



## The Village Glen Residents' Club

President: Nancy Taylor.

Secretary: Fran Reeves

Postal: [REDACTED]

The Secretary,  
 Legal & Social Issues Committee,  
 Parliament House, Spring Street,  
 EAST MELBOURNE. Victoria 3002

Dear Secretary,

We make this submission to the Inquiry into the Retirement Sector by the Standing Committee on Legal and Social Issues.

The Village Glen is a large retirement village at Rosebud West on the Mornington Peninsula. There are in excess of 600 Villas and Apartments and a population of some nine hundred residents.

We wish to address two items in your terms of reference – numbers 4 and 5 plus the lack of uniformity between the various Shire Councils as to how they treat residents in retirement villages.

Firstly, our residents are strongly in favour and support the appointment of a "Retirement Industry Ombudsman" believing this to be an excellent way to resolve disputes between residents and managers of Retirement Villages.

The contracts and licences between residents and retirement village managements are complex. We submit that whilst prospective residents are advised to seek legal advice before entering into any contracts or licences many, given their age, do not have a clear and detailed understanding of their rights and obligations. Given this type of situation it is not uncommon for disputes to arise and for legal action to become a possible solution. Many residents do not have the finances to take such a course of action.

The appointment of an Ombudsman would simplify settlement of such issues in dispute at a reasonable and bearable cost.

Item 5 in your Terms of Reference refers to the issue of "the impact of local government rating on retirement housing".

This year our Village Management have paid on behalf of the residents of The Village Glen the amount of \$528,00.00 in annual rates to Mornington Peninsula Shire. Normally, these rates would pay for a range of services provided by the Shire. Amongst these services are provision for maintaining roads, curbs and footpaths, street lighting, drainage, street trees and gardens, rubbish

collection and a bus service. In the Village Glen, residents pay a monthly service fee that covers our Council Rates as well as paying for the services our Management provide; such as building and maintaining roads, curbs and footpaths, gardens and street trees. Our Management does not provide garbage collection or a bus service. So for our half a million plus dollars paid to the Mornington Peninsula Shire we receive a very limited range of services in the form of garbage collection and a bus service. Residents in our village are therefore paying twice for these services or put another way, making a payment to the Shire, but not receiving the same services as other shire residents. Council is of the opinion that because services provided in the village are not available to all Council residents there should not be a differential rate. Nevertheless the fact remains that we are paying twice. In addition properties in our village are much closer together and for a given area attract a much higher overall rate collection than a normal suburban housing rate collection. A differential rate collection would therefore not impinge on the Council's overall rate collection. We have been advised that the services mentioned above amount to approximately 20 - 25% of the rate charge and a differential rate to give a concession to the above amount would be appropriate.

In previous legislation the Victorian Parliament recommended that Councils introduce a concessional rate for retirement villages but being a recommendation few Councils adopted it. This has led to a discrepancy from Council to Council as to what the various Retirement Village Residents pay to their Council. There is no uniformity. The Mornington Peninsula Shire does not offer differential rates to Retirement Villages but the neighbouring Frankston Shire does. We believe this to be patently unfair.

Thank you for the opportunity to make this submission on a subject of considerable importance to the residents of our village.

Nancy Taylor,  
President, Residents Club Committee,

