

1995—No. 383

**FAIR TRADING ACT 1987—REGULATION**  
(Retirement Village Industry Code of Practice Regulation 1995)  
NEW SOUTH WALES



*[Published in Gazette No. 102 of 25 August 1995]*

HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the Fair Trading Act 1987, has been pleased to make the Regulation set forth hereunder.

FAYE LO PÓ, M.P.,  
Minister for Consumer Affairs.

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**Citation**

1. This Regulation may be cited as the Retirement Village Industry Code of Practice Regulation 1995.

**Commencement**

2. This Regulation commences on 31 August 1995.

**Code of Practice**

3. For the purposes of section 75 of the Fair Trading Act 1987, the Retirement Village Industry Code of Practice set out in Schedule 1 is a prescribed code of practice.

**Repeal**

4. The Retirement Village Industry Code of Practice Regulation 1989 is repealed.

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**SCHEDULE 1—RETIREMENT VILLAGE INDUSTRY CODE  
OF PRACTICE**

(Cl. 3)

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**PART 1—INTRODUCTION AND OBJECTIVES****Introduction**

1. (1) This Code sets out what is considered to be good practice for fair dealing in the promotion, sale and operation of retirement villages. The Code is complementary to the Retirement Villages Act 1989.

(2) This Code is the product of extensive consultation between relevant industry and consumer groups, the Department of Consumer Affairs, the Office of Real Estate Services and other relevant government bodies.

(3) The code of practice format has been adopted because of its inherent flexibility. Using the broad framework of the Fair Trading Act 1987, this Code allows the Government to introduce obligations that meet the needs of all parties in specific industries while avoiding the complexities and expense of detailed legislation.

(4) As part of this flexible approach, it is intended that the effectiveness of this Code will be reviewed periodically in consultation with industry and relevant organisations and that amendments will be made when required.

### Definitions

2. In this Code:

**“management”**, in relation to a retirement village, means the person by or on whose behalf the retirement village is administered, and includes a person (other than a resident) who owns land within the village, and has the same meaning as “administering authority” in the Retirement Villages Act 1989;

**“residence contract”** means a contract, agreement, scheme or arrangement by which a person obtains the right to occupy residential premises in a retirement village, and may take the form of a lease or licence;

**“resident”**, in relation to a retirement village, means a person who occupies residential premises in a retirement village under a residence contract, and includes a person who occupies such premises and who is or was the spouse or de facto partner (within the meaning of the De Facto Relationships Act 1984) of such a person;

**“residential premises”** means any premises or part of premises (including any land occupied with the premises) used or intended to be used as a place of residence;

**“retirement village”** means a complex containing residential premises (whether or not including hostel units) predominantly or exclusively occupied, or intended to be predominantly or exclusively occupied, by retired persons in pursuance of:

(a) a residential tenancy agreement or any other lease or licence;  
or

(b) a right conferred by shares; or

- (c) the ownership of residential premises subject to a right or option of repurchase or conditions restricting the subsequent disposal of the premises,

and for the right to occupy which those persons are or will be required to pay or donate money;

**“village rules”** means the rules with which residents of a retirement village are expected by the management to comply, and includes any by-laws (to which the residents are subject) in force under the Strata Titles Act 1973, the Strata Titles (Leasehold) Act 1986, the Community Land Management Act 1989 or the Community Land Development Act 1989.

#### **Code is mandatory**

3. (1) This Code is mandatory.

(2) Compliance with this Code will be monitored by the Tenancy Commissioner and can be enforced under the Fair Trading Act 1987, including by an order made by the Commercial Tribunal.

#### **Application**

4. (1) The provisions of this Code apply to all suppliers and consumers involved in the retirement village industry, including the following:

- (a) promoters;
- (b) developers;
- (c) those who sell property or interests;
- (d) management;
- (e) residents.

(2) This Code applies:

- (a) to existing as well as to new retirement villages; and
- (b) whether payment for the right to occupy premises in the retirement village is made by entry payment or donation or otherwise; and
- (c) to the Crown.

(3) This Code does not apply to nursing homes unless they are fully resident-funded.

