



# NEWSLETTER

No 17 March/April 2010

Registered No. AOO48148R

Residents of Retirement Villages Victoria – Working for Residents  
P.O. Box 4316, Knox City Centre, Vic 3152 Phone 9015 8402 rrvv.vic@gmail.com

## *President's Message*

### **To RLO'S and RRVV MEMBERS**

I would like to commence with a few words for RRVV's Resident Liaison Officers (RLOs). Congratulations on the great job you are all doing to support the RRVV Committee by engaging with the residents of your village; delivering their newsletters (this is of real value as it saves RRVV over 40c a copy in mailing costs); acting as our representative in your village; recruiting members and providing support to residents by referring their questions and queries to an appropriate committee member, or suggesting the resident seeks RRVV's advice.

Due largely to your efforts, our membership has grown from 3,000 in September 2009 to 4000 in February 2010. This growth is continuing and is assisted by the many information sessions conducted by RRVV at villages in the metropolitan and outer metropolitan area, plus district visits in rural areas such as Wangaratta, Ballarat, Gippsland, Wimmera.

**A visit to the Loddon Mallee area is due on 25th and 26th March, involving members of RRVV's Committee and other volunteers. I offer a special thanks to all those involved.**

This work is critical for RRVV because, to be self sustaining, we must recruit sufficient members to enable RRVV to employ a full time Officer to service the organization and provide continuity of service for you, our members. Many RRVV Committee members are working almost full time as volunteers and the more members we recruit, the more work this generates, so it becomes self perpetuating. It is important for our members to

understand and remember that increasing the numbers of RRVV members is critical in enabling RRVV to speak with authority when communicating with the owner operators, their representative organization, the Retirement Village Association (RVA), Local Government, State Government and Federal Government bodies regarding issues that affect the quality of life in retirement villages, now and into the future.

Committee members are concerned that many village residents are unaware of their responsibilities in regard to their contracts, particularly in relation to their service charges (the financial contribution to the day-to-day operation of the village), the long-term maintenance fund or of exit costs, including the deferred management fee.

**If residents don't understand and take responsibility in these matters, no one else will.** Fees and other costs incurred when leaving a village make it virtually impossible to relocate if there is a need to be closer to family or if other circumstances change.

This area is causing many questions via our phone and email enquiry service which keep us very busy.

During the past twelve months Committee members have been extremely active representing our resident stakeholders with vigorous input into the retirement village industry by meeting with retirees in their villages, both metropolitan and rural, and conveying their requests and concerns to the State and Federal Governments and the Australian Competition & Consumer Commission (ACCC). *Continued on page 2*

*PRESIDENT'S MESSAGE— Continued from page 1*

Matters recently addressed by RRVV that have resulted in improvements for residents include the following:

- Review of the Regulations regarding sunset clauses and a change to the Maintenance Fee structure for residents living in retirement villages.
- In 2009 RRVV members successfully petitioned the State Treasurer, Mr John Lenders, to defeat a move to impose stamp duty on retirees entering retirement villages and nursing homes - a major win for common sense and for our members.
- Our campaign to assist village committees and residents to obtain rate reduction relief has been slow and difficult to 'sell'. The minister for Local Government, The Hon. Richard Wynne, MLA, has not been at all responsive to our approach for assistance.
- A submission was prepared and lodged with CAV in May 2009 regarding the so called 'fair offers' being made by some village owner, regarding Surrender Value.

Unconscionable conduct has been alleged under the Fair Trading Act. CAV have advised there is nothing that could be done retrospectively to assist residents with this problem. A submission to the ACCC is currently being prepared.

- Our consultation panel chaired by RRVV Treasurer, Jim Burrowes, has assisted many members with concerns regarding the operation of their village, their village committee and alleged unfair terms through referral to the appropriate body or organization to assist them. It is requiring considerable time, effort and expense to effectively cope with the number of calls for assistance.

**RRVV's Executive Group**

*As well as myself, the following volunteers act as RRVV's Executive Group:*

Treasurer **Jim Burrowes** is a resident of Barrina Gardens Retirement Village. Jim is a specialist finance resource with a wealth of knowledge of the Retirement Village and

Owners Corporation Acts associated with the operation of committees and villages. Jim has been instrumental in offering suggestions to many RRVV members with financial problems in their respective villages, assisting them to ensure their villages operate in accordance with the appropriate Acts and to achieve a positive outcome.

