 beds at the Frank Vickery Village, an additional 60 beds at Hammondcare in Miranda, 77 beds at Lark Ellen Aged Care in Sutherland and an additional 4 beds at The Palms Nursing Home in Kirrawee.

**Table 4.2: Indicative Aged Care Pipeline, 2020 to 2031**

Aged Care Facility	Location	Provider	Proposed Residential Places
Frank Vickery Village	SYLVANIA	Wesley Community Services Limited	57
HammondCare - Miranda	MIRANDA	HammondCare	60
Lark Ellen Aged Care	SUTHERLAND	Apex Software Pty Limited	77
The Palms Nursing Home	KIRRAWEE	Palms Aged Living Management Services Pty Ltd	4
<b>Total</b>			<b>198</b>

Source: Cordell; individual aged care facility websites

## 4.3 Forecast Aged Care Demand

While the current provision of residential aged care beds of 90 beds per 1,000 residents aged 70 years or over is above national planning benchmarks, significant population growth in the older age cohort of 70 plus years is forecast over the coming decades which will contribute to the need for additional residential aged care beds.

The population in the study area aged 70 years or over is forecast to increase from 29,300 persons in 2020 to approximately 40,460 persons in 2031, growth of +11,160 persons. Assuming the national planning benchmark of 78 residential aged care beds remains, demand for a total of 3,160 aged care beds in the study area will eventuate by 2031.

Having regard for the potential future pipeline of 198 aged care beds in the study area (refer Section 4.2), including the proposed 57 bed expansion of Frank Vickery Village, there will still be demand for an additional 330 beds in 2031 over and above the planned pipeline.

On this basis, sufficient demand for the proposed expansion of residential aged care at Frank Vickery Village exists. Indeed, it is likely the study area will require additional RACFs in order to meet forecast demand.

Table 5.2 summarises the forecast demand for residential aged care in the study area.

**Table 5.2: Forecast Demand for Residential Aged Care in the Study Area, 2020-2031**

<b>Category</b>	<b>2020</b>	<b>2031</b>
Population aged 70 years and above	29,300	40,460
Aged care residential beds per 1,000 persons aged 70 years plus (national planning benchmark)	78	78
Forecast demand	2,290	3,160
Supply of residential aged care beds (includes future pipeline)	2,630	2,828
<b>Demand for additional aged care beds</b>	<b>-340</b>	<b>+330</b>

Source: Department of Health (2020); DPIE; Ethos Urban

## 5 Economic Impacts

This Section provides an overview of the potential economic impacts and implications of the proposed redevelopment at the subject site.

### 5.1 COVID-19 Economic Implications

The COVID-19 pandemic and associated economy wide shutdowns and social distancing measures have had a significant impact on global markets and, for the moment, have transformed the way we work, travel and interact.

The proactive response of Federal and State Governments has resulted in Australia, so far, avoiding the calamitous health and economic impacts observed in some other developed nations, but Australia's economy is now in recession – the first in 30-odd years – and job losses are likely to increase as government support schemes such as Job Seeker and Job Keeper are inevitably wound back.

While economic implications of this uncertainty are wide-reaching, two impacts are of most relevance to the proposed development:

- **A looming slow-down in construction activity**, as residential and office markets enter a down-turn phase precipitated by migration restrictions, social distancing measures and a broader recessionary environment. This slow-down is expected to result in job losses in the construction sector, a key sector for employment creation throughout Australia across the last 25-odd years.
- **Heightened trading pressures on 'bricks and mortar' retailers and services**, due to the impacts of the recessionary environment, social distancing and pandemic related online shopping trends are becoming entrenched. For Sutherland Shire, it is conceivable that these pressures will translate to an increase in vacancies in both strip and internal shopping centres in Sutherland Shire, in centres such as at Miranda, Sutherland and South Gate, as well as smaller local centres.

According to .id's Covid-19 outlook tool, which draws on forecast modelling work developed by NIEIR, Sutherland Shire is estimated to experience a decline of -2.2% in Gross Regional Product in the September quarter 2020, which is lower than the state average.

Furthermore, local jobs are estimated to fall by -4.4% (-3,630 local jobs). The economic outlook going forward is likely to remain subdued for the next year or so, in consequence, weak or negative growth in Gross Regional Product is likely to continue and be accompanied by further job losses and weak jobs growth.

In this context, the proposed redevelopment, if approved, would support local construction jobs during its development phase (refer Section 5.3), and an increase in ongoing employment (refer Section 5.4). Moreover, the level of expenditure (retail) available to existing retailers in the study area would increase upon the project's completion (refer Section 5.5), in particular in nearby local centres and centres such as at Miranda and South Gate. Combined, these factors will directly assist in supporting the local Sutherland Shire economy and its resilience in the face of the current pandemic.

