

# RRVV

## NEWSLETTER

Issue No 46 June 2017

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**Residents of Retirement Villages Victoria Inc.**  
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### RETIREMENT HOUSING FORUM A GREAT SUCCESS

The Victorian Government has had the recommendations of the Parliament's Legal and Social Issues Committee for two months. It is now time to remind the Government that residents are a force to be reckoned with.

Around 135 residents from various forms of retirement housing attended a forum on Monday 1 May 2017 at the Victoria University conference centre on Flinders Street which had been called to review the Inquiry recommendations.

RRVV works in close collaboration with three other like-minded organisations – Housing for the Aged Action Group (HAAG), Council on the Ageing (COTA) and Consumer Action Law Centre (CALC). HAAG organised the forum and did a superb job.

Almost two-thirds of attendees were RRVV members with the balance members and clients of either HAAG or COTA.

The morning session focused on the recommendations made by the Parliamentary Inquiry into Retirement Housing. Residents generally support all the recommendations except Recommendation 10 which proposes allowing retirement village operators to choose whether to advance either a lump sum or a daily accommodation payment to ex-residents in care and waiting for their unit to sell. Residents want the right to choose. Some expressed disappointment with the vagueness of a few of the recommendations. Retirement village residents are especially disappointed with the the Inquiry's failure to recommend local Council rate relief. Residents of residential parks and non-village independent living units feel the

recommendations did not reflect their situation fully.

The afternoon session focussed mainly on actions residents can take to encourage the Government to implement the Inquiry recommendations likely to be of direct benefit to retirees. Retirement village residents working in six groups identified the following recommendations as the top 4 targets:

1. A free and expert dispute resolution service with the power to make binding determinations that owners and operators cannot appeal - an ombudsman or similar (Recommendation 15).

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2. Mandatory village accreditation with minimum standards (Recommendation 11)
3. A comprehensive review of the Retirement Villages Act - not just a patch up (Recommendation 2)
4. Independent formal training of village managers and key staff at a level commensurate with responsibility (Recommendation 12)

These groups also reviewed advice on how to obtain a meeting with local politicians and how to approach such a meeting, and tips on writing letters to politicians seeking their support for specific recommendations. For further information see "Lobbying Your Local MPs" in this newsletter.

Another retirement villages' group focussed on concerns specific to Aveo villages, and particularly on changes arising from the introduction of The Aveo Way and the introduction of Freedom Aged Care.

Without the assistance of our RLOs it would be nearly impossible for RRVV to distribute its newsletters.

Just lately some satchels containing newsletters have been returned because they have been addressed to an RLO who is not at home on the day of delivery to sign for the newsletters. RRVV will now advise all RLOs when a newsletter delivery is to be made and if you are unable to receive it on that day please let us know.

Being an RLO for RRVV can provide the RLO with a respected presence within a retirement village community but also being an RLO can be quite isolating. The RLO can be a target for disgruntled residents who feel RRVV should be doing more for them. Of course it is hoped the RLO also receives any rare compliments that might be offered.

If as an RLO you need support or just someone to talk to please don't hesitate to ring or email the RRVV Information Line and leave a message for a committee member to return your call.

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## **RESIDENT LIAISON OFFICERS (RLOs)**

What would RRVV do without its RLOs? More specifically how could the RRVV Committee cope without our RLOs?

RLOs are RRVV's "out workers", its "on the ground/at the coal face" team and the Committee values every one of its RLOs.

Unfortunately, lately, the RRVV Committee has not been able to support our RLOs as much as we would like. This is because with only five committee members our resources are stretched to the limit. Because RLOs seem to be able to cope very well without a lot of support, and it is the "squeaky wheels" which receive the most oil, this often leaves our RLO team to battle on unaided.

The RRVV quarterly newsletter is a very important method of communicating with our members.

