

TRANSCRIPT

STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

Inquiry into the retirement housing sector

Melbourne — 12 October 2016

Members

Mr Edward O'Donohue — Chair

Ms Nina Springle — Deputy Chair

Ms Margaret Fitzherbert

Mr Daniel Mulino

Ms Fiona Patten

Mrs Inga Peulich

Mr Adem Somyurek

Ms Jaclyn Symes

Participating Members

Ms Colleen Hartland

Mr Gordon Rich-Phillips

Staff

Acting secretary: Mr Patrick O'Brien

Witnesses

Mr Geoff Richards,

Ms Gwyneth Jones,

Mr Alan Kohn, and

Mr Eldred William Bishop.

The CHAIR — I ask Mr Richards to come forward. How do you do, Mr Richards.

I will perhaps just for everyone in the gallery issue a standard caution for the four members in the gallery who wish to make a statement, and this will apply to each and every one of you. All evidence taken at this hearing is protected by parliamentary privilege as provided by the Constitution Act 1975 and further subject to the provisions of the Legislative Council standing orders. Therefore you are protected against any action for what you say here today, but any comments made outside the hearing are not afforded such privilege. Your evidence is being recorded, and you will be provided with a proof version of the transcript within the next week, which will ultimately be made public.

Thank you, Mr Richards, for being the first cab off the rank with comments from the floor. If I could ask you to make a statement and keep it to 2 minutes.

Mr RICHARDS — Thank you. I was in a retirement village. I left. I was paid out to leave from a particular village and there was a confidentiality agreement that would not apply in this room, and I appreciate that.

I now pay \$1300 a year in body corporate fees, as opposed to the \$5500 that was there in the village itself. I can get a bus to three different shopping centres every 15 minutes from the corner of my street; and the MEPACS and all the rest of it. My point is, it is overrated what is being provided in villages and the cost associated with the 6.3 per cent return that you heard there a moment ago. I am an accountant and CPA and you have got to look at the size of the tier of management. Mr Reeve, with his two levels, for goodness sake, was fine, but you have got to look at the levels in that previous organisation and question that 6.3. It is all going in overheads.

That is not my point. I was with a partner for 55 years and when he passed away two years ago, Mr O'Donohue, I was told to get out of the village because only his name was on the title and on the signature for it. We had been together for 55 years, and I was told that I either pay the deferred management fee or I get out.

I tried to do that. It is wrong to say that you can sell outside of the field as the property council said. I tried to do that: sell as executor of the estate. I am the sole beneficiary, the sole executor. I tried to sell to myself in those two categories; refused, and \$5000 later I had to withdraw the thing because of the covenant on it.

That organisation would not accept a gay relationship, but when you looked at that, the most important thing that relates to it all is I suddenly realised that it applies to every relationship: married, de facto or what. If both names are not on the title and are not on the management contract, then they will come and say get out or pay the deferred management fee.

No-one told us that when we went in. I have looked at the lease agreements that have come up now; nothing there about both people having to sign. So that is a very, very serious situation. I got out of it and I am very happy that I have got out. I have got out financially satisfactorily — and that is my 2 minutes, Mr O'Donohue.

The CHAIR — Thank you so much, Mr Richards, for that information. It is much appreciated, thank you.

Is Gwyneth Jones here? Good evening, Ms Jones. Thank you for joining us this evening.

Ms JONES — Thank you for having me.

The CHAIR — What would you like to say to us?

Ms JONES — This is a personal story. My name is Gwyneth Jones.

The CHAIR — Will you be able to do this in 2 minutes, Ms Jones?

Ms JONES — I have been a resident in an Aveo retirement village for the past 13 years as an owner occupier. Over that period of time frequent hostile and incredibly disturbing attempts had been made by Aveo to have me forcibly evicted from my home, where to and at what cost only God knows.

I have been overcharged close to \$5000 on mistakes made in my telephone bills — mistakes which for years were persistently and flatly denied by Aveo management. Aveo also wrongly charged me almost \$400 for my electricity use. I had been a victim of 20 counts of theft and burglary by a so-called trusted Aveo member of staff over a period of 17 months. I have been a victim of trespass in my own home by Aveo staff members.

They entered my home without my permission or knowledge with their master keys during which time my property was rifled and interviewed with.

As an Aveo resident I have been a victim of a male lewd, obscene and filthy sexual act. Aveo management knowingly and deliberately instructed psychiatric personnel from the Kingston Centre in Cheltenham to make false medical diagnosis about me which stated that I suffered from frontal temporal dementia as well as being permanently mentally ill. The harm, damage and trauma which I still suffer because of this deliberately false medical diagnosis will be revealed in a later report.

For years I was constantly watched, followed and listened to and have been the subject of deliberately falsified, erroneous, disgusting, vile and outrageous reports written by Aveo management and some staff members. For years I have been bullied, harassed, belittled, demeaned, derided and verbally threatened in the most aggressive and toxic ways imaginable by Aveo management and some of their staff members. Details of the violation and the abuse of my human rights by Aveo will be revealed in a later report.

The CHAIR — Ms Jones, I am sorry but we are running out of time, so if you wish to conclude your remarks, please.

Ms JONES — I pay a very large sum of money each month for an enjoyable, safe, charming and attractive lifestyle as shown in advertisements specifically targeted at retirees. This false and misleading description of such a lifestyle can be seen in many of Aveo's glossy and expensive advertisements in all forms of the media. I have never, ever experienced in any form whatsoever the above described lifestyle while living in an Aveo village. Aveo do not now and never have provided me with a duty of care, which is also what I pay for but which I have never received. All I have ever received from Aveo is elder abuse — in particular psychological, emotional, mental and spiritual elder abuse — all of which has damaged my psyche permanently. Thank you for listening to some of what I have experienced as an Aveo resident.

