



Newsletter

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PLEASE NOTE

NEW

RVRA

POSTAL ADDRESS

PO Box 3349,

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From The President

The struggle continues . . .

Look what is happening in Victoria! "Inquiry into the Retirement Housing Sector.

The Victorian Parliamentary Inquiry into Retirement Housing is now taking submissions. This is a chance for all retirement village residents to tell their stories and contribute to a positive change.

The Legal and Social Issues Committee is inquiring into the operation and regulation of the retirement housing sector, including retirement villages, with the aim of identifying opportunities for improvement and reform. The Committee is required to consider:

1. existing legislation that relates to retirement housing, in particular recommendations for reform of retirement housing legislation;
2. comparable reviews and recommendations for reform in other Australian and overseas jurisdictions;
3. the experiences and views of residents of retirement housing and their families and retirement housing owners and managers;
4. the option to appoint a Retirement Housing Ombudsman; and
5. the impact of local government rating on retirement housing.

The Committee is required to report no later than 1 March 2017." Does that not read like a great idea, but I really like number 4.

Maybe NSW needs to get a coalition of all parties interested in this area and go to Government and get a parallel inquiry under way. To get the traction needed for this to happen we would need the unqualified support of all those who populate the retirement living space . . . not only those who are members of the

From The President ... continued

RVRA. Do you think it has legs? If so let us know so that a strategy can be put in place to see if we can make it happen in NSW.

Onto other things.

If you were heading up a business school and were looking for case studies for the students to mull, analyse, discuss and potentially solve, the retirement village industry would prove fertile ground. Let us start with this one. Andrew Burgess, Chairman, Residents Committee at The Landings received the following correspondence from the Minister for Ageing, Minister for Disability Services, Minister for Multiculturalism, The Hon John Ajaka MLC:

*“Dear Mr Burgess,
Thank you for your correspondence dated 20 April 2016 to the Hon David Clark MLC, Parliamentary Secretary for Justice, regarding enforcement of the NSW Civil and Administrative Tribunal orders relating to retirement villages. As you know, your correspondence was forwarded to me for a response in my capacity as Minister for Ageing.*

However, the matter you have raised falls within the administration of the Hon Victor Dominello MP, Minister for Innovation and Better Regulation, so I have arranged for your correspondence to be forwarded to Minister Dominello for consideration and appropriate action.

Yours sincerely,”

This correspondence was date stamped 9 May 2016

Mr Burgess, in his capacity as Chairman-Residents Committee The Landings on May 17 penned the following:

“Dear Mr Dominello,

Re: Compliance – Enforcement of NCAT Orders

We refer to our letter dated 20 April 2016,

to the Hon David Clark MLC, Parliamentary Secretary for Justice regarding the enforcement of the NSW Civil and Administrative Tribunal orders, a copy of which was emailed to you at that time.

The attached letter from the Hon John Ajaka MLC would suggest that the advice we were given to refer our concerns to the Parliamentary Secretary for Justice was incorrect.

As you can see from the attached letter our correspondence has or will be forwarded to your office for consideration and appropriate action. Our original inquiry began with the Commissioner for NSW Fair Trading, Mr Stowe, on 29 September 2015. We are writing to highlight our concern that even having complied with the directions of the Tribunal to advise it of instances of noncompliance with NCAT Orders by the operator of our village in an endeavour to secure the justice expected from the process, we have so far been unsuccessful.

We reaffirm our sole objective is to secure justice through the NCAT process so as to provide elderly and vulnerable retirees the confidence that orders of the Tribunal will be respected and complied with once they are issued. Time in terms of both age and health are not on our side and the system, as it presently stands, is neither fair nor just as it affords no threat of enforcement of orders to the recipients of such orders.

The residents of The Landings have campaigned for fairness and equity from the operator of the village for several years. Our perseverance should not be seen as an isolated endeavour of one village but rather as the tip of an iceberg where other village residents with similar concerns about their operators have neither the drive nor the ability to fight for the cause of justice and fairness.

We therefore seek your direct intervention and consideration of our plight and in so doing ensure that all villages in NSW are provided with greater certainty that the Tribunal process that we believe underpins the intent of the RV Act and Regulations has the power to enforce its orders as a matter of course as opposed to the litigious and time consuming process that has been advised to us.

