

TRANSCRIPT

STANDING COMMITTEE ON LEGAL AND SOCIAL ISSUES

Subcommittee

Inquiry into the retirement housing sector

Melbourne — 29 November 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 Jaelyn Symes

Participating Members

Ms Colleen Hartland

Mr Gordon Rich-Phillips

Staff

Acting secretary: Mr Patrick O'Brien

Witness

Ms Carol Stephen.

The CHAIR — We have some people who wish to make comments from the floor. So if there is anyone else who wishes to give a comment from the floor, please speak to Patrick, of the secretariat. I will call Ms Carol Stephen to make a 1 to 2-minute statement.

Thank you very much for joining us today. Before I invite you to make your remarks, I will just caution that all evidence taken at this hearing is protected by parliamentary privilege. Therefore you are protected against any action from what you say here today, but if you go outside and repeat the same things, those comments may not be protected by this privilege. If you could keep your comments to between 1 and 2 minutes, that would be great.

Ms STEPHEN — I have just a quick statement that I have made up.

The CHAIR — Great; go for it.

Ms STEPHEN — I am a resident in what they call a lifestyle village caravan park. We purchased in June 2010. It was a lovely park, and it had recently been acquired by developers. There were four other full-time permanent residents when we moved in. Now there are 17 permanent residents, all paying in excess of \$5000 per year in rates or site fees, whichever you want to call them, as well as four other owner-investors. Mostly we are retired senior citizens or invalids, and these people are being targeted as preferred purchasers. We all own our units outright and have 99-year leases on the site. We are responsible for our own maintenance and repairs and general upkeep, yet we pay the same rates as people who do not have these leases. Also they get a steady stream of income from campers, caravans and things like that.

During the six years the developers have been there, they have sold at least 16 cabins from the premises and promised new, updated fancy cabins to replace them. So far I have not seen any. There are six sites that have not even been cleared once the units have gone; they are just an eyesore and they have got a bit of tape to keep people out — not very successfully. There has been a succession of eight managers in that time. One of them was taken away by a policeman because he did his nut, and he is back there managing now, so we will not go into that. But most of the managers soon lose interest because all the moneys are being paid into head office and nothing is coming back into the park — nothing at all. So if we send any emails to head office, they are just dealt with in a negative manner or not answered at all.

In 2011 these developers sold the site — the land — to a third party, and now they are in an ongoing legal dispute because there have been no moneys transferred or paid to the new landowner. There has been absolutely no upkeep in the park at all. Our contract rate says the increases should be in line with CPI or 5 per cent, whichever is the lesser. This year our increases were between 20 per cent and up to 35 per cent on some sites. Now, I have got a legal case going through — —

Ms HARTLAND — Consumer law centre.

Ms STEPHEN — Yes, that is the one, and they are handling it for me personally, but they do not have the facilities to handle it for the rest of the people unfortunately. I do believe that they have actually won a case in another park.

I have listed an outline of our park as it is at the moment, followed by suggestions of how we can get rid of these predators — and that is what I call them: predators. The roads have required resurfacing for the past three years. They are full of potholes and they are down to bare dirt in many places. It gets quite muddy if it rains. It is prone to flooding, particularly the one bottom corner, right where the effluent bin is for the caravans, which when it floods — I am not going any further with that one!

The electricity grid is almost non-existent. I actually paid \$60 to have an electrician come out and check mine to get it so that it is in running order. So I know I am paying the right amount, because I do not want them to have anything on me. A lot of them are paying by guesswork. The water pressure is very low, the galvanised pipes need replacing — nothing is getting done — the back room of the toilet amenity blocks is leaking onto bare dirt and it is quite a health hazard. Some trees need felling, and one recently fell on a permanent resident's verandah and took out the whole verandah and carport. So that is just at the moment. The security gates were damaged four years ago, and they have never, ever been replaced, so people can just drive in and out of our site whenever they like.

The CHAIR — Ms Stephen, I do not mean to interrupt your flow, but we have been going for about 5 minutes, so if you could perhaps just — —

Ms STEPHEN — Sorry, I am nearly finished.

The CHAIR — Yes, great.

Ms STEPHEN — On 18 June this year the developers removed all park facilities, including washing machines, furniture from the recreation room and outdoor furniture, they took the motor from the air conditioner, and just this week I see the two barbecues are gone, so they are stripping the place — literally stripping the place. They have returned the washing machines now because VCAT told them they had to. We really need some uniform standards across the industry, because at the moment it seems developers can just do what they like because there is no real legal requirement for them to do anything. That is virtually what I have got to say. There are areas of how it can be done, but I am sure you would know that better than I would.

The CHAIR — Thank you very much.

Ms STEPHEN — I am sorry I took longer than 2 minutes.

The CHAIR — No, not at all; I did not mean to — —

Ms STEPHEN — It took me 3 hours to get here, so I can take a minute longer.

The CHAIR — No, for sure. I am sorry to — —

Ms STEPHEN — Thank you. I thank you for listening to me.

The CHAIR — Thank you, Ms Stephen. Thank you very much.

Witness withdrew.