#### **Objectives of this Code**

5. The objectives of this Code are as follows:

- (a) to clarify the rights and obligations of residents and management of retirement villages and by doing so to promote fair trading practices in the retirement village industry;

- (b) to facilitate the disclosure of all important information relevant to a person who is considering entering a particular retirement village;
- (c) to require contract documents for retirement village accommodation to contain full details of the obligations and entitlements of residents and management;
- (d) to facilitate resident input, where desired by residents, into the management of retirement villages;
- (e) to establish appropriate mechanisms for the resolution of any disputes between residents and management or between residents;
- (f) to encourage the promotion and development of retirement villages in accordance with this Code.

#### **General principles guiding the retirement village industry**

6. The general principles that are to guide all those involved in the retirement village industry are as follows:

- (a) that the well-being, rights and interests of residents, together with the rights and interests of management, should be given due consideration;
- (b) that the freedom of decision and action of residents should be acknowledged in the relationship between residents and management of retirement villages;
- (c) that the importance of maintaining and facilitating the relationships of residents with their families and past and present communities should be recognised, and that this should include taking account of the cultural, religious and linguistic backgrounds of residents;
- (d) that residents should be encouraged to exercise, and in no way be inhibited from exercising, self-reliance in matters relating to their personal, domestic and financial affairs;
- (e) that residents should be treated fairly and be protected from abuse and exploitation.

#### **Strata titles schemes and community title**

7. (1) Where accommodation in a retirement village is secured by strata title, the provisions of the Strata Titles Act 1973 apply as do the provisions of this Code and the Retirement Villages Act 1989.

(2) Where accommodation in a retirement village is secured by community title, the provisions of the Community Land Management Act 1989 and the Community Land Development Act 1989 apply as do the provisions of this Code and the Retirement Villages Act 1989.

**Contracts Review Act 1980**

8. The provisions of this Code should be read in conjunction with other relevant legislation. In particular, the Contracts Review Act 1980 is applicable to residence contracts and other contracts concerning retirement villages.

**PART 2—BASIC RIGHTS OF RESIDENTS AND  
MANAGEMENT****Residents' privacy**

9. (1) Residents have a basic right to privacy in personal accommodation which must be respected by management.

(2) Management has the responsibility of facilitating the residents' quiet enjoyment of both their personal accommodation and any communal amenities.

**Autonomy over personal and financial affairs**

10. (1) Residents have a right to autonomy over their personal, financial and other matters and over their possessions.

(2) Residents must be given access to any personal file created about them by the management of a retirement village.

**Sound management**

11. (1) All parties must recognise the basic need for the management of the village to be conducted in a sensible and financially prudent manner.

(2) Management must ensure that the accounts for the village have been prepared in accordance with recognised Australian Accounting Standards.

**Residents' rights to membership of organisations**

12. Residents have a right to participate in any organisation of village residents. That right must not be restricted by management.

**PART 3—DISCLOSURE OF INFORMATION****Division 1—General obligations****Management obligations regarding the disclosure of information**

13. (1) All information and contracts relating to a retirement village:
- (a) must be written in clear, concise and plain English, avoiding vague or ambiguous statements; and

(b) must fully disclose all of the arrangements which will apply in relation to a resident's occupation of the village; and

(c) must be consistent with the provisions of this Code.

(2) Management should provide a copy of the proposed residence contract to the resident promptly so that the resident has sufficient time to obtain legal advice before the contract is signed.

(3) All information and contracts relating to a retirement village must comply with any relevant legislation, including the following:

(a) the Fair Trading Act 1987;

(b) the Retirement Villages Act 1989;

(c) the Strata Titles Act 1973, or Strata Titles (Leasehold) Act 1986, (if the accommodation is secured by strata title);

(d) the Community Land Development Act 1989 and the Community Land Management Act 1989 (if the accommodation is secured by community title).

#### **Residents' obligation to obtain information**

14. Residents should:

(a) inform themselves about the residence contract and any other contracts relating to their residence in the retirement village; and

(b) get independent legal advice before signing any documents.