Yours sincerely,"

Having digested that and with the butchers paper on the easel, thick black marker in the lecturer's hand and everybody is rearing to go. Where do we start?

Who thinks that nobody in Government understands the process?

All of you, how interesting is that. Let us write that one down.

MINISTERS HAVE NO KNOWLEDGE OF THE PROCESS.

What about the regulator? Isn't the retirement village industry regulated? Yes, but the regulator is not part of the enforcement process. That was hived off to the Attorney-General a couple of years back. NSW Civil and Administrative Tribunal (NCAT) is the enforcement body. Why don't they enforce their judgments? Word on the street is that they would prefer to find a way of not hearing a case rather than protect their territory. What's more they are now having preliminary hearings by telephone. Can you imagine that? Elderly people being subjected to that? Wonder how they get on if they are hard of hearing or some telecommunications carrier lines are scratchy that day. This must be a nightmare for the participants. Why would they do that?

On and on the conversation goes but the theme remains . . .

MINISTERS HAVE NO KNOWLEDGE OF THE PROCESS

NOBODY WANTS TO OWN THE ENFORCEMENT PROCESS

DOES ANYBODY CARE?

IF NOBODY WANTS TO OWN THE ENFORCEMENT PROCESS, WHY HAVE ONE?

That is another debate for another day, back to the case in hand.

If NCAT does not have the power to enforce orders handed down by its Members, what is the sense of keeping NCAT in its current role? It was heralded as the great white hope for a 'cheap and cheerful' way to get redress. Seems an abject failure as far as retirement villages are concerned. General consensus of the group is that the Minister responsible for NCAT, The Hon. Gabrielle Upton, MP as *Attorney General of NSW is responsible for making it all work.*

SO, WHY DOESN'T IT WORK?

Transcripts were handed around from NCAT Appeal hearings that made mention of 'contempt of NCAT,' whatever that means. A quick search on Google could find no record of such enforcement. That just sounds like noise or as they say in the bush "all hat and no cattle'.

Where to from here is now the question? Surely this is not for the too hard basket? Where are the lobbyists in this equation? Maybe the Government of the day is of the view that they will die or give up. Who knows? Maybe the real answer is NOBODY CARES.

In closing let me remind you that the Annual General Meeting will be on 29th September - see details later in this newsletter. Please read, put the date in your diary now. We look forward to seeing you on the day.

Tom Gait, RVRA President

From The Secretary

I remember as a child being told by my mother not to wish my life away (as in I wish it was my birthday, or Christmas or the next school holidays) because when I was older time would pass all too quickly. At the time I thought she was crazy, but as we know all too well, she was absolutely right! Suddenly it is the middle of the year and time to take stock. This has not been a time of spectacular 'wins', of great leaps forward or of operators and managers suddenly becoming our new best friends, but it has been a time of quiet achievement within the committee and the way we operate.

Our Treasurer, Max McGregor, has stepped aside from that position and is now working to update our database and align it with two others – one from Fair Trading with the names of all the retirement villages in NSW, and the other from the Land and Property Department. There were many anomalies and duplications – for example, some villages appeared in each database with slightly different addresses, which was somewhat confusing. In addition, much of the time the information on these databases did not match our information! Once this has been sorted out and new software installed we will be able to contact more residents and generally improve communication.

On behalf of the Committee I would like to thank Max for his work as Treasurer over the past two years, and to welcome **Ian Allom** into the position in his place.

Over the past few months, **Diana Glazer** has revolutionised the way in which we answer your calls and requests for information and help. We now have a standardised response sheet which everyone uses. It has enabled us to cross-reference topics, which gives a much clearer overall picture of what the problems are, and this in turn gives us

factual information, rather than hearsay, when we talk with operators and politicians. The number and variety of calls remains high with calls coming in every day. In addition to her work with members' calls, Diana has been updating some of our Fact Sheets and creating new ones.

The grant we have been receiving through Fair Trading and the Seniors Rights Service was due to end on June 30th, but we have been informed that this will be rolled over, and will continue for the time being. This is very welcome news indeed, because without this money we would find it very difficult to continue to produce and mail out the newsletter, and Sharon's hours would have to be curtailed.