## **ANNUAL MEETING AND RLO MEETING**

*Please put 11:30am to 2:00pm  
16 October 2017 in your diary.*

This year we will hold our Annual meeting and RLO meeting on the same day at the Victoria University Convention Centre in Flinders Street (close to the western entrance to Flinders Street Station). The guest speaker will be Emma Kealy, Shadow Minister for Consumer Affairs.

RRVV will provide a light lunch. Further details in our September Newsletter.

## INCREASE IN SERVICE FEES FOR FINANCIAL YEAR STARTING 1 JULY 2017

As in previous years the operator of a retirement village in Victoria is entitled to increase its service fee or “maintenance charge” by a percentage based on changes in the Consumer Price Index (CPI as published by the Australian Bureau of Statistics). The formula used to calculate the percentage increase is given in the Retirement Villages (Contractual Arrangements) Regulations 2006.

According to this formula, this year’s percentage increase is calculated by dividing the sum of the CPI index numbers for each of the four quarters June 2016 to March 2017 by the sum of CPI numbers for the corresponding quarters in 2015/16. The table shows the relevant figures for calculating the increase for the new financial year (1 July 2017 to 30 June 2018) for Melbourne.

Quarter	Melbourne CPI
Jun-16	108.6
Sep-16	109.1
Dec-16	109.9
Mar-17	110.9
<i>Total</i>	<i>438.5</i>
Jun-15	107.1
Sep-15	107.6
Dec-15	108.3
Mar-16	108.2
<i>Total</i>	<i>431.2</i>

*Source: Australian Bureau of Statistics 6401 (All Groups)*

The total of the first set of four index numbers (438.5) is 1.69% higher than the total of the second set (431.2) and operators of retirement villages in Melbourne are entitled to increase their fees to residents by this percentage. Any

increase higher than 1.69% would require residents’ approval, either in the form of a majority vote at a meeting of residents or a resolution of the residents’ committee.

A retirement village operator is entitled to increase service fees by more than 1.69% without residents’ approval only if their costs have increased as a direct result of changes in items of expenditure which are set by governments, such as award wages, rates, and taxes.

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## LOBBYING YOUR LOCAL MPS

There is real momentum for change at the moment, but residents of retirement villages won’t see better laws introduced unless our state members of parliament are motivated to make this change. One way you could help the cause would be for you to contact your local members of both the lower and upper houses to explain why reform of retirement village legislation so necessary.

If you are at all like me, you will have no experience in approaching your local members to lobby about anything. You may even feel a little anxious. Therefore for people who may feel hesitant, here are a few hints as to how to go about taking on this challenge.

### Meeting With Your Local MPs

- Obviously, the first step is to find out who your local MPs are. Retirement villages are regulated by the Victorian State Government, so stick with State MPs. If you have access to the internet search: <http://www.vec.vic.gov.au> to find out the name of your upper house and lower house electorates - then the parliamentary website at <http://www.parliament.vic.gov.au/members>. Not everyone has internet access, but perhaps a friend or the village office will look up these sites up for you.
- It helps to find out some information about each of your local MPs before making contact.

For example, what political party do they belong to? are they in government or opposition? what offices do they hold? and on what committees do they serve?

- When you initially phone an MP's office, your main goal is to obtain an appointment. There is little point in beginning your spiel, so just emphasise that it is important to you to have an opportunity to talk about your issue with the member. You can, if you wish, follow up this initial call with an email briefly outlining what you want to discuss.

- Alternatively, you might prefer to write a letter seeking an appointment. The letter template following this article might help. Even if you don't want to write a letter, it is worth a read because it provides additional guidelines.

- The time allocated for the meeting will probably be less than half an hour, so it is wise to stick to a few key points. I'd write down the points that you want to get across to help you stay on track. The recommendations made by the Inquiry into Retirement Housing are a good place to start. Pick the ones you most want the Government to adopt.

- It might help to have someone with you for support.

- A relationship of some kind with your local MP can be advantageous so follow up your meeting with an email or letter thanking him or her for taking the time to hear your concerns. Or, write a card saying the same thing and send it snail mail.

