

WARVRA Newsletter

July 2013

Vol. 13 No. 3



WARVRA

NOTICE OF GENERAL MEETING

The next General Meeting of the Association will be held at the Piney Lakes Environmental Education Centre, Leach Highway, Winthrop
(The entry to the centre is on the south side of Leach Highway between Murdoch Drive and Winthrop Drive)

FRIDAY 9 AUGUST 2013 at 10.00 am

GENERAL BUSINESS AND INTERESTING REPORTS

GUEST SPEAKER:

Dawn Yates, Executive Officer, Seniors Recreation Council of WA.

Dawn will present the programs of the Council and its seniors directory
"Add Years to Your Life"

VILLAGES CONTACT LIST

If WARVRA is to achieve its objectives, we need to have accurate information about all Retirement Villages and reliable contact details.

There is no official list of Retirement Villages in WA at this time and we need to create our own.

We need the name and email address of a contact person in every village (whether a member of the Association or not and these details of your village:

Name and address, number of residential units, type of tenure, name of operator/manager and confirmation that there is a memorial on the title (which is needed if the Retirement Villages Act is to apply).

Send the information to warvra@gmail.com

CONTACT US

We are updating your contact options

By Phone **0448 812 888**

By Email **warvra@gmail.com**

Website **warvra.org.au**

All of these contact details are constant and not dependent on individual or personal addresses. Please use them.

The new website is under development and does not contain much at present—but it soon will! The focus will be on resources for residents and potential residents. There will be links to the legislation, there will be information papers and answers to FAQs (frequently asked questions) and up-to-date news. Put the address warvra.org.au into your bookmarks and check it regularly.

Western Australian Retirement Villages Residents Association Inc

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0448 812 888

WARVRA COMMITTEE DIRECTORY 2013-14

POSITION	NAME	PHONE	EMAIL
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	Julia Lynch	9350 6872	julialynch@westnet.com.au

THE QUARTER'S NEWS IN SUMMARY

- The Legislation Committee has completed and submitted to the Department of Commerce (Consumer Protection Branch) a submission commenting on the review of the Fair Trading (Retirement Villages Interim Code 2013) Regulations. See Legislation report on page 3.
- The Department of Commerce has a new Minister—Michael Mischin MLC who is also the Attorney-General. This department has had 5 ministers in the last 5 years!
- Seminars on “Village Operating Budgets” and “Disputes and Complaints” have been held this year in three different regional locations—good attendances and very appreciative responses. The Dept. of Commerce speakers have been Irena Dillon/Gary Buchholz on budgets and Tim Banfield on Disputes and Complaints. Copies of their papers and WA-RVRA’s Information Papers on these topics can be obtained by request to warvra@gmail.com
- Do you have any suggestions for seminars or forums for next year—topics, locations etc.? Send them to warvra@gmail.com
- We are preparing a template to be used by residents or their representatives to take them through the process of proving that a residential unit has been “permanently vacated”. This should assist in establishing that the time cap on on-going charges in non-owner residences has begun.
- We are continuing our advertising program—ads regularly appear in “The Senior” and “Have a Go News”.
- The association has submitted an application to become an affiliated member of Aged and Community Services WA so that we can participate in discussion and policy planning with the providers of retirement villages that are community or charitable body based. We await with interest the outcome of our application.
- We have renewed our membership of the WA Council of Social Services (WACOSS) and the Council on the Ageing (COTA).
- Vice-President Colin Edwards has been nominated as our second member on the Council of ARVRA (the Australian Retirement Village Residents Association).
- A further \$5,000 has been added to our term deposit investments , taking the total to \$43k. These funds are to enable WARVRA to participate in legal action if ever necessary.

LEGISLATION

REVIEW OF THE RETIREMENT VILLAGES CODE

The Fair Trading (Retirement Villages Interim Code 2013) Regulations are being reviewed at this time to incorporate some of the recommendations of the Final Report of the Legislation and to transfer some of the Code to the new Retirement Village Regulations.

A Consultation Paper was issued by the Department of Commerce in June and responses were required by 15 July 2013. Our Legislation Subcommittee has prepared a submission on behalf of WARVRA and it was submitted by the due date. The owner groups (RLC and ACSWA) sought and were granted a two week extension—we fear that this is just another delaying tactic on their part.

There were nine (9) amendments proposed in the Final Report. Here is a summary of what changes are proposed:

- **Aged Care Facilities** A new simpler statement to make it clear to prospective residents that they have no right to aged care facilities and services and that a retirement village cannot guarantee them such facilities and services.
- **Village Budgets** A village operator must demonstrate, if called on (by the residents), that reasonable steps have been taken to minimise increases in village operating costs, including reserve fund works. An explanatory box in the Code will provide guidelines for what constitutes “reasonable steps”. The Code amendment will also make it clear that reporting requirements on reserve funds will be the same as for operating funds.
- **Budget Surpluses** Budget surpluses must be applied to the future operating expenses of the village in which the surplus arose. By special resolution, residents may approve the application of all or part of budget surplus to any other purpose that is generally for the benefit of the residents of that village. The current provision that allows contracts to override this provision of the Code will be removed.
- **Auditing of Accounts** The Code will now provide that all operating and reserve fund accounts must be audited unless the residents, by special resolution, “opt out” of this requirement. A later special resolution may “opt in” again to this requirement. The cost of the audit will be allocated according the contract—we are advocating for the cost to be allocated to the fund being audited.
- **Capital Maintenance** It is intended that the Code be amended to state clearly the obligation of the operator to consult with residents and provide them with access to management information on the administrative and operating financial requirements of the village including any fund or account established for maintenance, repair, replacement and renovation of the village inc capital items
- **Residents Committees** The Code will be amended to clarify that members of a residents committee do not incur any liability for acts done in the exercise of their duties and to permit the residents, by special resolution, to appoint an incorporated association to undertake the statutory function of a residents committee.
- **Consultation with Residents** The intent and spirit of the Code is for genuine consultation between residents and operators. It is intended to provide in boxed area in the new Code practical examples of what might constitute “genuine consultation”. We are advocating that all such consultation should be documented to show that it has occurred.
- **Voting Procedures** The Code will be amended to require that where, at a residents meeting, more than one eligible voter calls for or supports a written secret ballot, then the voting must be by written, secret ballot.
- **Dispute Resolution** The Code will be amended to provide that when the operator must nominate a suitable person or body to deal with a dispute, that person or body must be acceptable to all parties to the dispute.
- **Special Resolutions—Quorum and Majority** We have supported the retention of the present requirements of a quorum of 30% of residents and approval by 75% of those residents present personally or by proxy and voting to pass a special resolution (although we would like the majority reduced to 66 $\frac{2}{3}$ %).
- **Special Resolutions—Calling the Meeting** We strongly support permitting a residents committee also to call a special resolution meeting, particularly as such meetings are needed to lodge an appeal in the State Administrative Tribunal against unwarranted or excessive increases in recurrent charges.
- **Special Resolution Meetings-Exclusion of Operator** We have supported the proposal that operators may attend and be heard at a special resolution meeting but they could then be asked to leave if a majority of the residents agreed.
- **Special Resolutions—Definition** The new Code will include further information on a special resolution and we have supported that.
- **Refurbishment** The new Code will require the operator to itemise and cost the work to be done and when it is planned to be done and inform the departing resident or his/her representatives. This can be queried and there will be a right of appeal to SAT against unreasonable delays, excessive costs, or the need to do any work at all.
- **Deletions from Code** All the sections dealing with the contents of resident contracts will be transferred to the Retirement Village Regulations.

BITS AND PIECES

Energy concessions extended – more households now eligible for concessions

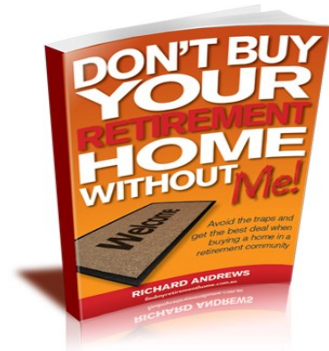
The \$200 a year Cost of Living Assistance payment will soon be available to households that receive electricity charges through on-selling arrangements.

This includes people living in **retirement villages** or apartment buildings where the electricity costs are recouped from the tenants by the owner (e.g. strata entity or retirement village management). Households will have to apply directly to the Office of State Revenue. You can use their checklist (online) to see if you are eligible.

Applications must be made electronically through the Department of Finance website at www.finance.wa.gov.au and more information can be found on their Fact Sheet.

Mailing the Newsletter

Future editions of the Newsletter will only sent by post to financial members without any email access. If you have an email address, please advise us at warvra@gmail.com



Find My Retirement Home was founded by Richard Andrews. Richard spent much of the last decade working in the institutional property sector. While working in a role establishing a \$400m retirement living development fund for the superannuation industry, Richard was stunned at the complexity of the sector: "I was amazed that with the amount of retirement living options in the market and the complexity of the purchase agreements, there was no-one out there providing independent analysis and advice for the retirement home purchaser. It's high time the buyer had some **firepower** on *their* side!" This led to the idea for the *Find My Retirement Home* website.

Richard is also the author of "*Don't buy your retirement home without ME!*", the definitive guide to buying a home in a retirement village or over 55's community in Australia. The book is available in all good bookshops around Australia, or you can buy a copy online.

Aged care reforms finally passed

COTA says the reforms will provide older Australians better quality care over which they will have greater control and choice, in a fairer and more sustainable aged care system.

"The Federal Government's 'Living Longer, Living Better' Bills will significantly improve the lives of older Australians now and in the future.

"Hundreds of thousands more of frailer older Australians will receive support and care at home than would have done under the current system. The reforms would also give older people more say in the kind of care they receive, where they receive it and from whom - through new Consumer Directed Care packages."

The reforms provide increased government subsidies for pensioners and other people with limited means, and while there will be higher levels of user contributions from people who have the means to pay, for the first time there will be a more equitable system of user contributions that ensures people with the same means and the same needs will receive the same care and pay the same for it wherever they live in Australia. There will also be annual and lifetime caps on care contributions which is good news for everybody.

