

## SUBMISSION TO REVIEW OF THE RETIREMENT VILLAGES ACT 1986

### PART 4: LIVING IN A RETIREMENT VILLAGE

**in addition to the reporting requirements at an Annual General Meeting, Village Managers should be required to report regularly to keep residents informed and to enable optimal resident input to decision-making.**

#### How?

A Manager needs to be able to manage without having to report to residents on every matter, but residents should have regular information and input on decisions concerning their home. A combination of the following avenues is necessary.

#### 1 At regular general residents' meetings

These meetings allow any resident to listen to discussions and ask questions about matters concerning them, and to put items on the agenda. Such meetings should be at least quarterly, and any group of residents should be able to ask for a general meeting to be called.

#### 2 In written reports

It is often helpful for residents to receive clear information in writing. The advantages of this are, for example, that:

- misinformed rumours are less likely to circulate
- general meetings are likely to be more productive if clear written information is circulated well beforehand
- residents with concentration difficulties can digest information at their own pace, and
- residents' families can be informed.

#### 3 To an elected Residents Committee or to a committee of the whole

A Manager's report should be a required agenda item at each meeting, and should be presented in a way which allows for maximum resident input to decision-making.

#### What?

##### A Matters affecting all villages

It should be a key role of a Manager and Operator to keep residents up to date about changes to relevant consumer law and matters specifically affecting retirement villages

##### B Individual villages

Operators and Managers are handling thousands of dollars of residents' money. Financial institutions and community organisations are required to report on a regular basis to their members, and this should apply to village Operators and Managers as well. Different villages will have different approaches to deciding how the annual budget is arrived at, but reporting to residents on ongoing expenditure during a financial year is essential. When financial decisions need to be made, it should be front of mind that many village residents are on fixed and limited incomes.

The role and extent of a long-term maintenance fund should be made clear, as should the distinction between what constitutes (i) capital improvements (ii) long-term maintenance and (iii) short-term repairs. Residents should also have input into who is responsible for expenditure in each of these categories.

Information on regular charges should be clearly explained, for example:

- how are utility charges for units are calculated in the case of embedded networks
- how costs are allocated to common areas compared to how costs are allocated to individual units
- what proportion of council rates and water supply charges are paid by residents and what proportion by the Operator

Every resident should receive the monthly financial reports, and the reports should be accompanied by explanatory notes.

Any proposed expenditure which was not in the budget should be identified, as should significant variations.

Any proposed contracts with new providers should be explained, as should proposed changes to contracts with existing providers.

Residents should have input to decisions involving proposed discretionary spending, for example, on social activities or on non-essential improvements to a village.

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