**John Schlafrig**, is a resident of Waterford Park Retirement Village and is the Secretary and Public Officer of RRVV. John's highly effective organisational skills and knowledge have proven to be great assets to the Committee. John also has a wealth of experience as an Energy and Water Consultant and has enabled RRVV to establish a rapport with the Victorian Department of Sustainability and Energy to pioneer a partnership for projects that may benefit many of our members in this area.

**Gerry Backhouse** from "The Lakes" Retirement Village was recently appointed to the RRVV Vice President's position. He brings a wealth of retirement village knowledge and management experience to support our members. Gerry recently received an acclamation from the residents of Walmsley Retirement Village for assisting them to achieve a reduction in rates. This was achieved through VCAT after following the template that Gerry had pioneered and used successfully for his village. He has prepared guidelines for the village operators and their committees to follow, so if you would like a copy of these guidelines, contact **Kay** (RRVV's office administrator) on our answering service phone number or by email (*see this newsletter's masthead for contact details*).

Gerry is also chairing RRVV/RVA working groups regarding matters of common interest to both organizations. Once respective positions are established these will be referred to the RRVA interstate coalition of retirement village resident's organizations. We hope to set a uniform position and approach for the future which will secure changes to the models used by the owner/operators so that they better meet the needs of residents and promote the legislative change that is necessary.

*Howard Campey* (President)

## THE VALUE OF RESEARCH

(with acknowledgements to the W. A. Residents Association)

It is estimated that over the past 15 years the number of Australians over the age of 65 increased by more than 2.3 million. On current projections it is estimated that as many as 630 new retirement villages will need to be built Australia wide.

By 2080 people aged 65 and over will make up more than a quarter of the country's population.

At present it is estimated that there are about 145,000 to 150,000 seniors living in retirement villages, i.e. about 5.25% of the Population. Even if there is no change in demand these figures indicate a need for a further 65,000 dwelling units over the next 15 years.

It is not known exactly how many retirement villages there are in Western Australia, as there are no reliable records but WARCA (the WA equivalent of RRVV) is pursuing such enquiries as will provide reliable figures.

**NOTE:** *There are 234 villages listed in the Victorian Melways, but no figures on the number of residents. This figure provides some indication of the size of the industry in Victoria.*

## CALL for VOLUNTEERS

**RRVV is desperate for support in the volunteering area. RRVV is a not-for-profit organisation, supporting residents of retirement villages in Victoria.**

**Volunteers are sought in the areas of:**

● Working from home in the areas of newsletter preparation, advertising, public relations, membership processing, retirement village data collection.

● Working in the office: in areas of administrative support (eg photocopying, filing, data processing).

● Special Functions: collecting registrations, setting up equipment, meeting and liaising with keynote speakers, cleaning up.

● Visiting Retirement Villages: assisting speakers at routine visits, speaking at RV's after training, drivers.

● Training Programs: assisting presenters, preparing manuals

● Admin Support: minute secretary, action registrar

● Lobbying: meetings and contact with politicians, media

● General: specific support of executive as asst secretary, asst treasurer, president's assistant, vice president's assistant.

**VOLUNTEERS WILL NOT BE PAID but will not be out-of-pocket**



*“Hear ye, Hear ye”*

If you have not renewed your membership for 2009 – 2010, this will be your last newsletter

RRVV cannot afford to send newsletters to non-financial members, so if you have forgotten or overlooked your payment, please send your renewal as soon as possible. If you are unsure whether you have renewed, please call or email RRVV (see *masthead for contact details*)

We hope we can look forward to your continued membership.  
RRVV needs you – residents need RRVV

## THE CASE FOR RATE RELIEF

The following examples of rating systems, as a sample of retirement villages in the metropolitan area of Melbourne, illustrate the variety of local practices:

- Brimbank council provides a discount rating to all retirement villages in its municipality by striking a separate Capital Improved Value rate, which equates to 1.112527 cents in the dollar. This represents approximately a 20% discount for pensioners.
- Frankston provides a 25% discount to retirement villages in the Municipality.
- Knox City Council also provides a 25% discount.
- Seaford and Manningham councils also provide a discount. But Manningham only provides it to the one village which presented their case to council through a sworn valuer.
- Donvale council is having discussions with residents in retirement villages in its jurisdiction regarding introducing a discounted rate.
- The Shire of Yarra Ranges has provided a 10% discount for residents of Walmsley Retirement Village.
- As far as is known other Councils provide no rate relief to residents of retirement villages.