#### **Division 2—Disclosure in advertising and sales promotion**

##### **Disclosure in advertising and sales promotion**

15. All advertising, promotional or sales material provided by the management of a retirement village about the village, whether in written or oral form must be:

(a) truthful, accurate and unambiguous; and

(b) consistent with the provisions of this Code; and

(c) consistent with the Fair Trading Act 1987 and the Retirement Villages Act 1989.

##### **Development consent**

16. (1) If development consent must be obtained before the retirement village can be built or operated, that consent must be obtained from the relevant authority before any sales promotion of a retirement village may be undertaken.



(2) This does not preclude the carrying out of a market survey prior to any sales promotion.

(3) Where any development consent given in relation to a retirement village includes a requirement that the developer provide certain services for the life of the development, that requirement must be disclosed to the prospective resident.

### **Hostel and nursing home approvals**

17. As hostels and nursing homes require licences to operate, any relevant approvals must be obtained from the relevant State or Commonwealth government department before such facilities are promoted as being available or associated with a retirement village.

### **Subsidised hostels and nursing home entry**

18. (1) If any promotional material or sales material provided by the management of a retirement village contains any reference to subsidised hostels or nursing homes the following statements on the terms of entry to such facilities must be included in the material:

- You should be aware that current Commonwealth Government policy guidelines on admission to subsidised hostels or nursing homes require places to be allocated on a “needs” basis.
- Access to a subsidised hostel or nursing home is subject to you being assessed as eligible for admission in accordance with Commonwealth Government laws and cannot be guaranteed.

(2) This clause does not apply to material provided in relation to hostels or nursing home facilities that are fully resident-funded.

### **Proposed facilities and services**

19. (1) When proposed facilities and services are referred to in promotional or sales material, the material must include an unequivocal assurance that all of those facilities and services will be implemented.

(2) Any condition on which the realisation of any of those facilities or services depends must be stated.

**Division 3—Disclosure of fees and charges and other information****Prospective residents entitled to detailed information**

20. Every prospective resident of a retirement village is entitled to be provided with the information required by this Division. The information must be in a separate document to the residence contract.

**Financial information**

21. (1) Every prospective resident of a retirement village is entitled to detailed financial information before the person enters into any contract relating to the village.

(2) Management must make the following information available to every prospective resident of the retirement -village:

- (a) a list of all costs payable by the prospective resident to enter the village;
- (b) a list of all periodical charges or fees payable by a resident, including:
  - (i) a clear outline of the method used to calculate those charges or fees and the method used to determine any variation; and
  - (ii) if different methods are used for different services, items or entitlements, (e.g. statutory charges, insurances, personal care costs, on site management etc.) a list of those methods;
- (c) a list and description of each of the services (including any personal care services and strata management services) provided for those fees;
- (d) a list of any additional or optional personal care or other services which are available and the cost for each service;
- (e) where a village offers a range of accommodation (e.g. self-care and hostel units), details of the costs associated with moving to and living in the alternative accommodation including any on-going costs related to the vacant unit;
- (f) a detailed budget, including any provisions for future maintenance for the village for the current financial year if the village is already operating or the projected budget if it is under construction and, if any such budget extends to matters other than the village, details of those matters.

**Information about refund entitlements**

22. (1) Management must also make available to every prospective resident of the retirement village a clear explanation of the refund entitlement (if any) of a resident, if the resident or management terminates the residence contract, including the following:

- (a) any fees or commissions charged by management on termination of a contract;
- (b) details of the method used to calculate any such fees or commissions and any refund entitlement;
- (c) sufficient details to enable a prospective resident to determine the final return due after say 1, 2, 5 and 10 years.

(2) The information must provide sufficient detail to allow a meaningful comparison to be made between the financial packages offered by different retirement villages.

**Other information about the retirement village**

23. Management must make the following information available to every prospective resident of the retirement village:

- (a) a copy of Schedule A to this Code containing written answers to the questions set out in that Schedule;
- (b) a copy of the check list set out in Schedule B to this Code;
- (c) a copy of the village rules (including any by-laws of the body corporate under the Strata Titles Act 1973, Strata Titles (Leasehold) Act 1986, the Community Land Development Act 1989 or the Community Land Management Act 1989) applicable to the retirement village.

