

From: contact@engage.vic.gov.au
Sent: Wednesday, 4 December 2019 10:13 AM
To: rvreview@justice.vic.gov.au
Subject: New Form submission on Review of the Retirement Villages Act 1986



New Form submission on Review of the Retirement Villages Act 1986

Hi rvreview@justice.vic.gov.au

There has been a submission on [Review of the Retirement Villages Act 1986](#) through Engage Victoria

A copy of the submission is provided as below:

You can also make your submission by adding comments below. This form will not save, so you may like to prepare your comments in a document.

You may fill out as many or as few of the boxes as you like.

The retirement village sector

When commenting on the retirement village sector you could cover:

- the impact of social and economic trends
- your thoughts and experience of Victoria's retirement village industry as a whole.

For more information and specific questions, see Part 1 of the issues paper or the summary [Retirement village sector and regulatory and policy framework](#).

Your comments about the retirement village sector

The regulatory and policy framework for retirement villages

You could cover:

- the effectiveness of the Act
- how retirement villages are defined
- how the retirement village industry is regulated.

For more information and specific questions, see Part 2 of the issues paper or the summary [Retirement village sector and regulatory and policy framework](#).

Your comments about the regulatory and policy framework for retirement villages

Rather than having a focus on the ingoing contribution one should add the requirement for independent living. The entry age of 55+ years is not relevant these days and should be changed to 65+ years or even later e.g. 70+ years of age.

Entering a retirement village

You could cover:

- the process of entering a contract
- cooling-off periods
- the disclosures that operators are required to make
- the complexity of the contract
- financial models for living in a retirement village
- deferred management fees.

For more information and specific questions, see Part 3 of the issues paper or or the summary [Entering a retirement village](#).

Your comments about entering a retirement village

The 21 days for 'consideration; and the 3 day 'cooling off period' achieve the objective. Nonetheless, the 21 days could be reduced to 14 days and this would not impact the aim. The disclosed 'price' should include all costs and hence all cost should be advertised. Therefore, a document similar to the Section 32 statement (vendor obligation, Victoria) should be considered. However, in the end it comes down to the transparency of the owner/manager who is 'selling' the contract. The representative should be made accountable for providing all information e.g. signing a Stat. Dec. It should be a mandatory requirement for any interested party to seek legal advice. The contracts are very complex and there is no consistency in the format, terminology etc. As a matter of transparency, owners should provide an annual report on the current payout balance e.g at the start/end of the FY to each resident.

Living in a retirement village

You could cover:

- the obligations of village operators
- how villages are governed and managed.

For more information and specific questions, see Part 4 of the issues paper or the summary [Living in a retirement village](#).

Your comments about living in a retirement village

Larger powers could be given to the resident Committee. The financial statement should be made available to all residents 14 days prior to the annual village meeting (same as for AGM requirements). Mandatory implementation of accreditation will be an issue for the NFP sector. E.g alterations to units will be often 'funded' by families (DIY ramp) and hence from an

accreditation point of view may not comply. This would have serious implications for the operator. Also many accreditation requirements may impact pre-existing infrastructure e.g. pathways. Again this can have financial implications and the NFP sector is not geared to comply or achieve even with lead up time the requirements of an accreditation. However, each service should have a documented complaints process, financial record keeping process and HR system. The NFP sector will struggle with keeping costs down and providing low cost accommodation, in case one has to develop maintenance and replacement plans.

Leaving a retirement village

You could cover:

- the process of selling or re-leasing a unit
- obligations to reinstate or refurbish units
- ongoing charges after the resident leaves
- how capital gains are handled.

For more information and specific questions, see Part 5 of the issues paper or the summary

[Leaving a retirement village](#).

Your comments about leaving a retirement village

Any person leaving a retirement village should be entitled to receive the full balance of their entitlement no later than 6 months after vacating the village. Once keys have been returned and the resident has handed over the unit, no further charges should apply. If the contract states a sharing of capital gain/loss - this should be legislated and a regulated percentage should be set to prevent disputes, interpretation conflicts etc.

Dispute resolution

You could cover internal and external dispute resolution processes.

For more information and specific questions, see Part 6 of the issues paper or the summary [Dispute resolution](#).

Your comments about dispute resolution

The objective should be to keep the Court pathway as a last resort option. The Retirement Village Committee could play a stronger role and if unsuccessful complaints should be handled by the Director of Consumer Affairs or a Retirement Village Complaints Commissioner. The unbiased position will help to resolve disputes and keep matters out of Court/VCAT.

The enforcement of rights and responsibilities

You could cover:

- how offences are enforced
- civil rights and remedies that residents may have access to.

For more information and specific questions, see Part 7 of the issues paper or the summary [Enforcement of the Act](#).

Your comments about the enforcement of rights and responsibilities

see above

Any other comments

If you have any other comments, including about issues that have not been discussed in the issues paper, you can enter them into the box below.

Your comments

I have read and agree to the privacy statement

Yes

Provide your name or email address to help us identify your comments if you wish to access them, make a correction, or require technical support.

First Name

████

Last Name

████

Email address

████████████████████

How would you like us to handle your comments?

You may publish my comments anonymously (your name will be omitted)

What best describes your interest and involvement in retirement villages?

Village owner, manager, staff or representative

Location of retirement village (if relevant)

Metropolitan Melbourne

Year of entry into retirement village (if relevant)

To view all of the form's submissions, visit:

<https://engage.vic.gov.au/index.php/dashboard/reports/forms/viewDetail/2315>

Regards,

The Engage Victoria Team

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