

**Victorian Government
response to the Legal and
Social Issues Committee's
*Inquiry into the retirement
housing sector***

September 2017

Introduction

On 24 February 2016, the Legislative Council of the Victorian Parliament agreed to a motion that the Legal and Social Issues Committee inquire into the operation and regulation of the retirement housing sector, with the aim of identifying opportunities for improvement and reform. The 'retirement housing sector' included retirement villages, caravan parks, residential parks and independent living units.

In particular, the Committee was asked to consider:

1. Existing legislation that relates to retirement housing, to ensure it reflects the diversity of retirement housing types, and includes proper consumer protections, dispute resolution procedures, fair pricing and consistent management standards across the sector.
2. Comparable reviews and recommendations for reform in other Australian and overseas jurisdictions.
3. The experiences and views of residents of retirement housing and their families and retirement housing owners and managers.
4. The option to appoint a retirement housing ombudsman.
5. The impact of local government rating on retirement housing.

The Committee issued the report on its Inquiry on 7 March 2017. The report included 15 recommendations, 13 of which were directed to the Victorian Government.

Legislative Council Standing Order 23.30 provides that, if a committee's report to the Council recommends that the Government take particular action, the appropriate Minister must provide the Council with a Government response to the committee's recommendations within six months of the report being laid before the Council.

In accordance with this requirement, provided below is the Victorian Government's response to the *Inquiry into the retirement housing sector* (Inquiry). This responds to the 13 Inquiry recommendations that were directed to the Government.

The Victorian Government thanks the Committee for undertaking the Inquiry, and welcomes its report. The Government also acknowledges the important contributions made by the many stakeholders who participated in the Inquiry, including retirement housing residents and operators, consumer organisations, local councils, academics and researchers, and organisations representing the retirement property sector.

In responding to the Committee's recommendations, the Victorian Government acknowledges the important role the for-profit and not-for-profit retirement housing sector plays in providing quality accommodation for retirees – a role which will become increasingly important as the population ages, and demand for retirement living options increases.

The Victorian Government is committed to ensuring that the regulatory framework for retirement villages established by the *Retirement Villages Act 1986* strikes a fair balance between facilitating growth and innovation in the sector, and protecting the rights and interests of Victorian retirement village residents, who may live in their villages for significant periods of their lives, and for whom a well-functioning and fair environment is critical to quality of life.

Recommendation 1:

That the Minister for Planning give consideration to planning provisions that encourage increased supply of retirement housing, such as the establishment of Retirement Housing Zones.

This recommendation is not supported.

The Government recognises the concerns about a potential lack of supply for retirement appropriate accommodation that were raised during the Inquiry, as well as the need for an appropriate amount of zoned land close to services and facilities. However, there is no need to establish a new 'retirement housing zone'.

Most retirement accommodation in Victoria is provided in one of the six residential zones: Low Density Residential, Township, Mixed Use, General Residential, Residential Growth and Neighbourhood Residential Zones.

The land use definition of 'Accommodation' is a permit required use in these zones and includes land uses such as 'Retirement village' and 'Residential village'. Development also requires a permit.

There are two key retirement accommodation land use definitions included in the Victoria Planning Provisions:

- 'Residential village', defined as: "Land, in one ownership, containing a number of dwellings, used to provide permanent accommodation and which includes communal, recreation, or medical facilities for residents of the village."
- 'Retirement village', defined as: "Land used to provide permanent accommodation for retired people or the aged and may include communal, recreational or medical facilities for residents of the village."

Permit requirements for this form of housing are appropriate so that wider planning aspects about neighbourhoods, urban design, traffic and amenity can be considered as appropriate.

The retirement accommodation sector currently enjoys fewer planning requirements than other multiple dwelling or apartment projects. 'Residential village' and 'Retirement village' are defined separately to 'Dwelling' and 'Residential building', and as such are not required to be assessed under clause 55 of the Victoria Planning Provisions (which otherwise applies to the development of two or more dwellings on a lot). On this basis, the Government does not consider there to be a need for a new retirement housing zone.

The Department of Environment, Land, Water and Planning is currently undertaking a review of the planning provisions for aged care facilities and community care units, which may have some relationship to retirement accommodation. This includes looking at how to streamline the approvals process for aged care accommodation and other specific housing types that address local housing gaps.

The Victorian Government recently approved a review of the residential zones in the Victoria Planning Provisions, and is working with councils to fine tune the application of their residential zones. This review recognises the importance of providing aged care facilities in established residential areas. The Government is unlikely to revisit the issue of major changes to the residential zones within the current electoral cycle.

