

Retirement Villages

Information for residents
and prospective residents



The information contained within this booklet provides a guide to understanding and interpreting the Retirement Villages Act 1987 and Retirement Villages Regulations 2006



**Government
of South Australia**

SA Health

Disclaimer: In developing this booklet, every effort has been made to ensure that the information reflects the intent of the legislation and/or represents examples of best known practice. The information contained in these resources does not constitute legal advice. Office for the Ageing recommends that you seek your own legal advice should you require interpretation of the legislation.

V4 Jan 2013

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Introduction

Retirement village living usually involves significant financial commitment and lifestyle changes.

The following information covers details of the law and your rights as a resident in a retirement village, and the things to consider when moving to, living in, or leaving a retirement village.

A checklist has been provided at the back of this booklet to assist you in making a choice about moving into a retirement village. The checklist is not definitive, but is intended to assist you in making an informed decision about this housing and lifestyle option.

You may also visit a number of villages so it is worthwhile taking notes. Making notes of any verbal promises made will allow you to check that they are incorporated into your contract.

If you are uncertain about any aspects of a particular retirement village or the documents and information you receive, it will be to your advantage to seek further advice.



Before moving into a retirement village

If you are considering retirement village living, you need to think about what type of village you want to live in and seriously consider what you can afford on a continuing basis.

In South Australia, retirement villages are most commonly owned and/ or operated by private developers or non-government/ charitable organisations.

Once you have decided on a village that you want to live in, you will be asked to enter into a residence contract. This sets out your rights and obligations and ultimately governs the relationship between you and the administering authority (the person(s) who administer the retirement village scheme).

You should be aware that you do not own the residence in which you live, but rather have a lease or licence which gives you the right to occupy that residence. In some instances, you may have a proprietary interest in the residence (e.g. a community title). You may not be able to transfer your interest in the residence and you may not be able to borrow money against the property.

If you need to sell your current home before moving into a retirement village, it is wise to ensure any contract you enter into is subject to conditions that meet your sale needs. If you do not receive the amount that you need or are expecting from the sale of your home, then your financial position can be seriously compromised.

Shared equity deals may be offered by some villages. This generally occurs when the organisation allows a resident to pay less to enter the village but will recoup this amount when the resident leaves. These types of equity deals are generally used to give people access into a village when the market is slower and are not offered frequently.

It is important that prospective residents are aware of the consequences of such equity deals and the possible financial impact when they leave the village.

Making a move under uncertain financial conditions can create additional pressure and stress and diminish the positives about moving into a new environment. You also need to consider what else you may need or want to purchase in the near or long-term future (e.g. new car, holiday, new furnishings, air conditioning/heating, appliances etc).

It is important to remember that, like any financial transaction the buyer beware principle applies. The value of doing your homework before you enter into a contract cannot be over emphasised.

It is very important that you fully understand what you are agreeing to and what the legal and financial implications are for entering, remaining in and leaving the village, and the implications for any spouse or partner you may have.

As part of the moving in process, you will be presented with several documents. These can be lengthy and quite daunting. Nonetheless, it is critical that you read and understand the various clauses in your contract. It will generally be a legally binding document for both you and the administering authority.

Many people consider moving into a retirement village as their last residential move and do not concern themselves about leaving the village. However, you may want or need to leave for a number of reasons.

Consider, for example, what you might want to do if family members move interstate and you want to be closer to them or you need a higher level of care. You will also need to consider what will happen to your spouse or partner should you cease to reside in the village.

When speaking with an administering authority or their sales representative, take note of verbal promises about additional services, or exemptions which are not contained in the advertising material that you have seen about the village. When checking your contract, double check that these verbal promises have been included.



Your rights and responsibilities

The Retirement Villages Act 1987 ('the Act') and Retirement Villages Regulations 2006 ('the Regulations') describe the rights and statutory obligations of retirement village administering authorities and residents. The Act and Regulations can be purchased from:

Service SA Government Legislation Outlet

108 North Terrace, Adelaide, SA 5000

Telephone: **13 23 24**

There is an online shop at www.service.sa.gov.au or South Australian Acts and Regulations can also be accessed free of charge at www.legislation.sa.gov.au



The residence contract

Before signing the residence contract, you must be provided with a copy of the following documents, some of which will indicate items not applicable and have comments added where required:

- > residence contract
- > premises condition report
- > residence rules
- > disputes procedures
- > re-marketing policy
- > regulations, Schedule 1, Code of Conduct
- > financial statements.

