

**AVEO MINGARRA VILLAGE
INDEPENDENT RESIDENTS' ASSOCIATION**
77-115 Mt Dandenong Road, Croydon, VIC 3136



20 June 2016

The Secretary
Legal and Social Issues Committee
Parliament House
Spring Street
East Melbourne Vic 3002

Dear Sir/Madam

Ref: Inquiry into the Retirement Housing Sector

This submission is being made by the Elected Committee of the AVEO Mingarra Village Residents' Association Inc. on behalf of residents of the AVEO Mingarra Village in Croydon Victoria. This village currently has 155 Independent Living residents and will have approximately 200 residents towards the end of next year when new construction is completed.

We ask the Inquiry to investigate the excessive municipal rate currently being applied to Retirement Villages by Councils throughout Melbourne and Victoria. Villages, with their high density construction, are Cash Cows for Councils as the rate charged for village occupants is the same as for normal blocks. There are exceptions where some Councils' have recognised the unfairness to Villages and have reduced rates accordingly, Knox and Manningham are examples.

Here at Mingarra our monthly levy per unit is just under \$350 per month and this money predominantly pays for:

- Road maintenance;
- Garbage collection;
- Footpaths;
- Street maintenance;
- Drainage and stormwater; and
- Street lighting.

All of these services would normally be provided by Maroondah Council. However, except for garbage collection, the cost for these services is included in our rate but not provided by the Council. Currently each unit in the village is rated at approximately \$1400 per annum which is slightly below the \$1500 per annum being paid by residents on individual blocks in the close neighbourhood. However, they receive all of the above services. For most living in Villages and on pensions, both Government and self-funded, this situation is highly inequitable.

We at Mingarra, enjoy a very good working relationship with local management and also the AVEO management. However, such relationships with management are not widely held throughout the industry. Many meetings that we have attended indicate that there are enormous problems in some Villages. Often their only recourse is VCAT to solve these problems. Rarely does this happen because the cost is prohibitive to pensioners. Therefore we strongly recommend that an Ombudsman be appointed to oversee the industry and provide a powerful and cost effective mode for conflict resolution.

We, at Mingarra trust that the Parliamentary Committee will take serious notice of our concerns and we look forward to positive outcomes.

Yours sincerely

A solid black rectangular box used to redact the signature of Ron Laussen.

Ron Laussen
President
Aveo Mingarra Residents' Association Inc.