Recommendation 2:

That the Victorian Government review the *Retirement Villages Act 1986*. The review should determine the effectiveness of the Act in providing consumer protection while allowing growth and innovation in the sector.

This recommendation is supported.

The retirement village sector is growing and expected to continue to do so for a number of years into the future. As the sector grows it will evolve, and innovation in the types of retirement villages, and their operating models, is anticipated.

The Government acknowledges that, in this environment, there will be a need to ensure that the legislative framework established by the *Retirement Villages Act 1986* (Act) is capable of facilitating the growth and innovation of the sector, while protecting the rights of persons who live in, or intend to live in, retirement villages.

A number of significant aspects of the Act have been reviewed recently, or are currently under review.

Recently completed reviews include:

- a) a review of the complexity of retirement village residence and management contracts. This matter was explored in 2013-14, following residents and consumer bodies raising concerns about the length and complexity of the contractual arrangements underpinning residence in retirement villages. As a result of the review, the Act and the Retirement Villages (Contractual Arrangements) Regulations 2006 were amended, following a rigorous regulatory impact statement process and extensive consultation, to introduce requirements for the structure and layout of contracts. The changes came into operation on 1 July 2014.
- b) a review of the adequacy of information disclosure to prospective residents of retirement villages. These matters were reviewed in 2013-14, after residents and consumer bodies raised concerns about prospective residents' ability to obtain sufficient information in a readable form to assess the suitability of a village and to compare different villages' offerings, and, prior to signing a contract, to understand the costs of entering, living in and leaving the village. Following the review, the Act and Retirement Villages (Records and Notices) Regulations 2005 (remade as the Retirement Villages (Records and Notices) Regulations 2015) were amended to require village operators to provide standardised village facts

sheets to interested retirees and an enhanced pre-contractual disclosure statement that clearly sets out the costs of entering, living in and leaving the village, including estimates of the resident's exit entitlement after 1, 2 5 and 10 years residence (see **recommendation 9**).

- c) a review of the operation of the 'aged care rule'. This rule ensures that retirement village residents who move into aged care facilities are entitled to require the retirement village operator to provide financial assistance to the resident to move into aged care from the amount owed to them when they exit the village, even if their interest in their unit has not been re-sold to a new incoming resident. The operation of the aged care rule was explored in a 2016 – 2017 Regulatory Impact Statement (RIS) prepared as part of the process of remaking the Retirement Villages (Contractual Arrangements) Regulations 2006 (see **recommendation 10**). Changes to the rule were recommended and have recently been implemented through the Retirement Villages (Contractual Arrangements) Regulations 2017 in recognition of changes to the way in which entrants to aged care may pay for their accommodation in the aged care facility implemented by the Commonwealth *Aged Care Act 1997*.

Current reviews include:

- a) consideration of retirement village owners corporations in the recent review of the *Owners Corporations Act 2006* undertaken as part of the Government's Consumer Property Law Review. The Government is currently considering the outcomes of the review, which explored:
 - i) the participation of retirement village residents who lease (rather than own) their units in the village in the governance of any owners corporation operating in the village and in the village residents' committee. In many retirement villages, services and facilities are provided by an owners corporation to all residents (including residents who lease their units) as part of their village fees. However, only the residents who own their own units are members of the owners corporation. This means that leaseholders pay the owners corporation for those services and facilities, but unlike owners of units, have no say in the rules of that owners corporation that govern the provision of those services and the use of those facilities (see **recommendation 5**);
 - ii) the role of village operators who have majority voting power in village owners corporations and who can increase owners corporations fees for member-residents and change owners corporation rules in a way that is inconsistent with the Act, which seeks to empower residents to control

increases in their village fees and have a say in the development and alteration of village rules; and

- iii) resolving issues arising in villages with owners corporations that combine the annual meetings of the village, governed by the Act, and the annual meetings of the owners corporation, governed by the *Owners Corporations Act 2006*.
- b) a review of the adequacy of arrangements for the management and resolution of disputes in retirement villages is currently being undertaken by Consumer Affairs Victoria (CAV). Currently the Act imposes particular requirements on retirement village operators where residents make a complaint about a matter in the village, or have a dispute with the village operator or manager, or with another resident. The purpose of CAV's review is to see whether these arrangements can be improved, to enhance the confidence of residents that issues they have in the village will be managed adequately, and to prevent the escalation of disputes to the point where external dispute resolution becomes necessary, and
- c) the Government is currently working on implementing recommendations of the *Access to Justice Review*, which considered dispute resolution broadly. Proposed general improvements to the Victorian Civil and Administrative Tribunal's (VCAT) systems and processes and expansion of the use of alternative dispute resolution in VCAT and the courts might impact on the resolution of retirement village disputes (see **recommendation 15**).