Retirees living in Retirement Villages pay *totally* for the repair and maintenance of facilities within the village. This includes roads, foot-paths, kerbs, gutters, drainage, all street lighting

recreational facilities (inside and outside) and parking facilities.

Councils are obliged to provide these facilities in the rest of their municipality with money from rates revenue. However councils do not recompense retirement village residents for self-providing these numerous and valuable essential services. The financial saving to the council is considerable but is not factored into the calculation of rates.

In effect, council rates are structured so that retirement village ratepayers (who, being retirees, are usually poorer), not only pay for their own services but subsidise the cost of these same services to ratepayers outside their village.

A compensatory reduction in rates would be just. Some councils argue against this, alleging that retirement villages are on "private land". We believe this argument is flawed. If village residents pay for their own services, then they should receive a compensating rebate, regardless of whether or not their homes are on alleged "private land".

We desperately need a uniform approach to this matter and would welcome a Government initiative to work collaboratively with RRVV and the Retirement Village Association (RVA) to instigate a fairer state-wide method of rate calculation which would provide much needed direction to local Government.

**FREE**

### COMMUNITY & LEARNING PROGRAMS

**FREE**

The following two programs are offered to all members

The first one would be particularly interesting to members of residents' committees.

#### **Program A**

**Wednesday, 7<sup>th</sup> April 2010**

#### **RLO'S and Resident Committees**

This will consider RLO's working with and in residents committees and how the committees operate.

#### **Program B**

**Friday, 9<sup>th</sup> April 2010**

#### **Being an RRVV Resident Liaison Officer (RLO) for your village**

This is a workshop for both current RLO's to share their experiences and for members who want to help RRVV by becoming an RLO

**Venue: St. Michaels Church Hall, Cnr. McIlwraith & Macphersons Sts., Princes Hill**

(East Coburg Tram via Lygon St. Tram to end of cemetery)

**Time: 10am to 3.30pm** (coffee from 9.30am) **Lunch:** A light lunch will be provided.

#### **Please reply as soon as possible to:**

Audrey Davitt – Phone: 88480804 or email: [adavitt@optusnet.com.au](mailto:adavitt@optusnet.com.au).

**Please give the following details:**

Your name, address, phone number, and an email address if you have one.

Please state which of the two Programs you wish to attend (you may attend both)

You are welcome to have more than one person attending from a village

## SUSTAINABILITY RETROFIT PROGRAM

In 2008, RRVV recognised that the existing and future retirement villages could contribute substantially to the community sustainability and to their quality of life. Not only could Retirement Villages (RV's) be planned for sustainability but there were options for **RETROFITTING SUSTAINABILITY** by drawing on Federal and State (Vic) government grants and negotiating large scale to keep costs down.

In January 2010, RRVV advertised for Expression Of Interest from suppliers and installers of -

- Heat Pumps (hot water supplies using reverse-cycle type technology).
- Solar Hot Water Systems.
- Rainwater Harvesting systems with tanks supplied and plumbing installed for toilet flushing and garden watering using rainwater.

Two 'preferred contractors' were identified from the 'Expressions of Interest' replies that closed on 12<sup>th</sup> February 2010. Both offered costs that were close to the estimates RRVV had worked out, based on grants and transferrable entitlements in place as at November 2009.

These costs would have meant a nett resident capital contribution as follows;

- Heat pumps: \$890 (payback on average two person RV villa occupancy 3.8years)
- Solar Hot Water Systems replacing existing; \$500 (payback on average two person RV villa occupancy 2.7 years)
- 2-5kL Rainwater tanks, plumbed into toilets, laundries and gardens; \$530 (payback on average two person RV villa Occupancy 3.1 years)

This was based on the grants available in November 2009. These have changed and have come into question since then and most members would be aware of the problems with grants relating to solar power, solar hot water retrofit and thermal insulation of homes and villas currently occurring and placing in major question the availability of these grants even in the near future.