However, the committee will be recommending to members at the AGM that fees should rise by \$5 to \$20 for singles and \$25 for couples, commencing from January 1st 2017. The fees have not risen for the past four years, and as we all know, the cost of everything else has increased steadily over that time. This has to be approved by the membership and will be on the agenda at the AGM on September 29th. Our printing and mailing costs for the newsletter alone run into several thousand dollars every quarter, leaving very little for our other activities. We would like to be able to visit more villages in country areas, but travel and accommodation costs have to be met, and this limits our ability to support members in this way. In reality, what we are asking is that you give up just one cup of coffee!

At the last AGM I outlined a small internal satisfaction survey we were planning to introduce, about the way in which your calls and requests have been answered. This was started in January, and the replies have shown that while there is a very welcome overall level of satisfaction, there are definitely some

From the Secretary ... continued

areas we need to improve and work on.

In May we conducted our first regional seminar day in Tamworth. In the past we have visited single villages and suggested the residents might like to invite others to attend. This time we spread the invitation across a much wider area, booked a central venue, and also invited prospective residents to come and find out what is actually involved in moving into a village. The feed-back from the participants was very positive. The topics included residents' rights, residents committees, and how to read between the lines of the village budgets. Prospective residents were introduced to the legislation, contracts, village life and how to start the process of moving into a retirement village. We had invited Fair Trading to join us for the afternoon session, and Andrew Gavrielatos, the Assistant Commissioner for Real Estate and Property brought two of his staff to answer questions. Andrew is also very keen to have more involvement with the RVRA and to help with some of our more intractable problems.

Below you will see a Positions Vacant notice. We know that among our members there are years of experience in so many areas, and what we want to do is to channel some of that experience into our association and use it in a practical way to

advance the interests and knowledge of all retirement village residents. **The RVRA is all that stands between residents and the increasing strength and influence of the operators.** Everyone these days seems to have a short, snappy slogan – ours needs to paraphrase Don Chipp; *“we are here to keep the bastards honest”*, because if we don't, then nobody else will. I will reply to all phone calls and emails from anyone who would like to hear more about how the committee operates or how you can help us. We need new committee members and we also want to hear from members who, although they do not want to be on the committee, would be happy to share their knowledge from time to time. Please give this some serious thought.

Also in this newsletter is an article by Lawrie Robertson, a member of the Victorian equivalent of the RVRA, (with a few changes to bring it into line with NSW legislation). I think it raises some very valid points, not least of which is the concept that we do not live in the manager's workplace – they work in our home, they use our money for our benefit and we pay their salaries. If we work together there is little we cannot achieve.

Dorothy Swanton, RVRA Secretary

POSITIONS VACANT

The RVRA Management Committee is seeking expressions of interest from members with work experience in the following areas:

MARKETING and COMMUNICATIONS
SECRETARIAL SKILLS
PUBLIC RELATIONS
COMPUTING SKILLS
WEBSITE DEVELOPMENT

All you need is some spare time and years of experience.

There are also several vacancies for VILLAGE CONTACTS, the best work-from-home position you could ever imagine.

Contact Dorothy Swanton: secretary@rvra.org.au or 1300 787 213

A View from the Hill



Peter Hill kindly provides pro-bono advice to the RVRA Management Committee.

If individual members of the RVRA want to approach him for advice, that would be on a fee paying basis.

In the course of running our 2016 seminars we have received numerous questions concerning the situation where a village operator takes the view that a resident can no longer live independently, and initiates a process to have them depart from the village. This seems to be occurring more frequently these days, particularly given the ageing of the population and the fact that people are living longer with the assistance of modern medicine. Often this process happens with the assistance and support of the family and it does not get to the point where the operator initiates a move, but we are seeing instances where the elderly person does not wish to leave and with support, is able to continue to live in their dwelling. Research both here and overseas indicates that elderly persons have an improved quality of life where they are able to remain in their own home as long as they can, and where they make the decision in their own timing, rather than it being taken away from them.

