



AMENDMENTS TO THE RETIREMENT VILLAGES ACT 1999

The Association of Residents of Queensland Retirement Villages Inc

About ARQVR

The ARQVR is a strong consumer protection organisation that represents the interests of residents in retirement villages to governments and scheme operators. We are a not-for-profit organisation run by volunteers who are themselves residents in a retirement village, so we have first-hand experience of the issues affecting all residents. We act to inform members of their rights under the Retirement Villages Act 1999 (RV Act) (as amended) and provide on-going information about issues that are significant to the retirement village lifestyle.

About the amendments to the legislation

Since November 2017 various changes have been made to the RV Act which improve resident’s rights and provide greater transparency in the relationship between scheme operators and residents.

Changes also provide greater confidence to residents, while keeping in mind the viability of the sector.

Further changes will be made in late 2019 or early 2020.

Amendments that have commenced	
<p>When exit entitlement is payable</p> <p>(applies to all contracts including contracts signed before the amendments were passed)</p>	<p>This section states that where a right to reside remains unsold, the scheme operator must pay the exit entitlement for non-freehold units, or buy back the accommodation unit for freehold unit and pay the exit entitlement, no later than 18 months after the resident has terminated their contract (either leaving the village or on their death).</p>
<p>Behavioural Standards</p> <p>(applies to all residents and their guests, and the scheme operators, their employees and their representatives)</p>	<p>New enforceable behaviour standards apply for both –</p> <ul style="list-style-type: none"> • scheme operators and their employees in their interactions with residents; and • residents in their interactions with other residents, and scheme operators and their employees or representatives. <p>A scheme operator must reply to a resident’s written correspondence within 21 day of receiving the correspondence.</p> <p>A dispute about the behavioural standards can be referred to Queensland Civil and Administrative Tribunal (QCAT) as a <i>retirement village dispute</i>. This means that a resident may refer a scheme operator to QCAT where the resident believes they have been treated unfairly, bullied, intimidated or .</p> <p>It also means that a scheme operator may take a resident to QCAT where the resident fails to respect the scheme operator’s and the scheme operator’s representatives right to work in an environment free from harassment, intimidation and bullying. A resident may not behave in a way that negatively impacts on the occupational health and safety of a person who is working in the retirement village.</p>

<p>Pre-contractual Disclosure and Access to Documents</p> <p>(applies to residence contracts signed on or after 1 Feb 2109)</p> <p>(For existing residents, the current PID, and the operation of particular sections of the former RV Act that refers to PIDs will remain in place.)</p>	<p>In simple terms, this means that, for new residents, the current Public Information Document (PID) will be replaced by two information documents –</p> <ul style="list-style-type: none"> • a <i>Village Comparison Document</i> which gives general information about the accommodation options and amenities in the village; and • a <i>Prospective Costs Document</i> giving a summary of the estimated costs of moving in, living in and leaving a village. <p><i>Condition Reports:</i> An entry condition report must be prepared by the scheme operator in the presence of the prospective resident or their representative, and given to the prospective resident before they move in.</p> <p>An <i>Exit Report</i> is to be prepared by the scheme operator and given to the resident within 14 days after the resident’s right to reside terminates.</p> <p>In both cases the resident has the right to disagree.</p>
<p>Reinstatement of Accommodation Units</p> <p>(applies to residence contracts entered into on or after 1 Feb 2019)</p> <p>(For residence contracts before 1 Feb 2019, conditions in their contracts will continue to apply)</p>	<p>Simpler and more predictable requirements for reinstatement work now apply which will result in lower costs for former residents. There is also a clear distinction between reinstatement work and renovation work.</p> <p>It appears that now a scheme operator may propose renovation work when a resident’s right to reside is terminated. The work must be paid for by the resident and the scheme operator in the same proportion as the capital gain is shared. The scheme operator must pay for the work, if the capital gain is not shared with the resident.</p>
<p>Residence Contracts</p> <p>(applies to new residence contracts)</p>	<p>New residence contracts will include the information that has in the past, been included in the public information document, but must now also contain –</p> <ul style="list-style-type: none"> • funds the operator must keep • the percentage of the resident’s in-going contribution the operator will put into the Capital Replacement Fund • the village facilities • the village land; and • capital gain and capital loss sharing.

Amendments commencing mid to late 2019

Redevelopment of Retirement Villages (applies to both existing and new villages)	This will come into play if a scheme operator wants to redevelop an existing village, this is defined as construction or demolition of units, construction or demolition of any building or structure or changing the use of a building or structure. The proposed redevelopment plan must be approved either by residents by special resolution or by the Chief Executive (an Officer of the Department of Housing and Public Works).
Change of Scheme Operator (applies to both existing and new villages)	This part of the RV Act will apply if a scheme operator proposes to transfer control of a retirement village to another person/scheme operator and must be approved by the Chief Executive.
Closure or Winding Down of Retirement Villages (applies to both existing and new villages)	<p>The scheme operator must give notice to the Chief Executive and must prepare a closure plan that provides a clear, orderly and fair process for the closure of the village. Within 28 days of advising the Chief Executive the scheme operator must give each resident a copy of the proposed closure plan and a residents' meeting notice. The closure plan must be approved by a special resolution of residents.</p> <p>If the residents do not approve of the plan the scheme operator may make an application to the Chief Executive who may approve the plan. If this happens, the residents have the right to apply to QCAT for a review of the decision.</p>

Amendments commencing late 2019 or early 2020

Standard financial reports and budgets (will apply to existing and new villages)	The amendments have introduced a range of provisions to achieve greater financial transparency in relation to retirement village charges, funds, budgets and financial statements.
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