

Retirement Villages Act Monitoring Project Disputes Process Forum

Report from President Rob Wilson

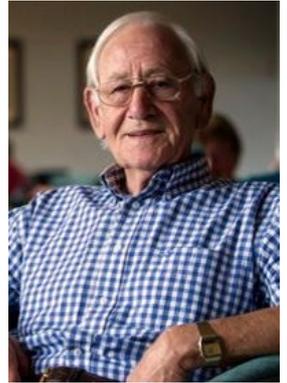
I attended this as did Dick Williams (BOP) and Val Thomson (Waikato.) Bill Atkinson represented Grey Power. There were 25 others representing the primary stakeholders plus 2 or 3 policy analysts from MBIE. As well, representatives from the Government Centre for Dispute Resolution explained 'best practice' for dispute resolution and confirmed that the current process did not conform.

The focus was on clauses 32 to 36 of the Code of Practice.

The intent was to canvas recommendations for a change in the current process which most agreed was not being used beyond operator/statutory supervisor level, complaints being either resolved or lapsing at the next hurdle. Reasons quoted for the limited number of disputes lodged varied from there not being a demand or the process being unsuitable for both the resident or operator to proceed.

Despite a wide ranging discussion there was no firm decision reached on what an amended process would present. Most were of the opinion that unsatisfied complaints at village management level should move to a mediation/arbitration mode before going further to a disputes panel. This would also involve costs but less than the current process.

My opinion is that the next step, after the village manager and prior to mediation, be an "appropriate mentor" which involves a residents committee, if suitable and existing, or an outside community service such as Age Concern or a Community Law Centre.



Rob Wilson



The results of a probe into retirement village residents' complaints and disputes with their owners and managers will be revealed and could lead to a shake-up of the system.

Jane Luscombe, external relations manager at the Commission for Financial Capability, said a study of major issues had been conducted.

The Commission for Financial Capability - a state organisation - has a role in guarding the interests of 32,000 retirement village residents and Luscombe said it had beefed up resources. Troy Churton is the commission's fulltime retirement villages programme strategy manager.

"We have put greater investment into this area," Luscombe said. "He will be playing a more active role on behalf of the commission with the villages and residents"

"Once we have the final report, the Commission will be meeting with villages and residents to discuss what changes might be beneficial"

—Jane Luscombe, Commission for Financial Capability

As well I stated a preference for the Tenancy Tribunal as opposed to a disputes panel on the basis of cost, ease of access and a central agency to collate data on issues which could form a basis for possible future Code amendments. Presently complaint/dispute data is not collated at any central base. We now await an outcome from "the groves of academe"

Regional Expansion

A seminar was conducted by Frank Lowry at Waikanae on 14 September with the purpose of establishing a further region of our Association. Twenty residents attended from villages in Paraparaumu, Levin and Waikanae.

An interim committee has been formed with a Convener (Dawn Gault) and Treasurer (Duncan McDonald)

The emphasis now is to enlist members within the Kapiti Coast district and later for the programme to extend into the Wellington / Lower and Upper Hutt districts. It is hoped that a Wellington region will evolve from this beginning.



Frank Lowry

North Shore Auckland Regional Forum

Contributed by some residents who attended



We applaud this initiative by The Commission for Financial Capability. Comments below are intended to be constructive and of benefit for any future workshop.

The Residents' Workshop was run by Troy Churton, the Commission's fulltime retirement villages programme strategy manager, accompanied by David Boyle (CFFC). 52 residents from Auckland attended.

This was an inaugural workshop and an event which Troy hoped to be able to conduct in 4-5 other regions around the country during the year, perhaps annually with different topics of interest.

The programme was set down to include

- (a) information about current complaints and disputes resolution processes, and support agencies;
- (b) dealing with other parties when handling complaints (other residents, statutory supervisors, managers etc.), case study situations, good practises, mediation. Code requirements, and other options for dealing with complaints;
- (c) general issues and forum discussion, where to find further information or resources.

As a follow-up to the meeting, residents attending were asked to give an informal evaluation and forward any comments about the running of the workshop activity itself.

Attendees from our village felt that the activity was a new initiative by the commission and has potential for future development. More focus should have been given to Residents' opinion of the existing system and its application to real life rather than the current theoretical process.

The points brought forward at the meeting were all good, but need to be expanded ...such as most issues arise due to insecurity (mainly financial) which affect those who do not have large sums invested. It is felt that there are more residents in this category than realised and they would be the longer term resident – some of whom lost their investments due to the 2008 financial crisis. The outgoings increase yearly for those villages who do not have a fixed weekly fee and this is putting more pressure on finances.

It is felt important to have a closer look at existing residents, rather than the potential residents who do have the opportunity to buy in and have cash left for investment. It is essential to sit round-table with the longer term residents and listen to them rather than John Collyns (RVA) and his perceptions. Residents actually living in retirement villages have a clearer picture of the problems that arise.

Since its inception the RVRANZ has been pushing for changes to both the Act and Code. These documents, plus the Disclosure Statements are extremely ambiguous and appear to favour the operator in most cases. The problem is in the interpretation, as it appears that operator and resident have different views on most items. These documents should be clear (with one meaning only) and make sense to both parties.

For instance, (i) a Disclosure Statement states that operators are responsible for all external maintenance and the resident for internal maintenance of their dwellings, but all painting of buildings is paid from the long term maintenance fund accumulated by residents; (ii) residents pay for the operator's Business Interruption Insurance but do not own any part of the business.

The case studies were interesting and we would have liked a few more discussions about these. The remarks that came from the other residents there were appreciated, as it appears that similar problems are experienced in most villages.

A resident was telling his neighbour, 'I've just bought a new hearing aid. It cost me four thousand dollars, but it's state of the art.. It's perfect.'

'Really,' answered the neighbour. 'What kind is it?'
'Twelve thirty..'