Financial statements – presented at the last annual meeting of residents, including a written statement of any subsequent change in the affairs of the village and the administering authority that may significantly affect your decision to enter the village.

If you are uncertain on any point in any document, highlight it and seek further written clarification from the administering authority prior to signing. Once signed, your residence contract cannot be altered without the consent of both parties.

All information and contracts relating to a retirement village must:

- > as far as possible, be written in clear, plain English, avoiding vague statements
- > fully disclose the arrangements which will apply in relation to your occupation
- > be inclusive of and consistent with verbal assurances or representations
- > comply with the provisions of the Act/Regulations.

If the residence contract contravenes the Act and/or Regulations, the Act will take precedence over the contract.

Your residence contract under Regulation 5 of the Regulations should include references to:

- > your right to cool-off
- > any exemptions the village might have under the Act
- > the parties to the contract and any associated conditions
- > the certificates of title on which the village is situated
- > the form of tenure which applies to you (i.e. whether it is a strata title, a lease, a licence or other type of tenure)
- > your residence (i.e. its location, type, layout plan and size)
- > communal facilities (i.e. facilities available to all residents, and/or separate or additional facilities allocated to you)
- > any optional personal services (i.e. cleaning, laundry, meals etc)
- > your premium i.e. the amount, how and when it is to be paid, the basis on which any premium will be calculated and refunded (if relevant)

- > any recurrent charges and the way they are calculated or varied
- > when the village's financial year begins and ends
- > funds established by the administering authority to which you contribute, and the purpose of those funds
- > your settling-in period
- > the trustee (if relevant)
- > the action required to terminate a contract
- > other information agreed to between the parties
- > any current or planned development of the village – proposed expansions and extra facilities to be offered

Please note: There is no guarantee that proposed developments to retirement villages will be completed as planned, nor may there be any legal redress should this be the case

Code of Conduct

The Regulations contain a Code of Conduct, which sets out some important information about the administration of retirement villages. The Code of Conduct applies to all dealings between administering authorities and residents.

It is a term of a residence contract that the administering authority will abide by the Code of Conduct and can be fined up to \$2,500 for breaching that Code.

Cooling-off

There is a 15-business day cooling-off period after signing a residence contract and receiving all of the associated documents.

During this period you can withdraw from the contract and receive a refund of any money paid by you under the contract. Some administrative charges may be incurred.

It is strongly recommended that during this time, you seek the advice of:

- > a lawyer, to ensure that your understanding of the financial and legal implications of the contract (whilst living in or when leaving the village) is correct

and/or

- > a financial adviser, to ensure that you are able to afford to remain at the village on a long term basis. Most financial institutions offer a free service to existing customers.

It is also a good idea to discuss your move with family, friends and/or the donee(s) of your enduring power of attorney. Let them read the contract, as they may think of something you have overlooked. Often, it is one of these people who will be assisting you at a later stage and if they are already familiar with your contractual obligations, it will make their job much easier.

If you have any concerns about the interpretation of a specific clause in the contract, get a written explanation from the administering authority that clearly reflects your understanding of that clause. Attach this to your contract.

Ensure that you fully understand what costs will be deducted upon leaving the village. This can include a percentage for the capital replacement fund in addition to deferred management and other fees. These may be capped at a maximum percentage. For example 1 % per year for the first 5 years. You need to consider what the implications are if the fees are capped or uncapped.

Premises condition report

The premises condition report gives you information about the condition of the fixtures, fittings and furnishings, who will be responsible for repairing or replacing any item, when any item is due to be repaired or replaced and how the cost of repairing any item is to be funded.

The Regulations state that a premises condition report must be completed as at the date of the contract. This document must be signed by the administering authority and yourself.

You should ensure that you are satisfied with the information contained within the report before you sign it.

Settling-in

You are entitled to a settling-in period, which is 90 calendar days after the date of the contract (or longer if specified in your contract) or the date on which you are first able to occupy your residence, whichever is later.