**Division 4—Contract information****Title and tenure**

24. The residence contract must fully disclose the legal basis of occupancy and the type and length of tenure secured in return for the payment for entry.

**Cooling-off period**

25. (1) All residence contracts and any other associated contracts relating to a retirement village entered into after the commencement of the Retirement Villages Industry Code of Practice Regulation 1989 (being 30 October 1989) must provide for a “cooling-off” period of a minimum of 5 working days.

(2) During this period a resident may withdraw from the contract without loss or penalty by giving notice in writing to the management of the retirement village or its agent.

(3) The cooling-off period is waived if the resident commences to live in the residential premises.

### **Accommodation plans and details**

26. (1) The residence contract documents must include or be accompanied by:

- (a) plans showing the location, floor plan and significant dimensions of the accommodation; and
- (b) plans showing the location, floor areas and other features of any separate carport, garage, storage areas or other area allocated to the resident.

(2) The fixtures, fittings and furnishings which are to be provided must be listed in the contract documents. Any items for which maintenance will be the resident's responsibility, or which are not covered by maintenance fees payable by the resident, must be so identified.

### **Services and facilities**

27. (1) Contracts between management and a resident relating to a retirement village must detail all services and facilities that are to be provided by the management.

(2) This detail must include information as to who is providing the service and whether there is a separate charge for its use.

(3) Where a service is provided by an independent agency, any potential restrictions on access to the service must be clearly stated. For instance, some services may have eligibility criteria or waiting lists which must be clearly stated.

### **Accommodation charges and refund provisions**

28. (1) Any accommodation charges (that is, any payments that are required to secure accommodation in the retirement village) must be fully specified in the residence contract together with the resident's rights to a refund, if any, on termination of the contract.

(2) If there is to be a refund, the contract must set out in full the method of calculation of the refund, the time for its payment and any relevant conditions on its payment.

(3) If there is not to be a refund, the contract must specify that fact.

(4) Any refund entitlement which reduces according to the period of occupancy must be calculated on a daily basis except in the case of subsidised hostels.

### **Regular maintenance and service charges**

29. (1) The residence contract and any other contract between the management and a resident of a retirement village must contain all details necessary to provide a resident with an understanding of:

- (a) what the resident's recurrent charges will be; and
- (b) when they must be paid; and
- (c) what will be provided in return for those charges.

(2) Recurrent charges for the current financial year of any such contract and the basis for their future determination must be set out in the contract.

### **Deferred fee**

30. (1) Where a deferred fee is payable by a resident on departure, sale, or other termination of a residence contract, the fee, or the basis for its determination, must be clearly set out in the residence contract.

(2) Except for Commonwealth funded hostels, the fee is to be calculated on a daily basis.

### **Relocation**

31. (1) The circumstances, if any, in which a resident may transfer from a fully independent self-care unit to another type of accommodation in a retirement village, such as a hostel, must be disclosed in the residence contract and in any other relevant contract entered into by a resident.

(2) The contracts must also disclose the financial and other arrangements which would apply in the event of such a transfer.

(3) Where there is a dispute about the transfer of a resident within a village it is to be handled in the manner provided by this Code and the Retirement Villages Act 1989.

### **Code of Practice and Retirement Villages Act 1989**

32. (1) The residence contract must draw the resident's attention to the existence of this Code and to the Retirement Villages Act 1989.

- (2) In particular, the residence contract must:
- (a) refer to the rights of residents to have disputes heard by the retirement village's disputes committee established under this Code, with further rights to go to the Residential Tenancies Tribunal; and
  - (b) refer to the provisions of this Code relating to the involvement of residents in management.

#### **PART 4—TERMINATION OF' CONTRACTS**

##### **Termination of contracts: introduction**

33. Retirement villages are clearly marketed by the industry as permanent accommodation for residents of such villages. Therefore, a residence contract may only be terminated in a limited number of circumstances set out in the Retirement Villages Act 1989 and the residence contract.

##### **Termination by management**

34. (1) In accordance with the Retirement Villages Act 1989, the termination of a residence contract at the request of the management of a retirement village can only be achieved by an order of the Residential Tenancies Tribunal.

