

**From:** contact@engage.vic.gov.au  
**Sent:** Saturday, 23 November 2019 4:29 PM  
**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**

There is much confusion as to what is a retirement village. To align with the Act there needs to be a clear definition.

### **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**

Due to the confusion re "what is a retirement village" , how can the Act be an effective tool in regulating and policy development in order to protect residents not just managers/operators.

### **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**

Contracts are often complex and should be made standard with clear options for prospective residents. Many residents in my village have either not read the contract or do not understand it. All contracts should be checked by a legal practitioner who has the required knowledge of the sector. Before signing of contracts prospective residents should be made aware of village rules and a breakdown of maintenance costs( who is responsible for what ?). And also the details around deferred management fees and responsibility on vacating.

### **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**

I believe that managers have a duty of care to residents. While the operator may be in business to make a profit it seems to me that they are only interested in this and do not take into account the suitability of a particular client. The manager needs to demonstrate respect for residents many of whom could teach him/her a few things about managing and dealing with people. I am concerned that all the training in the world will not make any difference to the performance of some managers Residents committees should not have the power to approve a fee increase over CPI on behalf of residents. These matters should be taken to the village as a whole.

Operators should have a responsibility to give a clear outline of financial status and how the business is faring. A balance sheet says very little.

## **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**

When premise becomes vacant, for whatever reason, the party responsible for it must be advised of the costs of refurbishment in detail prior to the work being done and the vendor has the right to request other quotes. The maintenance cost which is paid prior to sale should not extend over six months.

## **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**

Residents committees should not be tasked with involvement in internal dispute resolution. This should be covered by an independent party eg JP. The sector should have an independent

arbitrator for all unresolved disputes. The only answer for this is the appointment of an ombudsman or similar. Less costly ,fairer and more timely resolutions.

## **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**

My experience of mandatory accreditation is that it is costly ( so who pays?), and biased given that accreditors are usually associated with the industry. Voluntary schemes in my experience do not work! Why not a code of practice instead. Consumers need protection and accreditation is not the answer.

### **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 resided in a retirement village for 8 years and in my experience practices are operator focussed instead of client focussed. There is a lack of respect and acknowledgement of the years of experience of residents many of whom have owned businesses, managed businesses and led successful lives. The Act needs to change to focus more on the consumer and less on the operator. Without the consumers there would be no retirement villages.



Regards,

The Engage Victoria Team

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