During this period, you may decide that you wish to leave the village. If so, you may be required to pay costs and market rent for the period of occupancy, as detailed in your contractual documents. The premium will not be repaid until the residence is relicensed.

You cannot be required to pay any monetary penalty for termination during this period. The more information you have and understand BEFORE you make a move, the smoother your transition is likely to be and the less likely you will be to experience disputes in the future.



Living in a retirement village

Living in a retirement village incurs several costs, such as those associated with the maintenance of property and the grounds and personal/additional services provided to residents. Funding for these items is generated in a variety of ways.

Each retirement village has its own set of fees and charges. The most commonly established or referred to fees and funds in villages are recurrent charges, capital replacement and long term maintenance (sinking fund).

All village funds and their purpose should be noted in your residence contract.



Recurrent charges/maintenance fund

Recurrent charges are payable at regular intervals e.g. fortnightly or monthly. This fee may also include a contribution towards other village funds which are used to meet capital replacement and/or long term maintenance costs. You should be informed of expected, regular contributions prior to entering the village.

Recurrent charges might cover expenses such as:

- > **administration** (e.g. stationery, office equipment, phone use)
- > **wages, salaries and related costs** (e.g. village manager, office person, handyperson/gardener)
- > **property management** (e.g. council rates, insurance)
- > **food and catering.**

Capital replacement fund

A capital replacement fund is most commonly used to replace capital items or to fund a planned maintenance program. Replacement of carpets or major appliances such as stoves, hot water services and air conditioners may come out of this fund.

Long term maintenance fund (sinking fund)

A long term maintenance fund is usually set up to meet non-budgeted, unplanned expenses or items requiring long term maintenance. This may include road surfaces, downpipes and gutters, painting, security and salt damp repairs. It could also be used for the repair of recreational facilities such as spas and swimming pools.

Personal/additional service charges

These relate to services specifically provided to you on a personal needs basis, such as cleaning of your residence, care services, separate meals or meals which meet special dietary requirements. If such services are negotiated prior to you entering the village, the services and costs will be detailed in your residence contract.

Finance committees

The administering authority is required to undertake reasonable consultation with a residents' committee on a number of issues, including the preparation of an annual budget for the village. To undertake this role, some villages have a finance sub-committee made up of residents who are knowledgeable and/or interested in accounting practices and willing to be involved. This procedure may vary from village to village, depending on its size and the needs of residents and administering authorities.



Special levies

On rare occasions, a special levy may be charged by a retirement village, but levies are rare. A special levy may be charged for budget shortfalls in a particular financial year e.g. to cover costs associated with road resurfacing due to tree root damage.

Special levies may only be imposed if authorised by a special resolution passed at a meeting of residents. This can only occur under the following circumstances:

- > at least 21 days written notice of the meeting, containing a statement of the proposed resolution, must have been given to all residents
- > the resolution must have been passed by a majority of not less than 75% of the number of residents who were present and entitled to vote at the meeting i.e. one vote per residence.

Meetings

The best way for both residents and administering authorities to keep the lines of communication open in a retirement village is through village meetings.

Administering authorities or residents may convene a meeting by notifying all residents, 14 days prior to a meeting, of the time, place and business of the meeting.

All retirement village residents have the right to participate in resident meetings. However, if there are two or more residents who live in the same residence, only one of them may vote.

Administering authorities are required to convene a meeting of residents at least annually. Along with the notice for this meeting, the administering authority must provide residents with:

- > an audited statement of income received from residents and other sources and expenditure of that income for the previous financial year (for all funds)
- > a statement of estimated income from residents and proposed expenditure for the current financial year (for all funds).

Administering authorities must invite residents to submit their questions in writing at least seven days before the date of the meeting, although residents can choose to raise their questions at the meeting.

The administering authority representative attending the meeting must give residents a reasonable opportunity to raise questions and must respond to any reasonable question to provide information and/or clarification of financial statements or proposals presented.



If the administering authority is unable to answer a question at the meeting, a written answer must be provided in writing within 14 days of the meeting.

Minutes of the annual meeting must also be provided to each residence within 14 days of the meeting.

Fee and charge increases

All fees and charges are subject to increases. However, recurrent charges cannot be increased beyond a level deemed to be reasonable. It's a good idea to check with other residents to find out what the annual increases have been in the past.