Safeguards for Residents in Retirement Villages

Most retirement village contracts afford an operator the right to initiate a medical assessment process where they have a reasonably held view that a resident can no longer cope with living in their own home. However, these provisions do not prevail over the provisions of the Retirement Villages Act 1999. The Act

contains important safeguards for a resident in a retirement village who is able to continue to live independently (albeit with support) in a situation where an operator believes differently. The reality of these provisions is that if the operator seeks to terminate a village contract, they can only do this with an order from the NSW Civil and Administrative Tribunal (NCAT). The Tribunal can only act on medical evidence and must be satisfied that the premises are no longer suitable, given the resident's physical and mental incapacity, and having considered all of the circumstances, it is appropriate to do so. Obviously, such a case affords the resident the opportunity to put their position as well as to tender any relevant medical evidence. Certainly the Tribunal will take into account the level of impairment and the assistance required, but being able to live independently, albeit with some home help and services, is entirely permissible. Each case will obviously turn on its own facts. The key point here is that elderly persons have the right to make their own decisions for as long as they are able and capable, and steps are not put in place prematurely that seek to have them relocate to assisted living, usually to an aged care facility.

Home Care Packages

Thankfully, the thrust of the Commonwealth Government's aged care policy is to keep elderly persons in their own home as long as they can. To this end, the aged care system does allow an elderly person, on an asset and means tested basis, to seek a Commonwealth Government funded home care package. These will usually be accessed following an assessment of the elderly person's health and physical needs by a Regional

Assessment Team (RAS) or an ACAT Team (Aged Care Assessment Team). Their financial situation will also be assessed by the Department of Human Services, or the Department of Veterans Affairs for ex defence service personnel. The latter determines what subsidies can be provided. There are four (4) levels of home care packages ranging from basic cleaning and shopping right up to more advanced services to assist in the home. Obviously, these types of services can be bought in by the resident entirely independently, on a commercial basis outside the Commonwealth Government initiatives.

In the course of my work as part of our aged care practice, overwhelmingly elderly persons voice a strong desire to remain in their own home for as long as possible. In the event that an operator initiates a process to ultimately have you depart the village, or you are simply accessing home care services, it is important that your voice be heard, and that you have a good support person that can assist you in the process. It is also important that you have a supportive GP or specialist. After all, the safeguards in the Retirement Villages Act 1999, and you having solid support, are all designed to ensure that your voice is heard in the process and facilitates a better quality of life as you get older.

Importance of Enduring Power of Attorney & Guardianship

I have previously written about the importance of formally appointing a person or persons to provide assistance where you may need help or have lost capacity. Many elderly persons operate without these appointments, but there often comes a time where informal arrangements will simply not be recognised by third parties or government agencies, and this is particularly relevant where documents

need to be signed or decisions made about your health, finances or accommodation. The two most important appointments in this regard are the appointment of an **enduring power of attorney** and the appointment of an **enduring guardian**. The enduring power of attorney allows a trusted person to assist you or make decisions about your money and assets and enter into contracts and the like. It is enduring because it continues to operate or 'endures' beyond the point where you lose capacity. Guardianship is separate and deals with lifestyle and health matters. Increasingly, elderly persons are placing in their guardianship appointments directions to their guardian that they be supported in their own home as long as is appropriate, as well as including end of life directions. I would encourage members and residents to check whether you have these appointments in place, that they are up to date and reflect your wishes, and most importantly, you know where they are kept. It is also important to remember that if you lose capacity, you cannot make these appointments and your loved ones/support persons or family will need to seek the appointment of a person before NCAT in NSW to overcome the impasse. This is time consuming, requires medical evidence and can be costly.

Conclusion

Obviously, there may come a time where a resident can no longer live in their own home, even with appropriate home care support. But until that point is reached, and in the face of clear medical evidence, residents should be aware that they can access services which help them along the way. Having a trusted and competent support person who can help your voice be heard is very important and so is a formal appointment through

A View from the Hill ... cont

an enduring power of attorney or guardianship. It is important that you reflect on these issues as good planning can avoid a lot of headaches and anxiety in the future.

Thank you for the support in relation to the 2016 seminar series. We have completed approximately 20 of these across NSW to date. Understand these are all provided on a voluntary basis as well as the printing of the booklets we hand out and we will try and reach as many villages as we can.

This is not easy for regional areas, so the RVRA will shortly be releasing a video to those villages which I simply cannot get to because of practice and time commitments.

Thanks again.

PETER W HILL, Hill & Co Lawyers

Honorary Solicitor to RVRA

Solicitor & Practice Manager

Erina Office (T) 43652239

Mosman Office (T) 91130459

Pymble Office (T) 9086 9056

Statistics of Requests from Members

These figures are for February, March and April 2016.