In the case of rainwater tanks, the grant availability to RV residents is also under major question as many of our members may have experienced.

### LATE NEWS

**The Executive of the RRVV has decided that it cannot expose its members to any financial or legal risk and has decided not to proceed with the SUSTAINABILITY RETROFIT PROGRAM offered through RRVV (see opposite), to protect its members.**

It will, however, encourage similar implementation by individual RRVV member and non-member residents of retirement villages collectively through Resident Committees, Owners, Operators or Individually with reputable suppliers and installers of these technologies.

### INCORPORATION OF RESIDENT COMMITTEES

It is considered highly desirable that Resident Committees are incorporated bodies. Information on the process is available from Consumer Affairs Victoria which provides information concerning the steps to be taken and arrangements that are necessary. This action should be taken as soon as there are sufficient residents (say 20) to form a committee of say five (5) members.

#### **This then provides:**

- a process to be followed by residents, managers and owners to establish the committee.
- a foundation for the residents to set up a range of activities and to determine responsibilities for them
- a means whereby residents can collectively own items of equipment and other property that they have purchased as a result of fundraising in their village.
- a body with responsibility to conduct meetings in an open and equitable manner, providing the opportunity for questions to be raised about the how, what and why of village finances and management matters.
- legal protection for committee members collectively.

#### **An incorporated Committee of Residents will:**

- Clearly indicate residents' responsibilities [be they lease or Owners Corporation]
- Support 'the committee' - as a corporate entity. (Note - the Committee is the body that takes action NOT individual members of that committee.)
- Provide members with legal protection, but do need to take good care that they have the authority of the committee in making any statements.
- Make decisions to benefit village residents.

Where there is no committee, residents lack unity, have no point of reference and have no voice or authority vis-a-vis the owners and/or managers.

## 2009/10 RRVV COMMITTEE

Office phone: 9015 8402 (voicemail)

Email: [rrvv.vic@gmail.com](mailto:rrvv.vic@gmail.com)

Please direct all inquiries to the office

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President	Howard Campey
Vice Pres	Gerry Backhouse
Secretary	John Schlafrig
Treasurer	Jim Burrowes
Members	Graham Beanland Audrey Davitt Kevin Mason Trevor McPhee Arnold Paeglis George Selkrig

**Robert Phillips,  
Barrister & Solicitor  
and Elder Law Consultant**

Author of "Older Residents and the Law"  
and consultant lawyer for Elder Rights  
Advocacy for more than 15 years

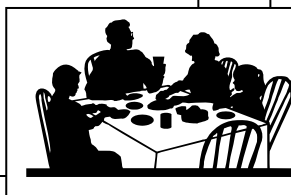
PH: (03) 54733487 Mob: 0412 745 105

### Residents of Retirement Villages –

Listen to your neighbours when they have problems. Many people, especially when they are on their own or without family help, are confused and worried.

You may feel they need to talk to a RRVV volunteer or contact our office for further advice.

Contact details are on the masthead on page 1



## NEWSLETTER BY EMAIL?

*If you would like to receive your RRVV Newsletter by email instead of receiving it in the post, please email Kay on [rrvv.vic@gmail.com](mailto:rrvv.vic@gmail.com)*

*This would help us by reducing printing costs, as well as saving volunteers' time putting newsletters into envelopes.*

### The National Information Centre on Retirement Investments Inc.(NICRI)

**NICRI is a FREE, independent, and confidential service -** that aims to provide up-to-date independent information. to assist people with modest savings to make the best possible investment decisions.

NICRI also has an online education tool called "**money map**" on their website: <http://moneymap.micri.org.au/>

This helps you work out loan, investment and savings scenarios.

Just call 1800 020 110 between 9am and 5pm, Monday to Friday or go to the NICRI website - [www.nicri.org.au](http://www.nicri.org.au).

**NICRI does not give investment advice, recommend financial products or planners, or undertake casework.**

Request from a "Geelong Grove" Retirement Village resident to RRVV - "Could you please clear up some confusion about what pensioners have to pay to 'Get on Line' "

There was some talk of a discount. An article explaining this would, I imagine, help many residents who are hesitant about taking this step.