Many villages use the Consumer Price Index (CPI) as a budgetary guide. However, CPI cannot be automatically used to justify an increase in fees. This is because the CPI might be higher than the actual cost increase incurred by the village.

When fee increases occur

At the annual meeting between administering authorities and residents, the financial statements relevant to all funds for the previous year are presented to the residents, who then have an opportunity to question the statements. Recurrent charges cannot be increased beyond a level shown to be reasonable in view of those accounts. Depending on the timing of the annual meeting, a period of weeks or months may elapse before residents are liable to pay an increased fee. An administering authority may require the payment of this increased fee to be backdated to the beginning of the financial year.

Residents' committees

Section 30 of the Act refers to residents' committees. The purpose of a residents' committee is to promote and protect the interests of residents.

The basic structure and functions of a residents' committee are:

- > only a resident of the village may belong to a residents' committee
- > members are elected by the other residents and hold office for a term of one year but can stand for re-election
- > if the need arises, a member can be removed from office by a special resolution of residents
- > a residents' committee can determine its own procedures and appoint sub-committees
- > it is an offence for an administering authority to deliberately discourage or prevent residents from forming a residents' committee or to obstruct a committee in the performance of its functions
- > the administering authority does not need to be involved in the conduct of the residents' committee but can meet with the committee
- > the administering authority must ensure reasonable consultation with the residents' committee on significant village issues
- > both the administering authority and the residents' committee must, on a reasonable written request, meet with the other party.

Residents' Associations

Some retirement villages have established a residents' association under the Associations Incorporation Act 1985. These associations have their own constitution and purpose. A residents' association may be established for the purpose of for example, holding a liquor license and applying for community grants.

A residents' association may exist in addition to a residents' committee established in accordance with Section 30 of the Retirement Villages Act 1987.

In a situation where no residents committee has been established within a village, the administering authority must consult with the residents as a whole in relation to matters concerning the interests of the residents of the retirement village, irrespective of whether a residents' association is in existence or not.



- > A residents' association has no power to deal with the administering authority of the retirement village about the interests of the residents as a residents' committee would do, and the administering authority has no power to deal with the residents' association on those matters.
- > Where there is a residents' association in a retirement village, it is important that the group of persons elected to the residents' committee of the retirement village keep the exercise of the powers and functions of the residents' committee under the Act clearly separate from the activities of the residents' association.
- > If a resident of a retirement village resigns membership of a body corporate established under the Associations Incorporation Act in relation to the retirement village, that person retains all rights under the RV Act, including rights of representation by the residents' committee under section 30.
- > It is possible that the same people may be elected to the residents' committee in a retirement village and also hold positions on the governing body (e.g. the board) of the residents' association.

Dealing with disputes

From time to time complaints and problems may arise between administering authorities and residents.

As in other situations, the best way to avoid a dispute is to deal with the problem at an early stage before it escalates into a major issue. You may choose to discuss the problem informally with another resident or your residents' committee before deciding to take the matter further.

In the event of a dispute, you are entitled to be accompanied by a person of your choice.

The Regulations require that each village has in place a policy and procedures which are applied in the event of a dispute. If any alteration is made to the policy or procedures, all residents must be provided with the revised version.

The Act does not cover disputes between residents. If you have an issue with another resident, you should deal with it as you would with any other person/neighbour.

Office for the Ageing mediation

Office for the Ageing can provide a mediation service, where assistance from an independent third party may help in resolving a dispute. The mediator can provide advice to the parties concerning their rights and obligations under the Act/ Regulations, or assistance in preparing an application, should the matter proceed to the Residential Tenancies Tribunal (the Tribunal).

The mediation process can assist the disputing parties to reach agreement by mutual consent. Resolution is preferable because it is not a forced compromise, therefore parties are more likely to be satisfied with the outcome and to fulfil their agreement obligations.

Residential Tenancies Tribunal

If a dispute arises between you and the administering authority of the retirement village, either party is entitled to apply to the Tribunal for resolution of the matter. However, you must have sufficient evidence to support your allegation.

This legal avenue is more formal than the voluntary dispute resolution processes described above. Prior to making an application to the Tribunal, all avenues to resolve the dispute should have been pursued. The Tribunal is likely to suggest mediation before it will hear a matter. The Act, Schedule 1, describes "Proceedings before the Tribunal".