Budget/fees _____	15
Exit fees _____	1
General information _____	33
Management issues _____	8
Moving into a Retirement Village _____	19
Residents Committees _____	7
RV Act _____	6
RVRA visit to village _____	5
Selling unit _____	2
Traffic _____	13
Vacating unit _____	1

Total of 110 calls (64 were from members) (46 were from non-members)

Expressions of Interest for a Research Project

The RVRA is calling for Expressions of Interest from members and other residents who would be prepared to take part in a research project. It is designed to examine some of the issues of concern relating to all aspects of their village contracts. This will include all contracts whether they were signed before or after the commencement of the standard contract in 2013.

The proposed research will be conducted in partnership with Western Sydney University.

Please forward your Expression of Interest (EOI) to the RVRA Secretary at PO Box 3349, Asquith, NSW 2077;

by phone to 1300 787 213; or by email to secretary@rvra.org.au

Closing date July 15th 2016

The Role of Residents Committees

From our dealings with Residents Committees and queries from residents it has become apparent that there are different ideas about the role of Residents Committees: what sort of issues they are supposed to deal with or what their position is in relation to management. Some residents think that Residents Committees should solve their personal problems, like fixing a leaking tap or an oven. Some Resident Committees think their main role is to organize activities. Some residents do not want a Residents Committee because “they do not want to rock the boat” or “upset the Operator”. Others want “peace” and do not want to be bothered. Some small villages may not see the need for a Residents Committee because they have a good relationship with their Manager.

All these different ideas are not surprising because the Retirement Villages Act does not give a straightforward description of the role of a Residents Committee. The Act is not easy to read, but the Department of Fair Trading has interpreted the letter and the spirit of the Act and has drawn up “Model Rules for Retirement Village Residents Committees”. These Model Rules are **not the Village Rules**, which are drawn up by Management to ensure an orderly and harmonious village life. In “Model Rules for Retirement Village Residents Committees” under the heading “Objects of the Residents Committee”, the first point is “**To advance and protect the interests of all residents of the Village**”. What does this mean?

We have to go back to the RV Act, which was drawn up for the two parties involved in retirement village life: the Operators and the Residents. As with a football club, rules are needed to play the game properly and honestly.

When both parties in a retirement village adhere to the rules and work together there should be no major problems in the village. Unfortunately, however, this is not always the case. From the queries we receive, the majority of issues raised are about money. Who pays for what? In other words it is about maintenance issues and the budget.

In the budget a great number of items are listed that were paid for last financial year, and a forecast of the items that are expected to be paid next financial year. Where does the money come from to pay for all these items like salaries, maintenance, cleaning, gardening, security, and electricity? It comes **from our monthly fees (recurrent charges)**. The total amount of our fees is paid to the operator who then uses our money to pay for all the costs to run the village. Would it not be advisable to check if your money is used prudently and honestly? Are there considerable increases in some items? Why? Did the Operator use the right CPI percentage? Did you get a proper answer to your queries about expenses? Is there a Surplus or a Deficit? What happened to them? Is the Operator’s financial management transparent? You may trust your Bank but you still check the statements to make sure no mistakes are made. The same applies to Operators’ financial management. This is in our opinion the most important function of a Residents Committee in order **to advance and protect the interests of all residents of the village**. To be able to do this one needs accounting knowledge. It is therefore desirable that someone who has business experience or is an accountant joins the Residents Committee. The Residents Committee also needs a person who has knowledge of, or takes an interest in, the RV Act.

The Role of Residents Committees ... continued

The Residents Committee also has an advocacy and support role. If a leakage occurs or the tap is not working, these are matters for Management to solve. If, however, Management drags its feet or refuses to solve the problem, the Residents Committee could take the matter up with Management on behalf of the resident. One of the Committee's functions is "to facilitate communication between residents and the operator". It is important to remember that the Residents Committee works for the residents. However, both Residents Committees and Operators have the same goal, which is to work towards a well-run happy community of residents. Through open communication, co-operation and good business ethics this can be achieved.

The Residents' Committee may appoint sub-committees such as a finance committee, an activities committee, a garden committee. These consist of one or more Residents Committee members and possibly other interested residents. The sub-committees are responsible and accountable to the Residents Committee.

