



# Retirement Village Residents Association of NZ (Inc)

## NEWSLETTER

December 2018

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Colin Porter  
President

Christmas is the season for peace, joy and fellowship with family and friends. During this season of giving, let us take time to slow down and enjoy the simple things in life that really matter. Wishing you much happiness for Christmas and that this happiness remains with you throughout the New Year.



### President's Piece

Last year In November 2017, RVRANZ members attended the annual CFFC Stakeholders Forum. Our submissions to the Forum were proposed amendments to the Code of Practice exit provisions, Sections 50 to 54 which we allege contravene the basic rights of residents and infringe conditions under the Fair Trading Act. Subsequently we note that some operators 'fixed for life' their fee for outgoings and the fee deduction ceased when the unit was vacated.

In 2018 the executive concentrated on growing our membership and we now have resident members in 148 Villages throughout NZ, representing some 18,000 residents.

In June after our AGM, the new Executive formed a code review sub-committee. Our objective is to protect the resident's right to fair and equitable conditions in their ORA's. To achieve this we have formulated our proposals for changes to the Code of Practice which we discussed with CFFC (Retirement Commission), Ministry (MBIE) officials and the Financial Marketing Authority (FMA) who accredit the Statutory Supervisors.

The CFFC accepted that a code review was overdue and asked us to present our submissions to the 2018 Stakeholders Forum. The next step is for the Retirement Commission to forward their recommendations to the Minister.

It has been a very busy past few months and I thank the Executive and regional members for their support. Secretary Dick Williams has worked tirelessly as webmaster, consolidating the regions and updating the membership records. He needs help and you will shortly receive recommendations for administrative support which will require additional funding.

We do not see this association just as a receptacle for complaints, but as a proactive group to seek changes to the legislation where necessary, to preserve your right as residents not to be exploited.

I wish you a happy Christmas and prosperous New Year

### The Retirement Village Industry and the RVRANZ Activities

There are now about 450 registered retirement villages with another 81 under construction.

The industry provides housing solutions for a substantial number of senior citizens, but unfortunately the Retirement Villages Act 2003 and the Code of Practice 208 (COP) promulgated under this Act, provide far less protection for the rights of residents than would reasonably be expected from consumer legislation, which is what this Act purports to be.

Occupational Rights Agreements (ORA) contain provisions that are blatantly unfair and unreasonable, while those provisions are sanctioned by the COP. Changes are imperative and urgent to provide proper protection of residents' rights.

The last newsletter contained detailed information of the amendments to the Code of Practice, proposed by RVRANZ. As mentioned above, submissions have been made to the Retirement Commissioner, Policy Advisors at the MBIE and the RVA, the operators.

This year also a review of the role of the Statutory Supervisors was conducted and we were invited to meet with the FMA to air our concerns.

Needless to say, the sub-committee charged with preparing and delivering all these concerns, has had a very busy few months.

The final meeting was the fourth Stakeholders Forum hosted by the Retirement Commissioner on 20 November, with about 100 attendees from all sections of the retirement village industry, including officers from MBIE and the FMA. The focus at the Forum this year was the RVRANZ proposals. As expected, the proposals were challenged by the operators and their colleagues. However, we are hopeful that some results will eventuate.



Anton Coetzee

*The RVRANZ Executive is very grateful to Anton Coetzee from the Omo-koroa Country Estate Village, who has chaired the subcommittee and spent countless hours perfecting the details for all the submissions and meetings.*

## Complaint Reporting

Since 1 April 2017 the Retirement Commissioner has received six-monthly reports from operators of all registered retirement villages, about any formal complaints they have received in the preceding six-month period. CFFC collects this information as part of its monitoring function under the Retirement Villages Act.

Each operator reports about the number of formal complaints during the six-month period, classification, resolution rate and information about the outcome. The operator also reports how many formal complaints were referred to either a statutory supervisor or mediator.

The Commissioner uses this information to monitor trends and any concerns or issues in the industry and to inform the minister. CFFC publishes a summary of the information received, but does not publish the identity of any complainant or village.

In the last six-month reporting period, 81 out of 274 reporting villages had 203 complaints. Over 90% were resolved in a short time, and 14% involved the statutory supervisor. Some others involved a mediator, or third party.



### Rates Rebates for Residents

Many residents in many villages are now enjoying the cash that has been rebated to them as their portion paid through their weekly fees of their total village rates paid. If you have not already applied and you think that you may be eligible for a refund, then contact your village office now.

## Superannuation

The Retirement Commissioner said to not worry about your grandchildren teaching you computer skills, as wisdom is better than knowledge!

She spends little time monitoring the retirement village sector. She is mainly concerned with educating the population to prepare for their future retirement. The population now is healthier and is living and working longer. In the future, there will be one in four people aged over 65 and instead of superannuation costing the Government \$30 million dollars daily as it does now, this will rise to \$98 million dollars daily. She advocates raising the entitlement age from 65 to 67.

However, not everyone agrees. The Labour-led Government has given no indication that it is considering raising the qualifying age. In fact, it has locked itself into promises not to raise the age. Other commentators have joined in arguing that increased longevity makes raising the age inevitable, because of the growing fiscal cost of New Zealand Super as society undergoes this profound demographic change.

# RVRANZ

## Seniorline

Helping older people make decisions about staying at home, help for carers and rest homes.

Call 0800 725 463

## Retirement Villages and Care

- Distinguishing retirement villages from rest homes and hospitals
- Expectations around funding and care
- Premium room fees:
- Lack of standard rooms
- Having to move off-site

Contact Seniorline for helpful advice



## Membership Form

Membership is only \$5.00 for the 2018/2019 year

To secure your membership please contact your village delegate, otherwise please contact the secretary of the region where your village is situated

If there is not yet a region established in your area, please contact the National Treasurer:

Treasurer, RVRANZ, 44 Salisbury place, Mosgiel, Dunedin 9024

Email: [treasurer@rvranz.org.nz](mailto:treasurer@rvranz.org.nz)

You can email your Full Name -Village Name -Your Address and phone number and pay by direct credit

RVRANZ Westpac 030389 0004586 00

Easy! Complete the form on the website

[www.rvranz.org.nz](http://www.rvranz.org.nz)

Or complete this form, tear off and post.

Retirement village:.....

Name (s).....

.....

Address:.....

.....

Phone:.....email.....

Number of Memberships .....

Total Amount @ \$5.00 each \$.....

Method of Payment:

- Cheque (attach to form)
- Direct Credit to account  
RVRANZ Westpac 030389 0004586 00
- Cash (if given to person)