Role of the Tribunal

The Tribunal is a separate and independent body providing a prompt and low cost way of resolving disputes.

The Tribunal has the authority to make orders that are legally binding and enforceable. The Tribunal can hear disputes concerning (but not limited to):

- > breaches of the residence contract
- > breaches of the Act
- > harsh or unconscionable conduct by the administering authority
- > full or part repayment of a premium.

The Tribunal cannot hear disputes between residents, or any dispute which is not related to the Act/Regulations or the residence contract.

The Tribunal may also decline an application if it considers that:

- > the matter could be more adequately dealt with under the rules for dispute resolution established by the administering authority
- > the matter is more appropriately dealt with by another court or other tribunal
- > the matter is frivolous or involves a trivial issue or amount of money
- > for some other reason, it is not appropriate to proceed with the matter.

Preparing for a hearing as an applicant

If you believe that you have adequate evidence to support your dispute, you will need to apply to the Tribunal in accordance with the requirements described in Section 12 of the Regulations.

You can obtain a proforma (#7- Application to the Residential Tenancies Tribunal for Resolution of a Dispute) by contacting the Retirement Villages team during office hours on 8204 2425 and 8204 2424 or from the website www.sa.gov.au/seniorspublications.

A non-refundable payment is required when you lodge your application. A copy of your residence contract (including the supporting documentation) and residence rules must be attached to your application. You will need to file your application at:

Consumer & Business Services

1st Floor, Chesser House,
91-97 Grenfell Street, Adelaide

Once you have filed your application, the Tribunal will send you a notice advising of the preliminary hearing date. This is usually within 14 working days.

Preparing for a hearing as respondent

If you receive a notice that an application has been made to the Tribunal by the administering authority, you will also receive a copy of that application. You will need to prepare a response to answer the allegation(s) made and you may call witnesses if necessary.

Legal representation

If you want a lawyer to represent you, you must seek leave from the Tribunal. Lawyer involvement is only allowed under certain circumstances (see the Act, Schedule 1, clause 6(4)). If one party to the dispute is granted approval for legal representation, the other is automatically granted the same opportunity.

Tribunal hearings

Hearings are usually held at:

Residential Tenancies Tribunal
4th Floor, 100 Pirie Street, Adelaide

One of the Tribunal members will conduct the hearing in a reasonably informal atmosphere. Hearings are open to the public and are electronically recorded. You will be required to make an oath or affirmation at the commencement of the proceedings.

At the preliminary hearing the Tribunal member will:

- > decide whether there is a case to answer
- > determine whether 'leave' for legal representation is applicable
- > ascertain if further information is required from either party.

If the matter is to proceed, a full hearing date will be set. Witnesses will be required to attend the full hearing and the Tribunal will send out further notices advising all parties involved of the date and time. If a witness is reluctant to attend, the Tribunal may issue a summons if necessary.

The Tribunal is not bound by the rules of evidence, but still needs to assess the reliability of the evidence. The Tribunal will consider relevant written statements from witnesses. However, it is useful to be aware that evidence may be more persuasive if given in person on oath or affirmation and subjected to questioning by the other party and the Tribunal.

In most hearings, the Tribunal Member questions both parties to clarify the issue and what each party has to say about the matter. Any supporting evidence will be considered on merit.

The parties are entitled to question each other and any witnesses giving evidence. Once all evidence has been presented, the Tribunal makes a determination and may issue an order which is binding and enforceable.

In most retirement village matters, this determination is reserved to a later date. This allows the Tribunal Member time to consider all the evidence in detail. A written copy of the order(s) is forwarded to the parties. The Tribunal must give a written statement of reasons for its order/decision if requested by a person affected by that order/decision.

If a party to the proceedings fails to attend the hearing and the Tribunal is confident that notice of the hearing has been sent to the correct address, then the matter may proceed in the absence of the person. If for some good reason (e.g. medical illness) a party is unable to attend at the appointed time, the Tribunal Registry should be notified immediately. It may be possible to arrange another hearing date.

Interpreter

If needed, the Tribunal Registry will arrange for an independent interpreter (ie a person not known to either party, to attend the hearing). It takes time to do this, so if you are aware that any party to the proceedings needs an interpreter, you should inform the Tribunal Registry at the time the application is lodged.