We would recommend that Residents Committees adopt the "Model Rules for

Retirement Village Residents Committees" put together by the Department of Fair Trading, as their Constitution. It sets out the functions of the Committee members, the election process, the conduct of meetings, the use of funds, and voting requirements. The Model Rules can be modified to suit an individual Residents Committee's needs.

These are available by phone 13 32 20 or from www.fairtrading.nsw.gov.au.

The Department of Fair Trading also has Information Sheets on a number of topics like Residents Committees, Maintenance and Replacement issues which are also available by phone 13 32 20 or from www.fairtrading.nsw.gov.au

The RVRA has information and a number of Fact Sheets on topics like Costs of Vacation of Units, What is a Surplus, and The Rights and Obligations of the Operator and the Residents. These are available by phone 1300 787 213

Should you need further clarification about the Role of the Residents Committee please do not hesitate to phone or email the RVRA.

Ena Heddema,
Management Committee Member

Does a diagnosis of dementia mean it's 'game over' for life in a retirement village? *By Karen Martin*

When I was managing retirement villages, one of the things that came up frequently was resident concerns about a neighbour or partner living with dementia. To be honest there are a lot of professionals in the industry who also worry about such things but like everything in life, whether someone can live safely within a village or not, it is really about considering things on a case by case basis. This includes thinking about what supports the person who has the dementia needs to enable them to continue living within the village, as well as what can realistically and safely be delivered. Thought also needs to be given to the impact on those caring for that person and the effects on fellow residents.

As a note of caution, I have also had many people concerned about someone's 'out of the blue' somewhat 'quirky' behaviour which made them wonder whether it was the

Does a diagnosis of dementia mean it's 'game over' ... continued

beginning of something concerning. In my experience these types of sudden behaviours don't necessarily mean that anyone has dementia and more often than not it turns out that the person has an infection that hasn't been treated (common infections are ear or bladder) or that they haven't been drinking enough fluids, all of which can cause someone to act out of character until the situation is brought back under control. This can also happen as you get older following a general anaesthetic or even a fall.

The other thing to bear in mind is that dementia isn't a single disorder, nor is there a single solution or often predictable disease path. So blanket responses or approaches to the issue really are not helpful or appropriate at all. In my opinion, it comes down to supporting the person with dementia and those caring for them to achieve the best and preferred outcome for them and to minimise negative impacts on others living within the village.

Both Carer's NSW and Alzheimer's NSW offer information help lines to support family and friends of people with dementia work through their available support options. So these organisations are a great first port of call. There are also many options available to people to customise support through an in home consumer directed care package. You know my mantra on in home support packages – don't be afraid to ask for what you need!

If things feel a little bit more complex or if there are some hard to manage behaviours surfacing, then it might be prudent to call Hammond Care who are the provider in NSW of the Dementia Behavioural Management Advisory Service. This service also operates a helpline and additionally can assist with strategies, referrals to other services, face to face advice as well as to organise assessments.

If the right support is in place then it is more than possible for someone with a diagnosis of dementia to remain living within a village. The emphasis however, has to be on ensuring that person is safe physically, financially and emotionally. While the Retirement Village Act does allow for operators to apply to the Tribunal to for the termination of a village contract on medical grounds, it needs to be substantiated and from my perspective should be a 'last resort' and done only if the resident or other residents are at significant risk.

As a final note, remember that many of the community services providers out there run day programs for people with dementia, as well as offer emergency and planned residential respite services. They will of course have waiting lists, but the sooner you put your name down, the sooner you will have access to the service. As well as giving carers a break they also provide individuals suffering dementia, with low stress, targeted activities that help to maintain social connections and redirect anxieties associated with memory loss.

Above all remember that this isn't an easy topic to tackle with anyone and it will never be solved overnight. However, the best place to start is by ringing one of the organisations below and finding out what help is available in your area.

Dementia Behavioural Management Advisory Service - 1800 699 799

Alzheimer's NSW – 1800 100 500

Carer's NSW – 1800 242 636

My Aged Care – 1800 200 422

NSW Fair Trading - Making fees and charges more transparent

NSW Fair Trading recently commenced an innovative project to make it easier to compare retirement village fees and charges. The project aims to develop a comparison tool that will be able to cut through all the fine print and allow retirees to make better informed choices when deciding on a retirement village. Fair Trading wants to equip consumers with the tools they need to make the right financial and lifestyle decisions, helping to minimise the chance of nasty surprises such as unexpected levies or unplanned exit fees before it is too late.