(2) Under that Act, management (the administering authority) may apply to the Residential Tenancies Tribunal to terminate a residence contract on any of the following grounds:

- (a) that the resident's physical or mental health is such as to make the residential premises unsuitable for occupation by the resident;
- (b) that the resident has breached the residence contract or residence rules and has failed to rectify the breach;
- (c) that the resident has intentionally or recklessly caused or permitted, or is likely intentionally or recklessly to cause or permit, serious damage to the residential premises or injury to the management, an employee of management or another resident;
- (d) that the management would, in the special circumstances of the case, suffer undue hardship if the residence contract was not terminated.

(3) The residence contract must contain an explanation of the management's rights to terminate the contract and a statement that the termination has no effect unless an order of termination is obtained from the Residential Tenancies Tribunal.

**Notice of intention to terminate by management**

35. (1) Where the management of a retirement village seeks to terminate a residence contract for any reason (other than because the resident has caused or permitted, or is likely to cause or permit, serious damage or injury) it must give the resident 14 days' written notice of its intention to apply to the Residential Tenancies Tribunal for an order terminating the contract.

(2) Where termination is being sought because of a breach of the residence contract or residence rules, a notice of intention to terminate given by the management must specify the breach.

(3) A notice of intention to terminate must:

- (a) clearly set out the grounds for the application; and
- (b) clearly state that the contract cannot be terminated without an order by the Tribunal; and
- (c) refer to the relevant provisions of the Retirement Villages Act 1989.

**Payments on termination by management**

36. Where termination of a residence contract has been initiated by the management of a retirement village, the management must pay the resident any money to which the resident is entitled under the contract within one month after the termination of the contract or within 14 days of the next resident taking occupation, whichever happens first.

**Termination by residents**

37. (1) The manner in which a resident may terminate a residence contract must be set out in the contract.

(2) The maximum notice of intention to terminate a contract that may be required of a resident is one month's written notice.

(3) A residence contract is also terminated by the resident if the resident dies or abandons the residential premises occupied by the resident.

**Payments on termination by resident**

38. (1) If the residence contract is terminated by the resident, any refund, and any other money due under the contract, must be paid to the former resident within the time required by this clause.

(2) The payment of the refund and other money must be made within the time allowed for payment by the contract or (if the contract does not provide for the time within which payment must be made) within 6 months after the former resident vacated the premises.

(3) Despite subclause (2) the payment of the refund and other money must not in any circumstances be made later than 14 days after the next resident takes up occupation of the premises.

## **PART 5—VILLAGE MANAGEMENT**

### **General principles guiding village management**

39. The management structures established in a retirement village must be directed to ensuring that the following principles are adhered to:

- (a) resident input into the management of retirement villages is to be facilitated, where desired by residents;
- (b) the freedom of decision and action of residents is to be restricted as little as possible;
- (c) every resident is entitled to choose the extent to which the resident participates in the affairs of the retirement village.

### **Structures for resident input**

40. (1) Management must create appropriate structures for resident input, where desired by residents, in consultation with current residents.

(2) Such structures must allow the following:

- (a) for residents to be provided with the audited accounts of actual expenditure against budget within 4 months of the end of each financial year;
- (b) for residents to have input into and agree to the budget for each financial year;
- (c) for residents to have input into and agree to any change to services or facilities which may involve increased costs to residents (beyond those agreed to in the retirement village's budget);
- (d) for residents to have input into and agree to any change to services or facilities which may lead to loss of amenity by the residents;
- (e) for residents to have input into and agree to proposals for the upgrading of buildings, fixtures or fittings where the residents are financing either the whole, or part of, the capital or recurrent costs of the work.

### **Resident input into budget**

41. (1) Management must supply residents with information on financial performance in the current financial year together with a draft budget for the coming financial year within a reasonable time prior to the beginning of the relevant financial year.



- (2) The draft budget should contain at least the following:
  - (a) sufficient information to explain any increase in fees;
  - (b) information about the costs of services;
  - (c) a general maintenance workplan;
  - (d) where appropriate, details of any upgrading or expansion of facilities and changes or additions to existing services.
- (3) The final budget must be developed out of consultations between management and residents.
- (4) Village management must operate the village on the basis of the last approved budget until any proposed budget has been the subject of reasonable consultation and has been agreed to by the residents of the village.