Withdrawal of application

If the hearing listed is no longer needed, the Tribunal Registry must be notified as soon as possible, so that all parties can be notified and the scheduled time can be reallocated to another case.

Leaving a retirement village

There may come a time when you decide to leave the village or you may have to leave for medical reasons. The following information relates to leaving the village and to the re-licensing of your residence.

Your residence contract will contain provisions for leaving the village. These provisions must comply with the Act and the Regulations. If you want to leave the village, check the remarketing policy to establish exactly what you are required to do. It is likely that you (or your nominated agent) will need to advise the administering authority of your intent to leave in writing.

If you paid a refundable premium when you entered the village, a proportional refund may be paid to you on leaving the village in keeping with the provisions in your residence contract.

In ordinary circumstances, payment of your refund will depend on the re-licensing of your residence. After the re-licensing of your residence, the administering authority must repay your refund within 10 business days after settlement. Some villages offer a refund within a stated period of time, so check your contract for details.

If you need to leave your residence to move into a residential aged care facility, it is possible for you to seek an early refund.

Moving to a residential aged care facility

At some stage it may be necessary for you to move in order to access a level of care not available at your village.

If you are assessed by an Aged Care Assessment Team as needing a higher level of care and you have paid a refundable premium, you can apply for an early refund if you do not have ready access to required funds or if the payment of an accommodation bond would have a serious effect on your personal finances.

A written application to the administering authority would need to occur within 60 days after being approved for entry or leaving the village (whichever is later). Subsequently, the administering authority must, within 60 days of receiving an application, repay as much of the premium as you require to secure entry to the residential aged care facility.



Absence from the village

If you are absent from a retirement village for a continuous period of at least 28 days, payment for any personal/additional services will cease after the 28 days have elapsed.

You should clarify with the administering authority what proportion of your recurrent charges are for personal/additional services (e.g. where meals are provided, you will not be charged for food but you will be expected to pay a salary component for the provision of meals).

Remarketing

Under the Regulations, each village is required to have its own remarketing policy which clearly outlines the rights and obligations of both the administering authority and the outgoing resident.

Once you have decided to terminate your contract and provided notice, the administering authority can take preliminary steps to remarket your residence.

The administering authority must act in accordance with the village's remarketing policy. The policy will refer to processes such as:

- > what steps you and the administering authority undertake when the residence is re-licensed
- > the administering authority meeting with you or your agent to discuss/explain the remarketing process and complete the premises condition report

- > determining if refurbishment is needed to ensure that your residence is in a reasonable condition for remarketing, if necessary how/when work will be undertaken, who is responsible for organising the work and for associated costs
- > the fixing of the price at which your residence will initially be remarketed and when/how changes to that price will be considered and made
- > the type, level and frequency of advertising that will be undertaken
- > who will be responsible for any costs associated with the valuation of your residence, any advertising and other relevant matters and how any such costs will be calculated or determined
- > what you will be required to do in relation to the remarketing of your residence and the extent to which you may or will assume responsibility for any aspect of the remarketing process
- > what action will be taken if your residence is not re-licensed after the first 90 days and after six months, if it has still not been re-licensed
- > what fees, charges and costs will be deducted by the administering authority in relation to the re-licensing of your residence at settlement.

The administering authority must also provide you with a written progress report (at least monthly).

Terminating the contract

You can terminate your residence contract at any time by providing written notice to the administering authority.

The circumstances under which an administering authority can terminate your right of occupation include:

- > breaching the residence contract and/or rules, subject to confirmation by the Residential Tenancies Tribunal
- > your residence becoming unsuitable for your use due to physical or mental incapacity, subject to confirmation by the Tribunal
- > your death.

When terminating a contract, any limitations or qualifications that may arise from the original contract must be considered.

If the administering authority decides to terminate your right of occupation, you must:

- > receive written notice of the grounds for termination
- > be informed that the decision is subject to review by the Tribunal
- > be informed of your rights with regard to such a review.

Both parties will have the opportunity to present their case to the Tribunal. Where the Tribunal confirms the administering authority's decision to terminate, it must set a time within which you must vacate your residence.