In 2013, standard contracts were introduced for all retirement villages and this helped improve prospective residents' ability to compare the costs and conditions between villages before signing a contract. This most recent comparison tool project aims to build on the improvements achieved in 2013 and enhance retirees' ability to accurately compare the market.

Retirement village fees and charges are often complex and confusing, even for those with a financial background. There are a range of different fees used in the industry and these are often structured differently from one village to the next. The different timing of when fees fall due also complicates things further, with some charged weekly, and others are only charged once when the resident leaves. This complexity means developing an effective way to compare villages is no easy task and will require complex financial analysis.

This challenging assignment has been awarded to KPMG following a competitive tender process. The team at KPMG have been asked to make fees more comparable in a way that is understandable to people with varying financial awareness, while at the same time being flexible to the many different offerings available in the market.

The project will involve research to capture a comprehensive list of contractual variations in the industry as well as test different comparison methods that are most suitable for retirees. To do this KPMG will be seeking input from a range of key industry and resident groups, including the Retirement Village Residents Association. A series of different comparison options will then be evaluated and the most effective will be developed.

KPMG are due to report back with their findings later this year.

RVRA New Address – Appeal to Members

When **Jan Pritchett** was a member of the RVRA Committee, she shared her and **David's** private Post Office Box with RVRA. This was to save money for the RVRA.

Following Jan's death, **RVRA set up a new address**, which has been publicised in the newsletter for quite some time now.

RVRA
PO Box 3349
ASQUITH NSW 2077

David still uses the private Post Office Box for his personal mail.

To save David having to re-address letters sent to the old address, would members please note and use the **new** address.

Have We The Managers We Deserve?

Have we the politicians we deserve? Some might say yes because we voted them in, and we can vote them out if we are not satisfied with their performance. We do not vote our managers in or out, in so in one sense we cannot blame ourselves if we get poor management. On the other hand, if we remain passive in the face of underperformance, we can hardly expect improvement.

In addition, most residence contracts require the residents to contribute all the funds needed to run and maintain their village. Yes, most of our villages are self-funding. On top of paying for the operation and maintenance of our homes, we also contribute funds (typically as a deferred management fee) to the management company, which uses the money solely for its shareholders.

Village management companies lack normal commercial incentives to perform for their customers. The self-funded business model insulates the companies' profits from any inefficiency in their management of our villages. It is not surprising some management become complacent. Residents, however, have a keen interest in management efficiency because operators are spending our money. Moreover, even a small improvement in management can make a significant difference to resident satisfaction and sense of security. If we want improved performance from our managers, it is up to us to incentivise them.

The management company appoints the village manager and his or her staff. Residents typically have no formal say. Accordingly, we have to work with, and sometimes on, the village manager the management company sends us.

Australians do not negotiate as much as do the people from some other countries. If we do not like the product, service or price, we are more likely to take our business elsewhere than to try negotiation. However, when we feel cheated, we might appeal to an ombudsman, if there is one.

When we do not like the way the manager manages our village, what can we do? Some of us do move out, but this is rarely the most financially efficient way of dealing with problems. Others grudgingly accept the situation. A hardy few refuse to accept getting less than full value for the money they pay for village operations and maintenance, and they set out to persuade the manager to change.

We do not underestimate the difficulties residents face when the manager underperforms in one or more ways, and they seek improvement. Nevertheless, some brave souls do take on the system and succeed.

Of course, many villages are content with their manager. Residents can still make a significant contribution to the betterment of the community. Residents bring extensive skills and knowledge to the community developed over their years in the workforce and through running households. Residents also develop a deep understanding of their village. Properly applied (for example, through residents' committees) residents' skills and knowledge can add long-term value to village maintenance and operations.

Nevertheless, case studies (in Victoria) suggest there is likely to be considerable conflict when residents challenge a manager to do a better job. Where there is a battle, the contest is not as one-sided as might seem at first to be the case. As identified above, residents possess considerable skills and knowledge and therefore do have significant power.