It is important that the reforms arising from these concluded and ongoing reviews are implemented, and their impact fully assessed before a further, more comprehensive, review of the Act is undertaken. The terms of reference for a future review of the Act will be developed in the context of the Committee's comments that precede this recommendation:

Currently, legislation favours a broader, less prescriptive approach where operators and residents negotiate specific agreements. Although this can be problematic (where there is a power imbalance between operator and resident, for example) the Committee believes that the Retirement Villages Act 1986 currently strikes the right balance between consumer protection and the retirement village sector's ability to innovate and grow.

However, as stated, the retirement village sector is rapidly growing. The next several years will see an increasing demand for retirement housing. The Committee believes that it will be important for the Retirement Villages Act 1986, which has not been fully reviewed since 2004, to provide an adequate framework to respond to this growth. (Page 28-29 of the Inquiry report.)

Recommendation 3:

That Consumer Affairs Victoria collate its online ‘retirement villages’ information into a booklet. Retirement village operators must provide this booklet to potential residents, either as a hard copy or electronically.

This recommendation is supported.

The Government is committed to ensuring that prospective and existing retirement village residents have access to clear, comprehensive and independent retirement village information. The Government acknowledges that although the Committee indicated that the information on CAV’s website is ‘extensive and easily understood’, it also suggested that this information is not reaching its full audience.

CAV regularly improves its website to ensure all the information it provides, including retirement village information, is accessible and easy to find. On 22 June 2017, CAV launched its updated website, which has reorganised and more effectively linked the information concerning retirement villages.

The new redesigned responsive website—

- provides comprehensive information to persons choosing, living in, or leaving a retirement village, to help them make the right decisions, and includes information covering fees, contracts, disputes, and selling, and
- ensures all information is accessible and easy to find, including through a new ‘Listen’ button which reads pages to the user should they require assistance.

The Act requires retirement village operators to provide prospective residents with a factsheet relating to that retirement village when providing promotional material to a prospective residents or at the request of a prospective resident. The factsheet is required to refer to the information about retirement villages on CAV’s website.

The information on CAV’s website about retirement villages is also comprehensively summarised in the publication *Guide to choosing and living in a retirement village* (Guide), for those who prefer to access information in a single document, rather than via multiple web pages. The recent changes to CAV’s website have made it clearer how to download the Guide to view online, or alternatively, order hard copies from CAV. Village operators can place bulk orders for hard copies of the Guide, to give to prospective residents in addition to the required factsheet.

Prospective and existing retirement village residents who have difficulty understanding English can access CAV’s interpreter services. National relay services are available via CAV’s enquiry line, for those with hearing or speech impairments. Community education is

provided on many issues that are of interest to older Victorians, including retirement villages, across four metropolitan and eight regional offices.

To assist in ensuring that CAV's web content about retirement villages reaches its widest possible audience, amendments will be made to the requirements of the factsheet that prospective residents can request from operators to make references to CAV's online information more prominent. In addition, the factsheet will be amended to specifically refer prospective residents to the existence of the Guide.

Amendments to the factsheet are likely to be made in late 2017 or early 2018 when its contents are reviewed generally in light of the outcomes of the current reviews of aspects of the Act.

Recommendation 4:

That the Law Institute of Victoria's Elder Law Committee develop professional accreditation for specialists in retirement housing and also provide training to general practitioners to improve their understanding of this area of law.

This recommendation is noted.

The Minister for Consumer Affairs, Gaming and Liquor Regulation has written to the President of the Law Institute of Victoria drawing her attention to this recommendation.

It is recognised that prospective and current residents would greatly benefit from specialist legal advice in the area of retirement housing, and that it would improve decision making and help to prevent disputes. The Government strongly encourages the adoption of this recommendation.

The Law Institute has advised that it is proposing professional development for legal practitioners on retirement housing, which will be piloted in November 2017, and that this will inform whether it is viable to establish an accredited specialisation for practitioners working in this sector.

Recommendation 5:

That the Victorian Government investigate measures to ensure that all retirement village units hold the same owners corporation voting rights.

This recommendation is supported in part.