Hope this helps.

*Novice MP Lobbyist.*

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## Template letter to MP

[insert date]

[insert your name and address]

[Insert name and correct title]

Member for [insert electorate]

[Insert electorate address]

Dear [insert MP's name],

1. *Request a meeting:* You should start the letter by asking to meet with your MP. If you are having difficulty arranging a meeting, offer to bring along an advocate from RRVV.

2. *Introduce yourself:* Outline who you are and a brief summary of why you are writing. Make it clear from which village or other retirement housing you are writing and that you are a member of their electorate. It can also be helpful to briefly set out your relevant connections in the community, such as whether you have lived and worked in the electorate for a long time, your involvement with a local church, Rotary organisation or sporting club.

3. *Why you are writing:* You should make it clear that there was a recently a Parliamentary Inquiry into the retirement housing sector, and what your specific concerns are. You should set out the particular concerns you have in your own words. For example:

\* 'I am concerned that my retirement housing contract is overly complex, which has left me uncertain of my rights and how to enforce them.'

\* 'Resolving disputes with my retirement village manager is very difficult - Consumer Affairs Victoria can only conciliate, and VCAT is expensive and time-consuming.'

\* 'The exit fees I have to pay are huge, so I can't afford to go anywhere else. I feel trapped.'

You should refer to your own personal experiences with the issue and highlight how this issue affects the broader community.

4. *What you want:* It should be clear what you want the MP to do. For example, 'I would be grateful if you would write to the Minister for Consumer Affairs to support the recommendations of the Parliamentary Inquiry.'

5. Provide your contact details: For example, 'I can be contacted at [insert phone number] or at [insert email address].'

Yours sincerely,

[Insert signature]

[Insert name]

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## NBN AND RETIREMENT VILLAGES

In the last Newsletter we asked readers to let us know what was happening regarding the rollout of the National Broadband Network (NBN) in their villages. From the responses it seems that it's early days, with very few villages connected to date.

The overall view, however, is that the NBN will deliver faster and more reliable internet services, enabling a wider range of services to be delivered to residents in their homes. These include, for example, downloading films and music, making video calls to friends and relations and accessing health services, but many residents may not be interested in these activities and will settle for a reliable telephone service.

that in most cases you can continue to use your current telephone and internet service provider. Alternatively, if you are dissatisfied with your current retail service provider, or you can find a more suitable "plan" to meet your needs, you can take the opportunity to change to a different provider.

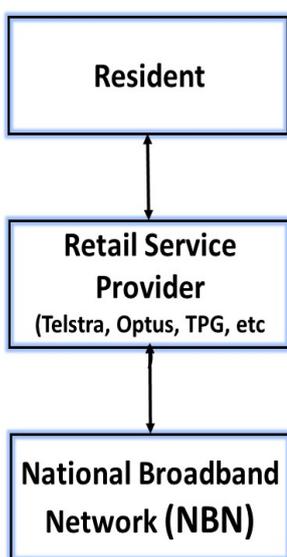
In at least one retirement village there has been no discernible difference following a changeover to NBN. The village consists of a block of apartments and connecting the NBN consisted of installing equipment in the building's communications room with a connection to the NBN network. This village is not typical, however. It consists of a single block of apartments whereas most retirement villages consist of individual villas spread over a wide area. More importantly, the cables to the individual units did not need updating, having been installed within the last ten years. In most villages the internal cabling is considerably older than ten years.

The technology used in the above village is known as Fibre To The Building (FTTB) and is one of a number of options that NBN offers for connecting what it calls Multi-Dwelling Units to its networks. Another is Fibre To The Node (FTTN) which can use the existing copper network within a village.

Standard FTTB and FTTN connections like these are free of charge but may not be suitable for all retirement villages. NBN also offers Fibre To The Premises (FTTP) which connects to each individual unit, but at a price. "Area Switch" is another technology option offered by NBN which is particularly relevant to larger retirement villages and provides FTTP to each unit.