Have We The Managers We Deserve? ... continued

Two hundred or so residents, most with over fifty years of adult experience, and an average around four years as village sidewalk supervisors, can be a formidable force. On the other hand, the age of typical village manager employed by the management company is somewhere around half the average age of residents, lacks relevant experience and is under-trained for the job. For example, few have the necessary detailed understanding of the Retirement Villages Act, and in the case of strata villages, the Strata Schemes Management Act, or the relevant residence contracts. Few of them have the necessary commercial background, few have training or experience in property maintenance, and very few have experience in managing catering operations (not relevant in all villages, but essential where residents pay to eat in). Above all, few understand the needs of older people.

Some village managers rely on bluff and get away with it for years if no one challenges them. If you do challenge village manager bluff, be prepared for a push back. Nevertheless, dealing with bluff head-on is usually worth the challenge.

What distinguishes those who successfully challenge the management company from those who do not achieve significant progress? We believe they:

- Have a mission beyond solving the immediate problem. That is, they want to make a long-term difference
- Have a realistic objective that recognises the perspective of the other side
- Have a working knowledge of the relevant legislation and residence contracts
- Have a strong sense of their rights as customers, and they see themselves as equals of the village manager, rather than subordinates
- Gather hard evidence and double check it as residents collectively can often assemble more local evidence than the manager
- Are assertive, as distinct from either aggressive or passive in their approach, they challenge underperformance and expose bluff for what it is - nonsense
- Know how to negotiate
- Persist, because even quite a simple problem can take from 6 to 12 months to resolve and major matters can take years
- Present a united front, knowing that it helps if the residents' committee leads
- Are willing to take their case to the top of the management organisation, if necessary. Going over the head of the Village Manager is not as radical as it might seem, as the root causes of village problems are often beyond the control of local management

If we want to, we can change management behaviour for the better. Yes, we can have something closer to the management we deserve.

Adapted from an article by Lawrie Robertson in the RRVV (Residents of Retirement Villages, Victoria) Newsletter, March 2016

Retirement Village Residents Association (Inc)
NOTICE OF ANNUAL GENERAL MEETING

Thursday, 29th September, 2016 at 10.00 am

At Sydney Mechanics School of Arts, 280 Pitt Street, Sydney

Morning tea will be provided from 9.30 am

The guest speaker will be **Mr Peter Hill, RVRA Honorary Solicitor.**

Issued on behalf of the committee by Dorothy Swanton, Secretary, RVRA

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RSVP by 19th September for the AGM (to assist with catering and seating)

RSVP by email: admin@rvra.org.au RSVP by phone: 1300 787 213

RSVP by post: The Secretary, PO Box 3349, Asquith, NSW 2077

I/We will be attending the AGM on Thursday 29th September, 2016

Name(s) Phone

Village
.....

Call for Nominations For The RVRA Management Committee

Nominations are now being called for the 2016/2017 RVRA Management Committee.

We are looking for members who believe in the work we do, who would like to be a part of an active group of volunteers, and who have skills and experience to share.

Maybe you are a retired solicitor, an accountant, a secretary, a teacher, or maybe you have worked in a PR position – these are all skills which are needed, if we are to move forward and remain a force in the retirement village scene.

The duties are not onerous; the rewards are knowing that you have made a difference and that you have helped other residents. Every committee needs new ideas and new faces – why not be one? We know you are out there – we just don't know who you are, so all you have to do is contact:

- Tom Gait at president@rvra.org.au or tom.helen.gait@gmail.com
- Dorothy Swanton at secretary@rvra.org.au or
- call Sharon on 1300 787 213,

to find out how you can take an active role in your organization.

A nomination form is included on the next page, or can be obtained from the Secretary, or by calling 1300 787 213.

Return forms to PO Box 3349, Asquith, NSW 2077 by Friday August 19, 2016



RETIREMENT VILLAGE RESIDENTS ASSOCIATION

**NOMINATION for position of
on the 2016/2017 RVRA Management Committee**

Nominator:.....Village.....

Secunder.....Village.....

Nominee's Declaration:

I

of.....Village

hereby accept the above nomination, for the position of

.....

for the forthcoming year (or part thereof).

If I am elected to the RVRA Management Committee I also agree to contribute to the Committee Work in the following ways:

- Attend a meeting once a month in Sydney;
- Undertake a commitment to, and be responsible for, a specific area of committee work as agreed;
- Check emails daily for RVRA enquiries and committee communication, and respond promptly; and
- Carry out other committee duties as required under the By-Laws of the Constitution.

Signed

Date.....

Email address

Phone number