### 5.2 Construction-related Investment and Employment

The proposed redevelopment will represent a significant investment in the local economy; the expansion of 317 ILUs and 57 residential aged care beds will require an investment in the millions of dollars. This investment will be important in the context of providing local employment opportunities in the construction sector.

Jobs supported by the investment in the proposed development will accrue through direct and indirect employment generated during the construction phase.

Based on industry benchmarks and the consultant's experience, one direct construction jobs is supported for every \$450,000 in construction-related investment.

In addition, indirect jobs will also be supported throughout the local, regional, State and national economies, and in a wide range of industries which represent the complex linkages between industries that supply the construction sector. Indirect jobs are also supported through the spending of employee wages.

### 5.3 Ongoing Employment

#### *Direct Employment – Retirement Village*

Once operational the proposed retirement village at Frank Vickery Village will accommodate a total of 41 jobs, with the 13 being permanent jobs (either full-time or part-time) and 28 casual/part-time jobs. Compared to the current number of jobs, this represents a net increase of +8 permanent staff and +6 casual/part time jobs. Aside from the net increase in jobs, there is a shift towards more permanent jobs and away from casual/part time jobs.

The majority of these jobs are in health services, which accounts 27 jobs. Both administration and management, and maintenance will have seven jobs each. Administration and management will include jobs such as admin, sales and guest relations, and village manager, with the majority being permanent.

Aside from on-site jobs, the redeveloped village will provide job opportunities for outside consultants, allied health and retail. This includes chef, hairdresser, podiatrist, general practitioner, massage therapist and pharmacist. In total 12 such jobs will be made available in the redeveloped village compared to 10 at the current village.

The employment analysis in Table 5.1 highlights the potential job opportunities.

**Table 5.1 Comparison of Potential Employment Outcomes – Retirement Village**

	Current Village			Renewed Village			Net Change		
	Permanent staff <sup>a</sup>	Casual/Part time	Total	Permanent staff <sup>a</sup>	Casual/Part time	Total	Permanent staff <sup>a</sup>	Casual/Part time	Total
Administration and management	3	2	5	7	0	7	4	-2	+2
Health services	1	13	14	1	26	27	0	13	+13
Maintenance	1	7	8	5	2	7	4	-5	-1
<b>Total</b>	<b>5</b>	<b>22</b>	<b>27</b>	<b>13</b>	<b>28</b>	<b>41</b>	<b>8</b>	<b>6</b>	<b>+14</b>

Source: Wesley Mission; Midson

Notes: a. permanent staff can either be full-time or part-time

#### *Direct Employment – Residential Aged Care*

The proposed expansion of the aged care facility will directly employ 152 persons on an ongoing basis, including full-time, part-time and casual positions. These jobs will comprise both 'direct care' and 'non-direct care' positions.

Of these jobs, 100 jobs will be involved in 'direct care' occupations which include personal care attendants, registered nurses, enrolled nurses, personal care professionals. These include full-time, part-time and casual positions.

The balance of the 52 jobs will be involved in 'non-direct care' which largely includes ancillary care occupations such as cleaning rooms, providing meals and other services that support the personal care provided by direct care staff, and employees who have responsibility for ensuring that the buildings, property and gardens are maintained.

These employment estimates are based on information provided by Midson and benchmarks derived from the *National Aged Care Workforce Census and Survey, 2016* prepared by the National Institute of Labour Studies for the Department of Health and other industry research.

### **Direct Employment – Total**

Table 5.2 summarises the estimated direct employment associated with the proposed retirement living and aged care facility, and shows that the proposed redevelopment will increase direct employment on site by approximately +90 jobs.

**Table 5.2 Estimated Direct Ongoing Employment – Residential Aged Care**

Type of Job	Current Jobs	Proposed Jobs	Change
Aged Care	79	152	+73
Retirement living	27	41	+14
<b>Total employment</b>	<b>106</b>	<b>193</b>	<b>+87</b>

Source: Midson, Department of Health - National Aged Care Workforce Census and Survey, 2016; Ethos Urban

Additional employment would also be generated by any of the potential complementary uses such as visiting health consultant suites and community facilities, with 23 jobs expected to be made available.

Separately, there are currently four jobs on site associated with the Lifeline service.

### **Indirect Employment**

In addition to ongoing direct employment, indirect or 'flow-on' employment benefits would be generated for the wider economy. According to Australian National Accounts information, the employment multiplier for the health services sector is 1.9. Thus, for every 10 health-service jobs directly created, another nine are indirectly created in the wider economy through the multiplier effect.

On this basis, an estimated 170 indirect jobs would be created in the local and wider economy upon completion of the proposed redevelopment. This compared to approximately 100 indirect jobs currently supported by activities at the Frank Vickery Village. These jobs would be supported throughout the wider economy as a result of the employment multiplier effect and the complex linkages between industries that supply the aged care industry.