Under the FTTP (and Area Switch) options, NBN owns and operates the network within the village (but residents are still supported by retail service providers).

Special arrangements have to be made for emergency alarm systems. These systems currently use automatic diallers connected via



Residents should be aware that the NBN company is a wholesale provider of broadband network services and does not sell directly to the public. Consumers will continue to deal with retail service providers such as Telstra, Optus, TPG, etc. who in turn are customers of NBN, as indicated in the diagram. This arrangement means

copper wires. RRVV members report that these connections will have to be replaced when their villages change over to NBN. The NBN Co. has special procedures in place for monitored medical alarms and requires villages to register all such equipment in advance.

Village owners and operators are thus faced with a range of technical choices each of which has different cost structures. The suitability and costs of these options depend critically on local conditions such as the state of the existing cabling within the village, as well as NBN's local plans.

It is far from clear at this early stage in the roll out of the NBN, how much demand there is in the average retirement village for services beyond telephone and basic internet services. Upgrading the telecommunications infrastructure in a retirement village increases the asset value of the village and provides a competitive advantage for the operator. RRVV believes that village owners and operators, as beneficiaries of these changes, should bear the costs incurred in connecting residents' units to the NBN.

In summary, the roll out of the NBN to retirement villages raises significant technical and financial issues for village owners and operators. Ideally, residents should not be affected by these changes.

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## FROM THE BEEHIVE RETIREMENT VILLAGE



Well – we tried – we tried very hard to prevent the Big Bumble Bees from introducing a new service to the Beehive – one which eventually will have

The Beehive become, by any other name, a residential aged care facility for very old and frail bees. We tried but we have failed.

The Beehive Retirement Village is to become a Care Free Retirement Village.

The relatively young bees here at The Beehive acknowledge that our old and frail worker bees need special care and that no-one wants to end up in one of those awful aged care beehives.

But what this means is that in a year or so The Beehive Retirement Village will have very few energetic, vibrant bees in the beehive. The atmosphere will be very sedate with the new, frailer bees, not really buzzing around but very slowly flying around The Beehive.

The bees who currently live at The Beehive are feeling a bit defeated, a bit deflated, a bit quiet. Some have been buzzing with frustrated fury. We all know that it won't be too long until we are old, frail bees too -BUT NOT YET!!

It has been a long time since The Beehive was full of bees – there are many empty cells. We do need new bees to bring new energy into the hive but we are not sure frailer bees will provide that energy.

The Biggest Bumble Bee of all has tried to assist the current bees in the beehive to accept the change or perhaps move to another beehive in the area however the current cost of moving to another beehive makes flying away out of reach for most of us.

No doubt the frailer worker bees will be wise old bees who will contribute a depth of life experience to The Beehive Community. BUT IT WON'T BE THE SAME. Is that attitude Selfish? Discriminatory? Exclusive? Probably!

What we have come to realize is that the type of retirement beehives we younger bees thought suited us is disappearing at a very fast rate.

The next generation of bees have made more honey during their working lives and have plenty stored away. They have sharper stings and are more inclined to sting first and think about it later. (They might give the Big Bumble Bees a tougher life).

These bees are healthier and stronger and prefer to buzz around Australia and the world for years before they consider how to manage their old age. They will wait until they are much older before contemplating buying into retirement beehive.

So retirement beehives as displayed in advertisements everywhere now - showing fit, smiling, attractive bees living in great harmony will disappear. The new ads will show aged bees enjoying a quiet life of freedom.

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## A GURU FROM MACQUARIE UNIVERSITY WOULD LIKE A COPY OF YOUR CONTRACT

Dr Tim Kyng of Macquarie University is developing a software calculator to allow prospective residents and their advisers to compare the all-up cost of living in a retirement village with the cost of living in a similar rental unit. Using standard financial mathematics, Tim will be able to estimate what you would pay if you replaced all the different fees over a given length of residence with a fixed monthly payment (i.e., the equivalent rental).