Refund/settlement

Once your residence has been re-licensed, you will receive a settlement statement which provides details related to your refund (if applicable). This statement should outline the fees, charges and costs deducted from the premium received by the administering authority and the final amount subsequently payable to you.

These deductions may include:

- > any outstanding recurrent charges
- > costs associated with refurbishment, remarketing, management, depreciation etc.
- > an amount indicating a percentage of the premium retained by the administering authority (their profit)
- > an amount retained for capital replacement (often calculated on your length of stay in the village eg x% for period of occupancy)
- > sales commission.

Organisations to contact for advice

If you require further information or want to discuss any aspect of retirement villages, contact the appropriate organisation listed below.

Independent information and advice

Office for the Ageing is responsible for administering retirement village legislation and is able to provide general information and assistance on retirement village matters, clarify areas of concern and provide a mediation service to help resolve disputes between residents and administering authorities.

Office for the Ageing

Level 3, 162 Grenfell Street
Adelaide SA 5000

Telephone: **8204 2425 or 8204 2424**

Email: oftaretirementvillages@health.sa.gov.au



Seniors Information Service (SIS)

SIS provides information to older people, families of older people and their carers on a very wide range of topics, including retirement villages, independent living units, serviced apartments, community housing, residential parks and aged care facilities.

149 Currie Street, Adelaide

Help Line: **8168 8776**

SA Country Help Line: **1800 636 368**

Fax: 8221 5697

Mail: GPO Box 1645, Adelaide SA 5001

Email: information@seniors.asn.au

South Australian Retirement Villages Residents' Association (SARVRA)

SARVRA's members are residents of retirement villages.

The Association's goals are to provide information and advice to, and advance the interests of, retirement village residents.

16 Hutt Street

Adelaide SA 5001

Telephone: **8232 0422** (COTA Switchboard)

Freecall: **1800 182 324** (outside Adelaide metro area)

Retirement villages checklist

General issues

- Have you discussed your decision to enter a retirement village with family, friends, your financial or legal adviser or organisations such as the Seniors Information Service (SIS) or the South Australian Retirement Villages Residents Association (SARVRA)?
- Is the village in close proximity to family, friends, activities that are important to you?
- What public, community or village transport is available and how easy is it to access?
- Is there a residents' committee? (ask the administering authority for the name and phone number of the chairperson so that you can contact them and ask questions about the village e.g. have they found the administering authority supportive; are issues responded to quickly, what do they see as the good/bad points of the village, are residents actively involved in making village rules?) etc.
- Does the administering authority or the residents' committee have a copy of the minutes of the residents' committee's last annual meeting? If so, could a copy be given to you?
- Does the village have other types/levels of accommodation available at the same site e.g. serviced apartments, supported care or residential aged care facilities? What are the requirements and associated costs of accessing these other accommodation options?

Financial matters

- If the residence in which you are interested has not yet been built, is the price fixed, regardless of when building commences?
- To what are you entitled if you pay a deposit?
- Will you be charged any costs if you withdraw from the contract?
- What type of premium will you be paying i.e. refundable or non-refundable/donation?
- Can you afford to pay the premium?
- How much will you have to pay in recurrent charges? What other charges can be imposed?
- If you move in as a couple, will you be able to remain or afford to remain at the village in the event that something should happen to one of you e.g. can you meet living costs on a single rather than double pension?
- Does your financial situation allow for future increases in recurrent charges? Will you still have enough money left to enjoy the quality of life to which you are accustomed?
- What will happen if you cannot meet future recurrent charge increases?
- What costs will be involved when you leave the village e.g. remarketing, refurbishment?
- Do you receive any reimbursement if you make improvements to the residence e.g. building a veranda, installing a security alarm?

Legal implications

- Do you fully understand what the proposed residence contract and associated documents mean and what your rights and responsibilities are?
- Do you need to seek further clarification on any part of the contract? (If so, seek independent legal and/or financial advice).
- Will you be affected if the village is sold?

Building and construction

(some of these points will be reflected in your premises condition report)

- Have the community facilities been built? If not, what guarantee do you have that they will be constructed? Is this noted in your contract?
- If construction of your residence is not completed, do you have a say in the design and furnishing of it?
- Are the grounds pleasant and well tended? Who maintains the gardens and who pays?
- Do you have a private garden area? If so, will you be able to manage the upkeep required? What happens if you are no longer able to maintain your garden?