The participation and voting rights of leasehold residents in relation to owners corporations in retirement villages was recently explored in a review of the *Owners Corporations Act 2006*, currently being undertaken by CAV as part of its Consumer Property Law Review. The Government is currently considering the outcomes of the review.

Recommendation 6:

That the *Retirement Villages Act 1986* and related regulations define whose responsibility it is to pay for repairs and maintenance, both inside units and in the communal areas and facilities. These amendments should further require all works to be undertaken within a reasonable and mutually acceptable timeframe.

This recommendation is supported.

The responsibilities of each party to retirement village contracts, including responsibilities relating to repairs and maintenance, should be unambiguous and clearly set out in those contracts.

The Government will investigate ways to achieve clarification about this matter, either as part of a future review of the Act, as contemplated in the response to **recommendation 2**, or earlier if an opportunity arises.

Recommendation 7:

That the Victorian Government require that retirement village operators disclose ingoing prices with and without deferred management fees.

This recommendation is under review.

The Act and the then, Retirement Village (Records and Notices) Regulations 2005 (R&N Regulations) were amended in 2014 to require operators to better disclose to prospective residents the costs of entering, living in and leaving the village as part of their pre-contract disclosure obligations. This includes an estimate of the exit entitlement (of which the deferred management fee, together with any other departure fees are a component) if the prospective resident were to depart after one, two, five, or 10 years.

These changes came into operation on 1 July 2014, and followed a rigorous examination of the costs and benefits of the additional disclosure requirements through a regulatory impact statement process.

These changes have only been in place for three years, and their impact needs to be assessed. Their adequacy will form part of a future review of the Act, as contemplated in the response to **recommendation 2**.

Recommendation 8:

That the Victorian Government require that deferred management fees are applied on a pro rata basis.

This recommendation is supported.

The Government understands that retirement village operators approach the application of deferred management fees differently and that some operators may already apply deferred management fees on a pro rata basis. The Government will first need to assess and understand the extent to which pro rata calculation of deferred management fees is not undertaken within the industry in order to consider how best to bring the industry in line with this approach.

This is an issue that will be considered as part of a future review of the Act, as contemplated in the response to **recommendation 2**, or earlier if an opportunity arises.

Recommendation 9:

That the Victorian Government require that retirement village operators provide every resident with an estimate of their exit fees every financial year.

This recommendation is supported in principle.

As noted in relation to **recommendation 7**, following the 2014 amendments to the R&N Regulations, retirement village operators must disclose to prospective residents the costs of entering, living in and leaving the village as part of their pre-contract disclosure obligations. This includes providing an estimate of the exit entitlement (that includes any deferred management fees or other departure fees) if the prospective resident were to depart after one, two, five, or 10 years.

The Government will explore the feasibility of introducing an additional legislative requirement that an operator must provide an estimate of exit fees on request from a resident (though not more than once a year). This will be undertaken as part of a future review of the Act as contemplated in the response to **recommendation 2**, or earlier if an opportunity arises.

This approach is considered to strike an appropriate balance between a resident's ability to be well informed, and the administrative costs to operators that may be associated with supplying this information. It also recognises that not every retirement village resident will be interested in an annual estimate of their exit fees, or find such an estimate useful.

Recommendation 10:

That the Victorian Government make provisions to allow retirement village operators to pay either the refundable accommodation deposit (RAD) or daily accommodation payment (DAP) for residents entering aged care until the resident's unit is sold.

This recommendation is supported in part.

This matter was recently reviewed and consulted on as part of the Regulatory Impact Statement (RIS) for the remaking of the *Retirement Villages (Contractual Arrangements) Regulations 2006* (Contractual Arrangements Regulations), which expired on 31 July 2017.

When a person enters an aged care facility, they pay for their accommodation either by way of a refundable accommodation deposit (RAD) or daily accommodation payments (DAPs). A RAD is a refundable lump-sum payment made by residents when they enter an aged care facility, as part of their ingoing contribution. DAPs are an alternative arrangement, where aged care facilities can be paid on the basis of a daily fee calculated as a proportion of the RAD that would otherwise be payable. DAPs are not refundable. An interest rate is specified under the Commonwealth *Aged Care Act 1997* (Aged Care Act) by which a given RAD is converted to DAPs.

RADs are required to be paid 6 months after a resident enters an aged care facility and are refundable when the resident leaves (or dies). DAPs are payable as soon as a resident enters a facility.