In total, the proposed redevelopment of the Frank Vickery Village would generate approximately 370 ongoing direct and indirect jobs, an increase of +170 currently supported by the site. *Note: figures account for rounding.*

**Table 5.3 Direct and Indirect Employment**

Type of Job	Current Jobs	Proposed Jobs	Change
Direct jobs	106	193	+87
Indirect jobs	95	174	+79
<b>Total jobs</b>	<b>201</b>	<b>367</b>	<b>+166</b>
	<b>Rounded: 200</b>	<b>Rounded: 370</b>	<b>Rounded: +170</b>

Source: Midson, Department of Health - National Aged Care Workforce Census and Survey, 2016; Ethos Urban

## 5.4 Support for Local Businesses

The proposed redevelopment will add an additional 317 retirement living units, to provide a total of 519 independent living units, and will support a total population of approximately 660 persons (excludes aged care residents). Currently, 220 residents reside in independent retirement living on the site, therefore, the proposed development will add an additional +440 persons to the site (excluding those living in aged care).

The spending of these residents supports local businesses, as retiree-populations are important for many small businesses providing a source of customer revenue throughout business-hours on a year-round basis.

Study area residents have an average total retail spending of approximately \$15,660 per capita based on MarketInfo data. Retail spending of additional residents living at the subject site will amount to approximately \$6.9 million a year on this basis. A large proportion of this spending will be directed to local retailers in the study area. Assuming 80% of retail spending is retained within the study area, this equates to approximately \$5.6 million of additional sales at local retailers.

Based on industry benchmarks, one full-time retail job is created for every \$175,000 in retail spending, therefore, the total retail spending by additional residents at the subject site would support approximately 30 retail jobs, many of which would be provided locally.

Retail spending accounts for approximately 35% of total household spending; therefore, the additional population at the subject site would contribute to an increase in total household spending of approximately \$19.7 million a year. A proportion of this total household spending would be directed to local businesses within the study area including businesses/operators associated with travel, health, insurance, financial advice etc.

Retail spending and total household spending estimates are based on analysis of the MarketInfo retail spending model and the ABS Household Expenditure Survey figures outlined above are expressed in constant 2019/20 dollars.

## 6 Conclusion

Wesley Mission are preparing a Planning Proposal which will guide the future redevelopment of the Frank Vickery Village, an integrated seniors' living development containing independent living and residential aged care. The proposed redevelopment will involve a renewal comprising an additional 317 ILUs and 57 residential aged care beds.

Having regard for the detailed analysis presented in this report, sufficient demand exists in the study area, defined as Sutherland Shire, to accommodate the proposed expansion of facilities. Demand for independent retirement living and residential aged care will be driven by a significant ageing of the study area population. Over the 16 year period from 2020 to 2036, the population aged 65 years and over in the study area is forecast to increase by a total of approximately +17,230 persons, accounting for 84% of total population growth of +20,540 persons.

In regard to the independent retirement living component of the proposal, approximately 5% of persons aged 65 years or over in the study area currently live in retirement village accommodation. This is below current estimates for Australia of around 6%. Assuming this share remains at 5%, demand for an additional +440 ILUs is forecast for the period up to 2031. However, in view of the potential for an increase in the market penetration, a higher level of demand is considered likely. Assuming the market penetration increases to 6%, which is considered highly achievable providing an appropriate supply of quality retirement living accommodation is provided, this would result in demand for an additional +840 ILUs over the 2020 to 2031 period.

In regard to residential aged care, the study area currently has a sufficient supply of residential aged care beds, with a provision of 90 beds per 1,000 persons aged 70 years or over. The national planning benchmark for residential aged care is 78 beds per 1,000 persons aged 70 years or over. However, strong growth in the older population in the study area will generate demand for aged care beds over and above that which is currently proposed. Having regard for the potential future pipeline of 198 aged care beds in the study area, including the proposed 57 bed expansion of Frank Vickery Village, there will still be demand for an additional 330 beds in 2031 over and above the planned pipeline.

***On the basis of the above, sufficient demand for the proposed expansion of independent retirement living and residential aged care at Frank Vickery Village exists. Indeed, it is likely the study area will require additional retirement villages and RACFs in order to meet forecast demand.***

In addition to meeting forecast demand for retirement living and residential aged care, the proposed renewal will also generate significant economic benefits in a time when growth in local employment opportunities and economic stimulus is required. For example, the proposed redevelopment will:

- Support a number of direct construction-related jobs and indirect jobs associated with construction activities.
- Support existing employment on the site and generate an approximately an additional 90 direct jobs and 80 indirect jobs in the wider economy.
- Support local businesses, including potential to contribute approximately \$5.6m to local retail sales.
- Provide additional revenue generating opportunities that will enable Wesley Mission to continue to provide the range of social and community services it current provides including financial guidance, psychiatric support, 24/7 crisis support, family programs and mental health services.