- Which way does the residence face? Where will morning or afternoon sun shine?
- Is there adequate street lighting?
- Is there adequate parking for visitors?
- Do you have a letterbox outside your residence or is there a communal mail box area?
- Do the pathways provide clear access and are they level? If they appear cracked or unsafe, when are they being repaired and is there a written statement supporting this?
- Does the residence have steps or stairs? How steep are they? Have handrails been fitted?
- How is garbage collected? Do you have your own bin? Where do you put it for collection? Is it close by?
- Is there a recycling system available? How does it work?
- Is there noticeable noise from road traffic, aircraft, trains or the surrounding area e.g. factories, schools, shops, other homes?
- What is the zoning for the area surrounding the village?
- Is the residence well located in relation to other residences and community facilities? Will emergency services be able to reach it?

- Is the residence designed to suit the use of a shower chair, walking aid or wheelchair should you have or need one in the future? Are door and passageways wide enough to accommodate your changing needs? If not, can the residence be modified easily? Who would pay?
- Does the bathroom have a bathtub and/or shower? How deep is the bathtub? Will you be able to manage getting in and out without assistance?
- Does the residence have safety rails in the bathroom and toilet? Will the administering authority allow them to be fitted?
- Does the residence run on gas, electricity or both?
- Does the residence have heating installed? What type is it and what are the approximate running costs?
- Is the residence air-conditioned? If not, can you install an air conditioning unit? Are there any restrictions on the type of system which can be installed? Who covers the cost of purchase, installation and/or maintenance?
- Does the residence come with any appliances supplied e.g. washing machine, fridge? If so, whose responsibility is it to maintain and/or replace them?
- Does the residence have security doors and/or windows fitted? If not, can they be fitted and at whose expense?
- Have you checked that all windows and doors open and close easily?
- Are there any cracks in the walls?

- Is the exterior and interior paintwork in good condition?
Who maintains it?
- Do you like the colour scheme? Can it be changed?
- Are the floor coverings in good condition?
- Do you like the curtains/light fixtures? Can you change them?
What do you do with the existing fixtures?
- Are the rooms large enough to accommodate your existing furniture e.g. lounge suite, wardrobes, bed and side tables, fridge/freezer, dining table? (Measure to make certain).
- Is the telephone connected? Where is the outlet and is there an additional outlet beside the bed? If not, can one be installed and at whose expense?
- What storage cupboards are there e.g. pantry, linen press, built-in wardrobes?
- Can you reach the cupboards without needing to stand on something?
- Does the residence have a laundry or is the laundry communal?
- Do you have your own clothesline or is it communal?
- Is there an intercom system fitted in the residence?

Health and welfare

- Is there any assistance or facility available if you get sick?
- What happens if you are no longer able to care for yourself?
- Is the village in a location where you can still easily access your own doctor?
- Can you access community services e.g. Domiciliary Care, Meals on Wheels?
- Does the village have an emergency alarm system fitted to each residence? How is it answered and are there penalties for false alarms?
- Does the village have written emergency procedures e.g. for accessing ambulance, fire evacuation or police attendance?
- Is there easy access to your residence for emergency vehicles or persons?

Activities and amenities

- Will the village rules affect your existing lifestyle?
- Can you have friends and grandchildren to stay with you? Are there any restrictions?
- Will you be able to continue your hobbies e.g. music, gardening, swimming, bowling, games, craft work, woodwork?
- Are any pets permitted and if so, what type of pets?
- Does the village have regular resident functions and/or outings?

- How close and accessible are public transport facilities?
- How close is the village to your church, medical centre, library etc?
- How close are other community facilities to the village? Is the local shopping centre within walking distance?
- Has the village arranged for a community bus for shopping trips and if so, how often is it available? Is there any other village transport available at other times?
- Do you have any doubts about the village? (If so, list them and discuss them with family, friends, financial or legal adviser or the residents' committee).

For more information

**Office for the Ageing
Retirement villages team
Level 3, 162 Grenfell Street
Adelaide SA 5000
Telephone: 8204 2425 or 8204 2424
Facsimile: 8204 2430**

If you do not speak English, request an interpreter from SA Health and the Department will make every effort to provide you with an interpreter in your language.



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