Prior to 2014, the Aged Care Act permitted aged care providers to choose whether their incoming residents could pay a RAD or DAPs. Most required the payment of a RAD. This placed many leasehold retirement village residents entering aged care in a dilemma if:

- they were required to pay a RAD
- they relied on the refund of their exit entitlement to pay the RAD, and
- their leasehold interest had not been resold and their exit entitlement received by the time they were required to pay it.

Even where a leasehold resident was only required to pay DAPs, they might still need to rely on their exit entitlement to pay them. For these reasons, the Contractual Arrangements Regulations included the 'aged care rule', under which village operators were required to fund leasehold residents' RADs or DAPs if their leasehold interest had not been resold and their exit entitlement paid.

Changes to the Aged Care Act in 2014 removed the ability of aged care providers to choose whether to require the payment of a RAD or DAPs and gave that choice to the resident.

In the remaking of the Contractual Arrangements Regulations, this change, and the fact that it operated to remove the dilemma faced by certain leasehold residents, was recognised, and three options were put forward for a new aged care rule:

- (a) requiring village operators to fund DAPs only, applicable to all leasehold residents whether they entered their village before or after the remade Contractual Arrangements Regulations (the industry position)
- (b) requiring village operators to fund residents' choices to pay RADs or DAPs, applicable to all leasehold residents whether they entered their village before or after the remade Contractual Arrangements Regulations (the position of consumer and resident bodies), or
- (c) requiring village operators to fund residents' choices to pay RADs or DAPs, applicable only to residents who entered their village before the remade Contractual Arrangements Regulations, and to pay DAPs only for new residents (the Government's preferred position).

After considering submissions on the RIS, the Government determined that the Contractual Arrangements Regulations should be remade in accordance with its preferred position. This reflects the position that leasehold residents who entered their village under the previous aged care rule have a legitimate expectation that it will continue to apply to them, but that changes to the Aged Care Act in 2014 enabling residents to choose whether to pay a RAD or DAPs have removed the dilemma previously faced by residents who were obliged to pay a RAD but unable to do so, and that retirement operators should not be required to pay a RAD as an alternative to DAPs.

The remade Contractual Arrangements Regulations with the new aged care rule (that is, the Retirement Villages (Contractual Arrangements) Regulations 2017) commenced on 30 July 2017 and can be found at www.legislation.vic.gov.au

Recommendation 11:

That the Victorian Government give consideration to developing a model for mandatory accreditation for all retirement housing providers.

This recommendation is under review.

Accreditation schemes can offer retirement housing providers the opportunity to demonstrate levels of service that meet industry standards for 'best practice', and may go beyond legal requirements. High levels of service, and high standards of management and operations, help to create a more inclusive and satisfying living environment for residents.

The Government is aware of existing concerns about retirement village accreditation and assessment processes. It will examine both ways to support a rigorous and professional accreditation scheme, and options for making such a scheme mandatory for all retirement villages. Options for a mandatory scheme will need to consider the implications for retirement villages and residents where a retirement village fails to achieve or maintain accreditation.

Recommendation 12:

That the Victorian Government ensure that an appropriate minimum Certificate level applies to retirement village management courses.

This recommendation is supported in principle.

The Government considers it would be beneficial for there to be a dedicated, nationally-recognised qualification under the Australian Qualifications Framework (AQF) available to retirement village managers, ideally at the Certificate IV, Diploma, or Advanced Diploma level.

Having such a qualification would help to equip village managers with the skills and depth of knowledge needed to take on this complex role, leading to greater professionalisation and higher standards across the industry.

The Government strongly encourages the retirement village sector to pursue the development and accreditation of an appropriate Certificate or Diploma-level qualification, which meets industry requirements. The Government will work with industry and consumer bodies to make progress on this matter, and to ensure village manager and resident interests are reflected appropriately.

The Government also recognises that training and professional development to meet industry needs can be achieved through a variety of mechanisms, including accredited and non-accredited courses.

Many professional development opportunities are already available to people working in the retirement village sector, including programs offered by individual operators and industry bodies. It is not considered feasible or necessary for every training course offered to retirement village managers, or other staff, to lead to a qualification recognised under the AQF.

Recommendation 13:

That the retirement housing sector engage more proactively with disability and aged care design professionals when designing villages to facilitate greater choice and an ability for people to age in place.

This recommendation is noted.

The Government encourages the retirement housing sector, including property developers and designers, to support this recommendation.

The Government is committed to taking a universal design approach to all future infrastructure development. Universal design involves making facilities and services accessible to people of all abilities. Universal design makes everything usable for as many people as possible from the beginning to avoid the need to retrofit. Universal design is key to enabling ageing in place and helping older people to live in the community for longer.