The CHAIR — Thank you, Ms Jones. I would just again remind you of the caution I issued before about your protection against any action for what you say here today — —

Ms JONES — Sorry?

The CHAIR — I would just say again what I said before: just a reminder that you are protected against any action for what you say here today under parliamentary privilege, but any comments made outside this hearing are not afforded such privilege. If you wish to provide your written statement to Hansard, that will assist them.

Ms JONES — Yes, I will make it available.

Mr KOHN — Thank you. My name is Alan Kohn, and I have been helping Ms Jones since 2010 as an advocate on her plight. Basically I met Ms Jones when she was being evicted from Aveo. They got a guardianship order to take her to VCAT. I assisted her with that, and VCAT basically threw that out — that she does not have dementia and all those types of things.

My background is that I am an auditor in disability services, be they state and commonwealth-funded programs. I am also an advocate with the Office of the Public Advocate, but I have not been doing that for Ms Jones. I have been doing that as a volunteer under my own steam.

Basically the attempted eviction, the trespassing, the theft — we had to get a video camera in to show and prove to Aveo that that was happening. There was no support from Aveo whatsoever. We got police, the magistrate. I have even got the transcript of the Magistrates Court, because they could not believe that that type thing was happening, at Moorabbin Magistrates Court. Gwyneth was overcharged \$5000 on telephone calls, which I dealt with with CAV. There are a lot of other issues currently in place with CAV — also overcharging of embedded electrical network of \$300 or \$400. All of these Aveo have denied, and these have all been proven through CAV.

At the moment I have issues with CAV where they do not know the acts — the Retirement Villages Act and the Owners Corporations Act. I have now ask Deborah Glass's office to investigate, and they have taken that on. I have also asked Colleen Pearce, who is the public advocate in Victoria, to maybe come and present to this forum, so I will chase her up on that because she is the advocate for Victoria. There are many more things. I have got physical proof of what is happening — so anyway, that is about it.

The CHAIR — Thank you, Mr Kohn, for your time.

Mr BISHOP — I am a 14-year resident of a Stockland retirement village, a prestigious one in the eastern suburbs. It is one of the ones that is a lease-loan model operated by a residents association. I have been on the committee of management for nine years over the years. I have chaired it three times. I am an engineer by background. I have an MBA degree and health and safety qualifications. I did not come down in the last shower of rain, but I have got a fairly good feel for the village because of my style and longevity there.

I will tell you from the grassroots, from on the ground, that there is a big disconnect between the view from office towers in Sydney about what goes on compared to what happens with the local junior or lower type of management and what goes on and what they get up to — the representatives that we deal with. We do not see the people from the big smoke in Sydney very often.

Also I just remind you or focus you on the fact that there has been a fair bit of talk about when people enter villages when they are younger and fitter. I was in my 60s then. I am about to turn 78. So a typical resident, as you have heard, is 82, 83 and so is older and frailer. There is a sense of powerlessness and being daunted by trying to resolve things. We have had a series of salespeople. The last one got fired, but the present one has been pretty feral. He told people they can come in with three pets and two cars, when there is one pet and one car, and that they can fence off some of the common ground, which is more than their entitlement, and things like that. Then the residents association tried to tell them, ‘No, no, no’, and they say, ‘Oh, we’ll sue you’, because they are legally savvy — and so conflict, conflict, conflict.

There have been some irregularities about lease surrender amounts. My two neighbours who went into aged care, since passed away, they were given a proposition, ‘Sign this and this is what your proceeds will be’. And I said, ‘Take that to your lawyer and challenge it, because the woman across the street got I think 150 000 more — the income was 150 000 more’. So they ended up 91 000 better by challenging it. Now how many just do not get detected, I do not know. It is the tip of an iceberg, I think. So there are issues where people are powerless.

We have been trying to get a maintenance plan and a maintenance fund arrangement from the owners under the Owners Corporations Act — ‘No, no. No, no’. I have seen a paper from their Sydney legal office where they said, ‘The resident should have looked after that’, and so it is not their responsibility. Well I think that is hokum. I mean, we have looked at the act. And so on, and so forth. We would say they are in breach.

There is a need where you have affected residents or groups of residents who have got these things and there is a sense of powerlessness. Dispute resolution mechanisms do not work. We took the one about fencing of property to consumer affairs, and they did not do anything about it. You know, they just said, ‘Okay. We understand the information but not on; we can’t do anything about it’. So there needs to be someone who can lean on the owners where it is appropriate, and I think it is misdemeanours of middle management that is the biggest issue for the large groups like ours.

Apropos of the surveys, which you have been told show that the residents are happy and all the rest of it, it is true. They are happy with the nurse there and their friends next door and all the rest of it, but there is a separate question in there: what do you think about the owners? And the rating of what people think of the owners is right down here compared to the general satisfaction. I suggest you have had dust thrown in your eyes.

Just one last point about the leasehold model. One of the benefits of the leasehold model is that when you get to that stage in your life and you are going to go into residential aged care and you need a bond, to sign a piece of paper and say, ‘I’m out of here’ is much better than having to market something through an estate agent. So it has its benefits of convenience from the resident’s point of view.

Thank you for your hearing. Please keep in mind the little people in their sunset years, and best wishes for your efforts.

The CHAIR — Thank you so much.

Committee adjourned.