**Village rules**

- 42. (1) A retirement village may have a set of village rules.
- (2) The residents must have input into and agree to the introduction of village rules and any subsequent amendment of, or addition to, the village rules.
- (3) Any village rules must accord with the general principles of this Code (stated in Part 1).

**PART 6—DISPUTE RESOLUTION****Dispute resolution**

- 43. (1) It is recognised that in any communal living situation such as a retirement village where facilities are shared, disputes between residents and management and between residents will arise from time to time.
- (2) This Code places particular emphasis on providing easy access to an informal and inexpensive process to resolve disputes.
- (3) However, the obligation remains on the parties to a dispute to attempt to resolve the dispute themselves.

**Disputes committee**

- 44. (1) Management is required to convene a disputes committee to hear and mediate disputes that arise within a retirement village.
- (2) The disputes committee is to have 3 members:
  - (a) one person appointed by residents; and
  - (b) one person representing management; and

(c) one person agreed to by both the resident and management representatives.

(3) The residents and management of the retirement village must agree upon and establish a charter for the disputes committee so that residents and management are aware of the process to be followed should a dispute arise.

#### **Applications to disputes committee**

45. (1) Where a dispute arises within the charter of the disputes committee a resident, a group of residents or management may apply to the disputes committee to have the matter heard.

(2) The disputes committee should meet as soon as possible after being notified of a dispute and may hear or mediate the matter in accordance with its charter.

(3) The disputes committee must advise the parties to the dispute, in writing, of its decision within 30 days of receiving notice of the dispute.

#### **Appeal mechanism to the Residential Tenancies Tribunal**

46. (1) The Retirement Villages Act 1989 provides that either the resident or management may apply to the Residential Tenancies Tribunal for an order in respect of a dispute.

(2) Applications about a dispute (other than a dispute about a transfer or about village rules) may be made to the Residential Tenancies Tribunal in the following circumstances:

- (a) where there is no disputes committee for the retirement village;
- (b) where the nature of the dispute or any other circumstances of the case make it inappropriate or undesirable for the dispute to be determined by a disputes committee;
- (c) where either party to a dispute is dissatisfied with the determination of a disputes committee;
- (d) where a disputes committee declines to hear or determine the matter.

(3) The Residential Tenancies Tribunal is not to hear an application about a dispute (other than a dispute about a transfer or about village rules) unless it is of the opinion that:

- (a) the dispute materially affects a party to the dispute; or
- (b) it is in the public interest to do so.

(4) Upon receipt of the application the Residential Tenancies Tribunal will set a date and venue for hearing the dispute and will notify all the relevant parties accordingly.

(5) After the hearing the Residential Tenancies Tribunal will notify the parties in writing of the outcome and of any orders made at the hearing.

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**SCHEDULE A—QUESTIONS TO BE ANSWERED BY  
MANAGEMENT OF RETIREMENT VILLAGES**

(Cl. 23)

1. Does a prospective resident have to supply a medical certificate or report to certify the resident's ability to live independently?
2. Does a resident have to provide documentation of their medical condition and medications? If so, who will have access to it?
3. What restrictions are there on a resident in the use of the unit and the village facilities with regard to the following:
  - (a) having someone else live with the resident;
  - (b) having visitors, including overnight or short stay guests;
  - (c) car parking;
  - (d) pets;
  - (e) other restrictions?
4. If a resident leaves the village for any reason, for how long do any of the following charges continue to apply:
  - (a) occupancy charges;
  - (b) care charges;
  - (c) other charges (specify)?
5. Are any of the following charges decreased on departure or death of a spouse or cohabitant of a unit, or increased by any additional occupant:
  - (a) occupancy charges;
  - (b) care charges;
  - (c) other charges (specify)?
6. What type of public, private or village transport is there and when is it available to residents?
7. If the unit is still under construction, does a resident have a say in the design, construction, finishing or furnishing of the unit? If the unit is already constructed, does the resident have an unrestricted right to alter existing fixtures or fittings or to add new fixtures and fittings?

