

President's Report to 2018 Annual Meeting

Not surprisingly, 2017-2018 was another hectic year for RRVV and its members.

The purpose of this meeting is to report to you about what RRVV and your committee did during the year.

Our main activity is ensuring as many members as possible are aware of their rights as residents and customers, helping residents solve some of the problems that arise from living in a retirement village, plus promoting retirement villages and RRVV.

Requests for information and assistance continued throughout the year at a slightly higher rate than last year. We estimate we received almost 950 enquiries. Committee members made 15 village visits in total. Website traffic was up significantly. Feedback from the people who asked for assistance was gratifyingly positive.

There was one surprising development. Several retirement villages managers sought our advice on problems they were experiencing, and several recommended their residents' committee invite us to speak at a village meeting.

We also received some critical feedback from members. We need more constructive criticism. It keeps us grounded.

Important as supporting individual residents and villages is, the RRVV Committee also works behind the scenes lobbying both government and retirement village operators.

Early in July 2018, the State opposition pledged, if elected at the coming elections to establish a retirement housing ombudsman. This was a particularly pleasing announcement. The Committee believes the origins of this commitment lie in members respectful yet lively interactions with the Shadow Minister for Consumer affairs at last year's AGM. Thank you all.

Throughout the year, we maintained contact with various politicians who, irrespective of their party affiliations, have an interest in retirement living reform.

We also continued to file submissions with Consumer Affairs Victoria and other Government departments on various matters of relevance to retirement living. This year most of the questions at issue were on matters of detail. You can read the submissions on our website.

In September 2017, the Government responded to the Parliament's Legal Social Issues Committees retirement housing recommendations.

Of 15 recommendations, the Government fully supported only five; they supported two in principle and two in part, put three under review, noted two and declined to support one. This response was hardly an unequivocal commitment to reform the sector. RRVV and our advocacy partners, Consumer Action Law Centre, Council on the Ageing and Housing for the Aged Action Group have therefore focussed our political lobbying on three key recommendations. Specifically, an Ombudsman (which the Government says has under review), a review of the Retirement Villages Act 1986 (supported but with no time commitment) and upgraded manager training (supported in principle but without any commitment to legislate) plus contract reform.

The RRVV Committee has been working with a senior lawyer in preparation for the Government's review of the Retirement Villages Act. This very demanding work has also involved consideration of different forms of regulation and different styles of contract.

We have also held detailed discussions with a small panel of operators on terms of reference for an Ombudsman. The Retirement Living Council's Eight Point Plan expresses support for an ombudsman or an advocate, but until recently we had not seen much enthusiasm for an ombudsman. Most operators have tended to prefer the less threatening advocate. We are trying to mobilise support. Please tell your operators you expect them to publically support our ombudsman campaign.

We have also been working with our advocacy partners, in parallel with our work with operators, on terms of reference for an ombudsman.

Early in October 2017, the Retirement Living Council asked RRVV and our interstate affiliates to comment on a draft national code of conduct. We submitted a detailed response. Again, in November, the Retirement Living Council asked us to comment on a revised draft. We were not pleased. Very few of our recommendations had found their way into the new draft.

Moreover, we formed the impression that the Retirement Living Council has a very different idea to us on what reform of the sector entails. Our doubt about the sectors capability to self-regulate solidified. We said so in our written response.

In June 2018, the Retirement Living Council along with Leading Age Services Australia and Age and Community Service Australia (two other peak bodies with members operating in the sector) invited public comment on what they called a consultation draft of the code. Again, only a few of our recommendations found their way into this draft.

We prepared a very detailed response to the consultation draft including recommendations to start again and to involve representatives from the retirement village residents'

associations in the drafting from day one. You can find our letter and the supporting documents on our website. We are still waiting for a response from the peak bodies.

Many of you also provided feedback to the code authors. Your contributions give our lobbying impact. Thank you all for your support.

As in previous years, we joined with Consumer Action Law Centre, Council on the Ageing and Housing for the Aged Action Group to stage events in support of our reform agenda. Last November when we launched our joint election platform there was standing room only in the Federation room of the Victorian Parliament. These events get bigger and bigger. We thank our advocacy partners for organising the events, and we thank you for attending.

The RRVV committee has become increasingly aware that certain older villages cannot compete with newer villages that better meet the needs and wants of today's retirees, and thus their unit prices tend to stagnate or decline.

This problem concerns both the village owners and residents. One solution favoured by owners is to redevelop the village. Usually, redevelopment involves replacing single story units with multistory unit blocks. In some cases it involves establishing an aged care facility on the site.

Not all of the residents living in a village under consideration for redevelopment are comfortable with the idea. Nevertheless, if the owner involves residents in the decision making and ensures no resident suffers disadvantage, a surprisingly high proportion do support redevelopment. In the coming year, RRVV will review our policy on village redevelopment. We welcome your input.

We are also seeing new business models and new contracts. Ryman, an NZ company, has found its business model works here and plans to open several new villages, Stockland is trialling strata titled villages without a deferred management fee, and Lendlease is trialling new contracts, to mention just three examples.

Retirement village owners and operators believe offering buyers wider choice will attract more retirees to their villages. Owners and operators of Lendlease retirement communities, currently governed by legislation with DNA traceable back to caravan parks, report strong growth. As choice increases, prospective residents' decision making gets more and more complicated. These developments are shaping our thinking about the legislation we want, the regulator we want, the contracts we want and the dispute resolution process we will need. Our challenge is greater than simply fixing the faults in the current system.

During the year, members from several country villages asked RRVV to investigate retirement village operators obligations to formulate and implement emergency evacuation plans. We engaged a lawyer experienced in retirement village law to advise us. We have received interim advice, but we are waiting for final advice.

Our financial year ended on 30 June, but the hectic pace continues.

Just a month ago, we secured the services of Margaret Pridham to run our Caulfield office. We are already reaping the benefits and those of you who have called or emailed the office will have noticed the improvement in the service we can deliver.

No doubt you are all aware there will be a State Government election on the 24th of November, and that we are putting more time into political lobbying than in previous years. Our profile has never been higher. Whichever party wins, we look forward to making even more gains in 2018-2019.

Right now we are running a postcard campaign to help the current Government realise we are serious about a retirement housing ombudsman. We will discuss this more fully in the RLO meeting this afternoon.

If we the new Government does agree to an Ombudsman we will have much work to do to persuade it to adopt the terms of reference want. If the new Government does not agree, we will increase the intensity of our campaign. Of course, we will continue our campaigns for a new Retirement Villages Act, reformed contracts, and radically improved village manager training amongst other things.

Your committee has an immediate problem. We have received only three nominations for the 2018-2019 committee. Our rules provide for up to nine committee members.

We desperately need more members to nominate. Our rules allow for nominations from the floor of this meeting. Our rules also allow the committee to appoint willing candidates to fill casual vacancies.

In recent years, we have offered RRVV members interested in joining the opportunity to work with the committee for around three months to see if they want to commit for a longer period and which of the committee jobs suits them. Anyone who does want to continue does not have to face a vote at a general meeting, just a committee vote.

I want to thank my fellow committee members Cecil Daniels, Gail Henderson, Graeme Seymour and Peter Saalmaans and George Keyte for their contributions

I also want to express our sadness at the death of John Lumley early this year. John was our Treasurer for many years.

Thank you for attending today. I recall the first RRVV AGM I attended five years ago. It was in a Carlton church hall. There were around 20 attendees. There are almost 70 people here today. We appreciate your support.