The calculator will use information extracted from the operators' contracts. Tim needs examples of contracts so he can ensure his software will cope with all of the various contract structures in use. This is a challenge because there are hundreds of different contracts on offer across the State.

RRVV believes Tim's calculator has the potential to reduce retirement village fees and charges for new residents by exposing operators that over charge.

If you would like to assist Tim, please send a copy of your contract to him. He prefers an electronic copy in PDF format. Your solicitor

may be able to provide this. If you cannot get an electronic copy, Tim would appreciate receiving a photocopy. You can blank out personal information if you wish.

Tim will keep all contracts in a locked filing cabinet and will keep confidential any identifying information such as your name and address and the name of your village.

The address for e-mailing of electronic copies is [timothy.kyng@mq.edu.au](mailto:timothy.kyng@mq.edu.au)

The address for mailing of photocopies is:

Dr Tim Kyng

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### BETTERLIFE MOBILE

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You can keep your number, and get great Australian service from a socially focused Company.

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## **INTRODUCING GRAEME SEYMOUR**

Graeme is the newest member of the RRVV Committee.

At 68 Years of age, I have been a resident of Evelyn Ridge Retirement Village for four and a half years and have been actively involved with the Residents' Advisory Committee during that time.

I am a recently retired Accountant having worked in Public Practice for the last 49 years, other than a short stint (3 years), as Chief Financial Officer for a private company. I believe that the skills I have acquired over my working life will be of benefit to the RRVV Committee.

One of my activities outside of Village life is playing cricket in the Victorian Over 60's Cricket Association which takes my wife and I on regular overseas cricketing holidays to places such as England, Canada, USA, South America, Cuba etc. In addition, I have recently taken up lawn bowls.

Other interests include grandchildren, reading, photography & walking. I have an active interest in Neighbourhood Watch (local & regional) together with a couple of local Community groups for the protection of the local environment.

(Note: The rest of the RRVV Committee wonder when Graeme finds time to breathe!!)

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## **THE RRVV COMMITTEE IS ON THE MOVE**

At the next RRVV AGM the RRVV Committee Treasurer, John Lumley will retire from the committee. He will be greatly missed.

Apart from carrying out his Treasurer duties, John has always had something else "on the go" to improve the services of RRVV to its Members.

RRVV holds its monthly committee meeting in a room within the offices of COTA in the Melbourne CBD. However, there is no storage available there. For years John has generously allowed

RRVV to store paperwork and paraphernalia in his home but with his retirement looming the RRVV Committee needs to acquire some office space which will provide meeting rooms and storage.

Finding such a location at the cheapest possible rate is no easy task, but it seems John may have identified suitable shared office space. Nothing has been settled yet, but as soon as it is, we will notify all members probably in our September newsletter.

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## **THE RRVV COMMITTEE - WOULD YOU LIKE TO JOIN US?**

The RRVV Committee still has several vacancies on it. With John Lumley retiring from the committee at the next AGM, it means the resources of the committee remain stretched to the limit.

Because a lot of the committee's work is done by email it is preferable that all committee members are basically IT literate and have access to the internet.

Please give some consideration to donating your time, energy and expertise to us. We meet monthly on the second Tuesday of each month from 10am to 1pm.

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## **ANNUAL SUBSCRIPTIONS**

Renewal of membership for the year to June 30 2018, is now due except for life members. Individual residents of villages that have taken out membership on behalf of all residents should not renew if the village is planning to renew on behalf of everybody. Where appropriate, we have included forms with this newsletter for you to complete so we can keep our records up to date. The forms also explain the various ways that you can make your payment. Please, if paying by direct credit to our Bendigo Bank Account, ensure that provide us with your surname and village when making the deposit.

We thank you in anticipation of your continued support.