8. Can a resident's contract be terminated? Under what conditions? (The conditions must include the procedures to be followed under the Retirement Villages Act 1989.)
9. Can a resident move from one part of the village to another and, if so, under what circumstances?
10. What arrangements exist for residents to participate in the management of the village? What are the arrangements for residents to be involved in making village rules and setting fees and charges?
11. Have management and residents agreed on a disputes settlement process for the village? Is a copy of the disputes committee charter available on request?
12. What protection does a resident have against a loss of rights (including accommodation rights) if the village is sold to another organisation?
13. Can residents be made liable for any additional or extraordinary charges and, if so, for what purposes?
14. What provisions are made for infrequent items of expenditure such as long term maintenance, major repairs to buildings and capital replacement items? What contribution is made towards this expense by residents and by management in relation to:
  - (a) common areas; and
  - (b) individual units?
15. Are there any restrictions on the resident on the sale of his or her unit?
16. What arrangements are there for settling disputes about the selling price, about the price of re-leasing or about other similar costs when the resident leaves the village?
17. How much of the money paid for entry to the village will the resident (or the resident's estate) get back when the resident leaves:
  - (a) if the next resident's capital contribution is the same as that which the resident made; or
  - (b) if the next resident's capital contribution is more than that which the resident made; or
  - (c) if the next resident's capital contribution is less than that which the resident made?
18. What trustees (if any) are appointed by the management and what are their responsibilities? What, if any, connection do they have with management? Do residents contribute to the cost of the trustee? If so, what is the contribution?

19. What is the background and relevant experience of the retirement village's senior management?

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### **SCHEDULE B—RESIDENTS CHECKLIST**

(Cl. 23)

It is important that you carefully read and consider the following questions before deciding to enter any retirement village.

If, after reading through the list, you are uncertain as to any aspects of the village, or its suitability for you, you should seek further advice.

1. Have I fully discussed my decision to enter a retirement village with my family, friends or advisers?
2. If I am considering moving to a retirement village because the housework, gardening and general maintenance has become too much, have I fully considered other options? (For example, obtaining home help or handy person help, or moving to a smaller unit in the same neighbourhood.)
3. Have I received adequate information about the retirement village I have chosen? Have I shown the documents to my solicitor or a Chamber Magistrate? Am I satisfied that I fully understand the contract that I am signing?
4. Do I know that the lifestyle of the village (including social activities and religion) will suit me? Have I spoken to any residents of the village?
5. Will the village and my unit be readily accessible if I become disabled and need a wheelchair or walking aid? What alternatives do I have if I become too frail to live alone?
6. Does the village provide nursing care, an emergency call system and other facilities especially designed for the residents? Do these meet my present and likely future needs?
7. Have I looked at a number of villages to compare the facilities and financial arrangements?
8. Can I afford to live in the village I have chosen and what are the financial consequences for me if I do not like living in the village and wish to move out?

9. Do I understand that recouping my refund, or realising any equity that I have, may be delayed pending resale, re-leasing or re-licensing the property? Does my contract outline when any refund is due to me after I leave?

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**NOTES****TABLE OF PROVISIONS**

1. Citation
2. Commencement
3. Code of Practice
4. Repeal

**SCHEDULE 1—RETIREMENT VILLAGE INDUSTRY CODE OF PRACTICE**

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**EXPLANATORY NOTE**

The object of this Regulation is to repeal and remake, with minor modifications, the provisions of the Retirement Village Industry Code of Practice Regulation 1989.

This Regulation prescribes a Code of Practice for fair dealing between suppliers and consumers in the retirement village industry. The Code complements the operation of the Retirement Villages Act 1989.

The Retirement Villages Industry Code of Practice applies to developers, promoters, sellers, management and residents of retirement villages and provides agreed standards of practice relating to the following:

- (a) the rights of residents and management (Part 2);
- (b) the disclosure of information to residents (Part 3);
- (c) the termination of contracts relating to retirement villages (Part 4);
- (d) village management (Part 5);
- (e) dispute resolution (Part 6).

The Regulation is made under section 75 of the Fair Trading Act 1987.

The Regulation is made in connection with the staged repeal of subordinate legislation under the Subordinate Legislation Act 1989.

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