



*Retirement Village Residents Association  
of  
New Zealand*

**[www.rvr.org.nz](http://www.rvr.org.nz)**



# Retirement Villages Act (2003)

The purpose of the Act

is to protect the interests of residents

and intending residents

and enable retirement villages to develop

under a simple easy-to-understand legal framework

**The Retirement Villages Association of NZ  
was established with a specific focus  
on improving outcomes  
for retirement village residents  
across New Zealand.**



**During this presentation,  
the following  
acronyms will be used -**

**RVR** - Retirement Village Residents Association of New Zealand

**RVA** - Retirement Villages Association New Zealand

**ORAs** - Occupational Rights Agreements

**MHUD** - Ministry of Housing and Urban Development

**DMF** - Deferred Management Fee



**Retirees are smart !**

**b u t . . .**

**Retirees are also vulnerable**







**TE ARA  
AHUNGA ORA**  
Retirement Commission



***Jane Wrightson***  
***New Zealand***  
***Retirement Commissioner***

"The proposed changes tabled in the discussion document address many of the issues we have raised along with important others."

"It's important for residents, their families and operators that sector-wide best practice is clearly set out in legislation."

**consumer.**



*Jon Duffy - Chief Executive  
Consumer New Zealand*

"A key issue is potentially misleading advertising with many retirement villages pitching a continuum of care to potential residents."

"We also take issue with retirement village occupation rights agreements (ORAs) which 'clearly' benefit village operators."





*It is not about happiness...*

*It's about fairness!*





# Ministry of Housing and Urban Development (MHUD)

Propose options for a change

relating to -

*Moving in - Living in*

*Moving out*



## Review of the Retirement Villages Act 2003:

# *"Options for Change"*

**Some Important areas  
from the discussion paper**



## Options for Change:

## 'Moving In'

### *Disclosure statements -*

Often long and difficult to understand

Too much information and duplication



## Options for Change: 'Moving In'

### ***Occupation Rights Agreements -***

Long, complex and difficult to understand

Some ORAs contain unfair terms

Numerous different ORAs across New Zealand



## Options for Change: 'Living In'

### *Maintenance of chattels & fixtures -*

Residents required to pay for maintenance

Fair wear & tear not recognised



## Options for Change: 'Living In'

### *Dispute Resolution -*

Not independent from Operators  
Complex and difficult to navigate  
Residents find advocacy difficult  
Hearings adversarial and expensive



## Options for Change: 'Living In'

### *Moving from Village to Residential Care -*

Details provided not clear or comprehensive

Negotiation challenging for residents & families

Financial implications not understood





## Options for Change: 'Moving Out'

### *Payment of resident's capital sum -*

No repayment until the unit is relicensed

Not having access to money can cause financial and emotional stress



## Options for Change: 'Moving Out'

### *Stopping Outgoings and Fees -*

Some charges continuing until units sold  
Residents charged for services not received  
Delays stressful for families



## Options for Change: 'Moving Out'

### *Capital gain / Capital Loss -*

No obligation to share capital gains/losses

Outgoing resident may be liable for loss

Outgoing resident not eligible for capital gains



## Options for Change: 'General'

### *Definition of 'Retirement Village' -*

Not easily understood

Open to misinterpretation

All villages come under the Act

'Lifestyle Village' only a marketing tool



## Options for Change: 'General'

### *The Code of Practice -*

No requirement to be reviewed

Difficult to understand

Consultation not always followed



## Options for Change: 'General'

### *Code of residents rights -*

No reference to a right of safety

Residents responsibilities poorly defined

# Options for Change: 'Next Stage'

## *Where to from here?*

Consultation closes 20 November 2023

Advice to appropriate Minister

Cabinet to make policy decisions

Bill drafted and introduced

First reading then to Select Committee

Further comments on proposed law changes

# *Retirement Village Residents Association of New Zealand*

**Has a specific focus on improving outcomes  
for retirement village residents  
across New Zealand**