

3rd June, 2016

The Secretary
Legal & Social Issues Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

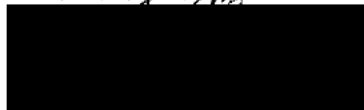
Dear Sir/Madam,

Please find enclosed our Retirement Living Concerns from the Springthorpe Retirement Village, Macleod to be considered at the forthcoming Parliamentary Inquiry.

We have raised four concerns, set out as requested, also enclosed is a petition supporting our concerns, with particular interest in the urgent need for a Retirement Living Ombudsman.

Your favourable consideration on our submission with positive action to follow would be very much appreciated.

Yours faithfully,



David Mills
Springthorpe Retirement Village Residents Committee Chairman
Springthorpe Retirement Village



Parliamentary Inquiry on Retirement Housing/Living

My name is David Mills, I am Chair of the AVEO Springthorpe Retirement Village Residents Association. We the Village Residents have what we consider, four major concerns, that need attention:-

1. Council rate inequity
2. Water usage/rate classification clarification
3. Service fee taxation
4. Retirement Living Ombudsman

1. COUNCIL RATE INEQUITY

CIRCUMSTANCE: Council rates to Retirement Village residents vary from council to council to such a degree that in six cases the councils' provide a 5 to 25 percent discount on annual council rates. However, most councils do not provide a discount at all, they are rated as any other household.

Most Retirement Villages are required to pay a quarterly maintenance fee to the Managers, that covers a number of the councils services not carried out in retirement villages ie roads and footpath repair, lighting etc. Retirement units also have a smaller housing footprint and are on much smaller building blocks (two units to one conventional block) which ought to attract a much smaller valuation.

ISSUE: Why are most retirement villages charged council rates without a common appropriate concession.

CONCLUSION: All retirement villages should be rated with the level of concession according to the appropriate service provided and footprint valuation.

2. WATER USAGE/RATE CLASSIFICATION

CIRCUMSTANCE: Each unit at Springthorpe Retirement Village is charged by Yarra Valley Water for water usage based on measurement by a single water meter for the whole Village. This leads to gross overcharging for sewage disposal because the classification of the Village, as units, does not take into account the large volumes of water used on extensive lawns and gardens (common property) external to the units. None of the water used on the common property enters the sewerage system.

ISSUE: Yarra Valley Water seasonal factors used in estimating sewage disposal charges do not allow for water usage on the common property.

CONCLUSION: Water usage on the common property areas of Springthorpe Retirement Village should be identified and sewage disposal charges be reduced appropriately.

3. RETIREMENT VILLAGE TAXATION

A. Application of GST on village expenses for Salaries/Wages and Related (Superannuation, Work Cover, Long Service etc) components.

CIRCUMSTANCE: GST on salaries and related costs residents in our Village an incremental \$36,000 in fees per year.

ISSUE: By legislation companies do not pay GST on salaries and related costs. Our Village pays GST because our Management Company (Aveo) pays their employees with our fees, thus providing a service which attracts GST. By contrast all goods or services acquired by the Village are GST exempt or recoverable.

CONCLUSION: An exemption from GST is required from the ATO for all retirement villages including salaries and related. Retirement Villages should be entitled to the same legislative benefits that all other companies enjoy.

B. Payment of Payrol Tax by small Retirement Villages

CIRCUMSTANCE: Our Village pays an incremental \$9,200 in fees per year.

ISSUE: Our Village staff costs are \$17,000 per month, well under the monthly threshold of \$45,833 that attracts payroll tax in Victoria, however, our Management Company, Aveo, has a number of other retirement villages in Victoria. Again, Aveo pays our employees from our fees and this attracts the "Grouping Provisions" under current payroll tax rules, WHICH COMBINES THE PAYROLL OF ALL THEIR VILLAGES.

CONCLUSION: This impost is grossly unfair to small Retirement Villages where this cost has a significantly higher impact on financial viability, than in larger Villages. The argument is the same as for any small business which is under the payroll threshold. An exemption is required from the ATO.

4.RETIEMENT LIVING OMBUDSMAN

We firmly believe that the need for a Retirement Living Ombudsman is well and truly overdue. As you can see from the concerns listed above (and I am sure there are many more) we would all benefit from the establishment of an Industry Ombudsman.

We also believe that an Ombudsman would prove to be a much improved method for elderly residents in Retirement Villages to utilise a free, fair and effective means to resolve disputes, as all other alternatives are far too costly.

VCAT and other legal methods for dispute resolution are far too costly and stressful.

David Mills
Chairperson
Residents' Association
Springthorpe Retirement Village



PETITION

RHS SUBMISSION 122

THIS PETITION IS TO SUPPORT THE CONCERNS OF THE RESIDENTS AT SPRINGTHORPE RETIREMENT VILLAGE [REDACTED] LISTED ON THE FOLLOWING PAGES IS OUR SUBMISSION TO THE PARLIAMENTARY INQUIRY ON RETIREMENT LIVING.

