







The 2023 Political Party Positions related to Retirement Village Residents

We wrote to each of the political parties back in April. These are their responses as at 5pm Monday 26th June 2023. (We will keep this updated at rvr.org.nz)

In general, do you support:

- A A fullsome review of the Retirement Villages Act, associated Code and regulations.
- B A review of perceived unfair ORA clauses by the Commerce Commission.
- C Addressing consumer protection for all retirement village residents.

						
A	—	✓	✓	—	✓	✓
B	—	✓	✓	—	✓	✓
C	—	✓	✓	—	✓	✓

More specifically, do you support:

- 1a The right for retirees to be presented with paperwork that is easy to understand?
- 1b The standardisation of Operational Rights Agreements (ORAs).
- 2 A review of demonstrably unfair provisions on exit from a retirement village including:
- 2a Putting a stop to the practice of charging ongoing weekly fees after exit.
- 2b Addressing the long delays for the return of residents capital (often in excess of six months).
- 2c Removing the practice of Deferred Management Fees (DMF) continuing to accrue after a resident has left a retirement village unit.
- 2d Putting a stop to residents being charged for two places at once - for example, a need to go into care meaning a resident is forced to pay two sets of weekly fees as well as having to find the Capital to pay for an expensive Care Suite before the loan for the villa has been returned.
- 3 Improving the complaints process with dedicated advocacy support and protection for residents.
- 4 An end to the practice whereby an Operator can charge a resident for Capital Loss, but the resident does not share in any Capital Gains
- 5 Broad alignment with the rights afforded to tenants under the Residential Tenancies Act (e.g. repair and replacement of fixtures).

1a	—	✓	✓	—	✓	✓
1b	—	✓	✓	—	✓	—
2	—	✓	✓	—	✓	✓
2a	—	✓	✓	—	—	—
2b	—	✓	✓	—	✓	✓
2c	—	✓	✓	—	✓	✓
2d	—	✓	✓	—	✓	✓
3	—	✓	✓	—	✓	✓
4	—	✓	✓	—	—	✓
5	—	✓	✓	—	✓	✓

KEY

 **Support**
 **Uncommitted**
 **Not Supported**

NOTE: Despite multiple approaches by RVR residents no response was supplied by Te Pati Māori.

Supporting correspondence to Party Positions



Thank you for contacting ACT to seek our views on issues salient to the Retirement Village Residents Association of New Zealand. We have yet to finalise our election platform and so we can't, at this point, provide the detailed response you seek. We have met and corresponded with those involved in the retirement village industry and we understand the importance of the care provided by retirement villages and their contribution to the wider New Zealand healthcare sector.



Fully support all RVResidents enclosed position statements.



A: It's been 20 years since the Helen Clark Labour Govt passed this law, we need to ensure it is fit for purpose.

B: The Commission has already signalled this under the Fair Trading Act. Government will still proceed with a wider review of the legislation, and other statutory codes and regulations.

C: For both current residents and intending residents.

1a: Paperwork should be simple, accessible, and easy to understand. This includes for residents who do not have English as their first language.

1b: The Review will address ORAs.

2: For more detail see: <https://www.hud.govt.nz/news/review-of-retirement-villages-act-begins-in-2023/>

2a: Minimum standards for financial exit matters are part of the Review.

2b: Minimum standards are covered by the Review.

2c: Yes - in the Review.

2d: The interaction between retirement village living and aged residential care will be in the Review.

3: The Review will discuss better systems for complaints, disputes, and advocacy.

4: The Review will cover minimum financial standards, including treatment of capital gains & losses.

5: And also 'Healthy Homes' standards.



No response received.



B: While we agree with reviewing Retirement Villages legislative framework, we believe that a single review should be adequate, and that the Commerce Commission could be asked to submit on that respective comprehensive review.

1b: This could include measures to ensure that lawyers advising on these matters are adequately informed. We ultimately believe that the contracts should be understandable to a family's regular lawyer, rather than employing the services of additional legal counsel at added cost to seniors.

2a: In principle, National agrees. National invites a review of the practice and would consider a staggered approach to weekly fees after exit. (Example: CFFC White Paper option that proposed weekly fees reduced by 50% after three months and stopped entirely after six months)

2c: National agrees in theory. However, we are also concerned about how these changes could impact on the economic viability for some villages, particularly smaller, community owned operations.

2d: We would note that consideration needs to be given for circumstances where a couple may live separately. For example, one partner may have transitioned into care while the other remains in a village/unit. National advocates for transitional arrangements to be in place.

4: National agrees with this measure in theory. However, there is insufficient evidence to suggest that this is a widespread issue that should therefore be legislated

5: National would note that residents would have to be cognizant of their rights and responsibilities applicable to them with this change.

1a: All legal language associated with borrowing, debt, and future costs should be in easily understood consumer language.

1b: Until standardisation is expressly explained, wise decision making should be deferred.

2: It is hard to conceive how demonstrably unfair provisions should prevail, but an explanation of such should first be required.

2a: There may be a fair reasons for this practice, but an explanation for such should be requested now.

2b: Caution should be followed here, because sometimes a temporary slump in the market may mean a delay in the sale, if agreed by the resident, maybe of help.

2c: With the proviso, that there may be legitimate reasons for this, but that should stand the test of a thorough examination as to the standard of reasonableness.

2d: With the proviso, that the question of reasonableness should be addressed, and agreed to by the resident.

3: What is suggested here is free legal aid, and if that is the case then it should be part of the question.

4: NZFirst opposed the CGT because there was no pathway in those proposals for support should there be a capital loss - in the fairness for all parties involved.