The Government notes that there exists a number of guidelines and standards available to the retirement housing sector that would assist in the design of villages to facilitate greater choice and better enable people to age in place.

The Livable Housing Australia's Design guidelines, is one example. These guidelines, which are based on the principles of 'universal design' have been developed in partnership with community, business groups and government and are intended to enable homes to be designed and built to meet the changing needs of occupants across their lifetime. A copy of these guidelines can be found at: <http://livablehousingaustralia.org.au>.

Australian Standard AS 4299-1995 is another example. AS 4299-1995 provides guidance on 'adaptable housing', that is, the design of housing to accommodate varying degrees of physical ability over time.

Recommendation 14:

That the Victorian Government require retirement villages to report on compliance with maintenance plans funded by maintenance charges paid by residents.

This recommendation is supported.

The Government supports appropriate transparency and accountability regarding the provision of services to village residents and the use of resident funds to undertake maintenance of capital works within a retirement village.

Existing reporting obligations are in place in relation to the use of 'maintenance charges' that are regulated under the Act, and 'maintenance plans' that are regulated under the *Owners Corporation Act 2006*, but only required for large owner corporations.

The extent to which these existing reporting obligations are failing to ensure transparency and accountability is an issue that will form part of a future review of the Act, as contemplated in the response to **recommendation 2**.

Recommendation 15:

That the Victorian Government introduce a new alternative for low cost, timely and binding resolution of disputes in the retirement housing sector. This may be through a new body or by extending the powers of an existing ombudsman.

This recommendation is under review.

The Government appreciates that there is significant concern about dispute resolution in the retirement housing sector, and in retirement villages in particular, and that there is a strong community interest in ensuring that complaints relating to retirement housing can be dealt with as quickly, easily and cheaply as possible.

Given that dispute resolution has been an issue considered in other recent government reviews, and that many sectors of the community are seeking reforms in this area, it is desirable to take into account any reforms implemented as a result of these reviews, and their impact on dispute resolution in the retirement housing sector, before sector-specific reforms are contemplated.

For example, the Government has commenced work on implementing the recommendations of the *Access to Justice Review*, which examined dispute resolution broadly. This includes general improvements to VCAT's systems and processes and expanding the use of alternative dispute resolution in VCAT and the courts, which might impact on the resolution of retirement village disputes.

With respect to the recommendation that consideration should be given to the creation of a new body, or extending the powers of an existing ombudsman, to deal with retirement housing disputes, the Government notes the comments of the *Access to Justice Review*:

Funding an ombudsman scheme for retirement villages would require a strong justification, given the other priorities of the civil justice system.

...

The Review is unable to recommend the establishment of a retirement village ombudsman without considering the broader regulatory context of retirement housing generally. Any change in this area should be supported by a comprehensive

*cost-benefit analysis conducted with input from the industry, village residents, and advocacy groups.*¹

Significant further analysis and evidence are required before a position on this recommendation can be determined.

Any system for dispute resolution begins with effective internal complaint-handling procedures. With this in mind, the Government notes that CAV is currently reviewing the adequacy of arrangements for the management and resolution of disputes in retirement villages, in consultation with key stakeholder organisations representing residents and operators.

Once that review is concluded, the Minister for Consumer Affairs, Gaming and Liquor Regulation will consider identified proposals for possible reform to internal dispute resolution processes. Reform of internal dispute resolution processes, if implemented, has the potential to improve complaint handling within retirement villages, thereby reducing the need for complaints to be progressed to an external body.

Finally, the Victorian Government's Tenancy and Consumer Program 2017-21 funds community organisations to deliver a range of services to support vulnerable and disadvantaged tenants and consumers. One of the four service areas that is funded is the Retirement Housing Assistance and Advocacy Program. This is a state-wide service that supports older financially disadvantaged Victorians who live in retirement housing, through the provision of casework, advocacy and specialist advice to workers.

From July 2017, the Tenancy and Consumer Program will receive \$1.1 million extra each year from 2017 to 2021 (a funding increase of 30 per cent). In total, more than \$18 million over four years will be invested in the delivery of local assistance and advocacy services. The funding package includes \$1.2 million for Housing for the Aged Action Group to provide support to Victorians aged 55 or over who live in retirement and rental villages, or as permanent residents of caravan and residential parks.

¹ Department of Justice and Regulation, *Access to Justice Review – Report and Recommendations Volume 1* (2016), 233.