**Disclaimer:** Every care is taken in preparing this newsletter but the views expressed herein are not necessarily those of the RRVV or the Newsletter Editor, Graham Beanland, nor does the organization accept responsibility for errors or omissions.

# **(EOI): HOSTING THE 2010 RRVV ANNUAL GENERAL MEETING**

The Annual General Meeting of the RRVV will be held on  
**Wednesday 29<sup>th</sup> September 2010,**  
notionally at  
St Michaels Church Hall, Princes Hill,  
from **9:30am to 12:30pm**

This will cost the RRVV some \$500 and the opportunity is offered to Retirement Villages with:

- a fairly central location in Melbourne
- accommodation for up to 140 persons in theatre style seating
- morning Tea facilities
- access to Public Transport
- adequate Parking for 20-30 cars

**If a Retirement Village (RV) wants to host the 2010 AGM, it needs to register with RRVV.**

The best RV registering EOI may not be accepted in preference to St Michaels, Church Hall.

**If an RV EOI is accepted, the \$500 would be paid to the Residents' Committee or Social Committee of the host RV.**

Information to be provided in the EOI is

- Name and Address of Village
- Contact Name and Phone/Email of contact
- Location description
- Capacity of main hall
- Public Transport description
- Parking capacity
- Security information

## *Get to know your medicines*

Independent information is available from National Prescribing Service Ltd. for confidential information -  
Medicine line: PH: 1300 888 763  
Monday to Friday 9am – 6pm  
Medicine Line is not an emergency service and does not replace advice from your doctor or pharmacist

# ***Don't hang up***



**WHEN YOU CALL RRVV –  
please leave your name and number**

When you call **RRVV on 9015 8402** you will not, unfortunately, get a person answering the telephone because it is a voicemail service.

**If you don't leave your name and number, we can't ring you back!**

We realise that voicemail can be frustrating but the RRVV office is not staffed on a full time basis, so we rely on our part –time office administrator (**Kay**) to listen to your messages and either answer them herself or forward them to an RRVV committee member, so.....

**PLEASE DON'T HANG UP**  
without leaving your contact number.

**DO YOU KNOW A MEMBER  
WHO HAS NOT RENEWED  
THEIR MEMBERSHIP THIS YEAR?**

**Perhaps they forgot?**

Unfortunately we still have a large number of members who have not renewed for 2009-10

If you know a member in your village who has overlooked their renewal payment, please ask them to contact RRVV on Ph: 9015 8402 or email [rrvv.vic@gmail.com](mailto:rrvv.vic@gmail.com).

If they expected to receive this newsletter, but did not, it could be that RRVV does not have a record of their renewal.

**We need all the members we can get!**

# RRVV Melbourne Forum

Come and learn what the RRVV is doing.

Listen to our interesting and informative Guest Speakers.  
Participate in the open sessions and offer suggestions.

**When: Tuesday, 27 April 2010** (Registration at 9.30am)  
Forum Commences at 10.00am

**Where:** Victoria University, 300 Flinders Street City

**Cost:** Reserved places: **\$10** (includes lunch)  
Unreserved entry at door will cost \$15.00

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**The Principal Speaker is Dr David Kennedy.**

David is the foremost academic and researcher in the Australian Retirement Village Industry. This is the first time in Victoria this research into the Retirement Village Industry has been presented

The following representatives from the Retirement Village Association(RVA) will talk about developments in the Victorian retirement village industry.

**David Bruce:** National Operations Manager & Regional Manager (Vic/Tas) and  
**Stuart Nicholson:** Victorian President

**RRVV hopes as many Members as possible will be able to attend to hear these great speakers**

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## **TO RESERVE A PLACE:**

Please send payment of **\$10 for each person**, together with your name, Village and address, to:

The Secretary, RRVV Forum, PO Box 4316, Knox City Centre, 3152

You may reserve a place by leaving a message on 9015 8402 (voicemail only) or by emailing [rvv.vic@gmail.com](mailto:rvv.vic@gmail.com), but bookings cannot be confirmed unless your payment has been received by RRVV before 27 April 2010

**PLEASE BOOK BY APRIL 17**

**Please Note. Unreserved entry at door will cost \$15.00**