NAME	SIGNATURE	UNIT No.
GWENDA BETHELL	G. Bethell	[REDACTED]
MARIE SMITH	Marie Smith	[REDACTED]
NORRIE KING	Norrie King	[REDACTED]
PHYLLIS HARRIS	Phyllis Harris	[REDACTED]
LYLA BRIEN	Lyla Brien	[REDACTED]
DOROTHEA-COLLEEN MORGAN	D. G. Morgan	[REDACTED]
PATRICIA GREENWOOD	Patricia Greenwood	[REDACTED]
ALAN E. JENNINGS	Alan E. Jennings	[REDACTED]
MARGARETA BLACKBURN	M. Blackburn	[REDACTED]
FRANK HEAVINGS	Frank Heavings	[REDACTED]
ROY TATE	Roy Tate	[REDACTED]
VAL BROOKS	Val Brooks	[REDACTED]
ANNIE CAMPBELL	Annie Campbell	[REDACTED]
RON BELL	Ron Bell	[REDACTED]
ALWYN E WAINWRIGHT	Alwyn E. Wainwright	[REDACTED]
ION COLLIS	Ion Collis	[REDACTED]
DIANE HACROIX	Diane Hacroix	[REDACTED]
DOROTHY HARPER	Dorothy Harper	[REDACTED]
ALBERT VAN ZELEDE	Albert Van Zelede	[REDACTED]
BETTY LAUGHTON	Betty Laughton	[REDACTED]
CHRISTOPHER ELLIS	Christopher Ellis	[REDACTED]
PAULINE ATKINS	Pauline Atkins	[REDACTED]
MONIQUE PLANTIER	Monique Plantier	[REDACTED]
ERIF VINCENT	Erif Vincent	[REDACTED]
DON + LORRAINE WILKIN	Don + Lorraine Wilkin	[REDACTED]
JOHN LUDFORD	John Ludford	[REDACTED]
MARGARET ABRAHAMSON	M. Abrahamson	[REDACTED]
MARIE & GEORGE JOYCE	Marie & George Joyce	[REDACTED]
		[REDACTED]
		[REDACTED]
Lesley Dorizzi	Lesley Dorizzi	[REDACTED]
		[REDACTED]
		[REDACTED]
		[REDACTED]
		[REDACTED]

PETITION

THIS PETITION IS TO SUPPORT THE CONCERNS OF THE RESIDENTS AT SPRINGTHORPE RETIREMENT VILLAGE. LISTED ON THE FOLLOWING PAGES IS OUR SUBMISSION TO THE PARLIAMENTARY INQUIRY ON RETIREMENT LIVING.

NAME

SIGNATURE

UNIT No.

FRANCIS MARY HAMILTON

Francis Hamilton

* PATRICIA EVANS

P. Evans

Betty Wilson

B. Wilson

ROSEMARY R. DUNNOP

R.F. Dunnop

* ~~Impetuous~~
Nancy Jacqueline Martin
Belle Lodge

~~Nancy Jacqueline Martin~~
Belle Lodge

JEAN & JEAN GRIFFITHS

JEAN & JEAN GRIFFITHS

• Pet Dobson

John Dobson
P. Dobson

JUNE JERRETT

J. Jerrett

~~Graham~~

BERYL ANDERSON

Beryl Anderson

~~Pat Col O'Brien~~

~~Pat Col O'Brien~~

Jean Scott

J. Scott

~~John Johnson~~

~~John Johnson~~

DAVID HILLS

D. Hills

BOB LANGDON

Bob Langdon

Edith Chapman

Edith Chapman

MARGARET WILSON

Margaret B. Wilson

* NOLA BLIVEN

N. Bliven

✓ VALERIE MCCOLL

Valerie McColl

VERONA FAYE MUNDAY

V. Munday

Rosemary Tucker

Rosemary Tucker

Russell GEDHILL

R. Gedhill

Judith Bell

Judith Bell

Katherine Forde

Katherine Forde

WAYNE TAYLOR

Wayne Taylor

PETITION

THIS PETITION IS TO SUPPORT THE CONCERNS OF THE RESIDENTS AT SPRINGTHORPE RETIREMENT VILLAGE, [REDACTED] LISTED ON THE FOLLOWING PAGES IS OUR SUBMISSION TO THE PARLIAMENTARY INQUIRY ON RETIREMENT LIVING.

NAME	SIGNATURE	UNIT No.
DOROTHY LUGG	<i>[Signature]</i>	[REDACTED]
LESLIE JONES BERYL JONES	<i>Beryl Jones</i>	
* BARBARA BRONT	<i>B. Bront</i>	
JOYCE COLEMAN	<i>J. Coleman</i>	
_____	_____	
JOHN V. DENHOLM	<i>J. V. Denholm</i>	
_____	_____	
JOAN ALLEN	<i>J. M. Allen</i>	
* MARGARET BARRETT	<i>M. Barrett</i>	
_____	_____	
<i>Gladys M. Warren</i>	<i>G. M. Warren</i>	
_____	_____	
_____	_____	