

- **RETIREMENT VILLAGES**
- **UNDERSTANDING THE ISSUES – GAINING THE OPPORTUNITIES**
- A service of the Retirement Village Residents Association of NZ

- **SIZE OF THE MARKET IN NZ (from PWC)**
- 400 villages
- 30,000 units / villas = 75 units per village (but getting larger)
- 1.4 people per villa / unit
- 81 new villages planned
- Annual village growth = 6%
- Currently 330,000 people over 75 years of age in the country
- By 2033 (14 years away) will be 586,000 people a growth of 5%.

- **VILLAGE EMPLOYMENT AND ECONOMICS**
- 19,000 staff in villages and owners' offices
- 5,700 people employed in building villages - total 26,700 involved
- 9,500 NEW jobs will be created over the next 7 years
- In national terms the industry supports the national GDP to the tune of \$1.1 BILLION annually
- While village construction employment adds a further \$480 MILLION

- **HOW IMPORTANT ARE THE VILLAGE PEOPLE?**
- To the national government (as voters, tax, health, social services etc)
- To the local council (rates, bus usage, volunteer activities)
- To the general community (retailers, church, service club, families)
- To the travel industry?
- SO.....if you are not well supported and happy what happens ?
- ***Read the book 'The Secret Diary of Hendrik Groen' and recognise some of those around you !!***

- **THE RULES**
- Did you really understand the ORA papers agreed to by your lawyer?
- Do you think- in the light of experience – that the (old) rules are relevant today?
- Are you happy that when you leave the house / apartment/ care that your finances are being swiftly concluded to the best interest of your family or estate?

- **CURRENT RULES UNDER THE LAW**
- One sided
- Very much in favour of the owners / operators
- Overdue for review
- Lack of understanding by the elected government
- Government accountability moved round the playing field
- Is the potato too hot to hold?

- **WHO LEADS THE CHARGE FOR CHANGE?**
- The village owners – NO
- Their collective body the RVA – NO

- The government – NO
- The Retirement Commissioner – NO
- The Statutory Supervisors - NO
- So – who does???????????
- WHO is out there looking after you interests?
- **RVRANZ**
- A national body that had it's initial genesis in the Golden Triangle
- Enlarged about 6 years ago across Auckland / BOP / Waikato
- Now national with the exception of Hawkes Bay and Nelson
- Led by an elected Board of unpaid volunteers
- Supported by regional committees who interface with every village
- And served by a part time (3 days a week) manager whose main role is to lobby to match the intense government lobbying by the RVA

And who has to be funded – BY MEMBERS

- **MEMBERSHIP BENEFITS**
- Peace of mind – like your AA annual fees
- Subscription = 2 cups of coffee
- A national **coordinated** voice
- Collective **shared** experience and solutions
- Improved legislation in **your** favour
- Ensuring a balanced and level playing field
- Keeping village operators open and honest
- **SOME HORROR STORIES**
- Post departure fees kept for more than 6 months
- Weekly charges continuing ad infinitum
- Operators slow to refurbish villas knowing that finance still held
- Charges for 'care' areas not fully explained
- Inter-village transfers incurring two DMF's
- 'Public' areas hired out to outside organisations prevent village use
- And NO capital gain upon relinquishing your unit
- **HOW DOES RVRA COMMUNICATE?**
- Firstly through their website
- Secondly through their regional groups
- Thirdly by government lobbying by their manager Nigel Matthews
- Lastly by addresses like the one you are experiencing today
- But we need YOUR help – how???
- **THE WORD FROM THE VILLAGES**
- There is a need for a well-run Residents' Association in each village
- That listens to the stakeholders – the residents
- That has a healthy relationship with village managers
- That communicate residents' needs to village management
- That remains aware of what is happening nationally.
- That encourages support of RVRANZ

- **GETTING OFF THE GROUND**

- My village initially struggled with a manager who was actively against a residents association – it took us a while to persuade some residents too
- It is your **LEGAL RIGHT** under the 2008 Code of Practice to have an association
- Clause 30 of the CoP specifies this and also highlights the need for the operator (your manager) to attend the meetings when invited
- It leads to a healthy understanding by both sides as to what is achievable by a well-run village

- **SOME THORNY ISSUES**

- Weekly fee rises
- Rise in age of entry
- Paying the statutory supervisor
- Capital gains
- Operators 'hanging on' to your money post departure
- Lack of understanding of costs of care facilities