



What is a retirement village?



IMPORTANT

If you are unsure of whether a complex is a retirement village you should seek advice.



QUICK TIP

The definition and exclusions can be found in section 5 of the *Retirement Villages Act 1999*.

There are more than 700 known retirement villages currently in NSW. A wide variety of different arrangements can be found in the retirement village industry. This factsheet outlines what a retirement village is, particularly for those thinking of moving into one.

Legislative definition

The meaning of the term 'retirement village' is set out in the *Retirement Villages Act 1999*. A **retirement village** is a 'complex containing residential premises that are predominantly or exclusively occupied, or intended to be predominantly or exclusively occupied, by retired persons who have entered into village contracts with an operator of the complex'.

What this basically means is that any residential complex in NSW where the majority of residents are aged 55 years or older, and those persons have some form of contract with the person or organisation operating the complex, then the parties are covered by the *Act*, unless it falls into one of the exempt categories (discussed below).

A complex can still be covered by the *Act* even though little or no on-site services or facilities are provided. Whether or not residents pay to gain entry is also not a relevant factor.

What is not a retirement village?

There are many different types of housing options for older people in NSW, many of which have been excluded from the *Retirement Villages Act*.

For instance, commonwealth funded aged care hostels and nursing homes (now known as residential aged care facilities) are not retirement villages. Entry into these facilities is allocated on a needs basis, and the rights of residents are provided for by the

Commonwealth Government under its *Aged Care Act 1997*. These facilities are no longer covered by the State's retirement village laws.

Likewise, caravan parks and manufactured home estates are not retirement villages, even if they market their lifestyle to over 55s. Such places are covered by the *Residential Parks Act 1998* (NSW).

Accommodation for older people provided by the Department of Housing is also excluded from the *Act*, unless provided as part of a joint venture.

Other exclusions from the *Act* include:

- private nursing homes
- premises used for respite care
- boarding houses
- (non-resident) employee housing
- group homes for disabled persons.

Are retirement villages registered?

No. Retirement villages are not registered or licensed in any way. Many retirement villages are developed under State Environmental Planning Policy No 5, but this process is not compulsory.

Your local council may have a list of retirement villages in your area.

Must the complex use 'retirement village' in its name to be one?

Whether a complex has the term 'retirement village' in its name is not a determining factor in the application of the *Act*. The *Act* applies to many complexes who chose not to call themselves a retirement village.

On the other hand, it is an offence for a complex that is not a retirement village, within the meaning of the *Act*, to represent themselves as one.

The fact that a complex may be marketed towards those aged over 55 years does not necessarily mean that it is a retirement village. You should contact the Office of Fair Trading if you are unsure whether a complex is a retirement village or not.

What types of accommodation are provided in retirement villages?

Most retirement villages offer self-contained premises (or self-care units) for those able to live independently. Some villages offer serviced premises for those residents who require services such as meals, cleaning and personal care. Some offer a combination of the two types.


Retirement villages may be designed as clusters of single storey units or cottages or as apartment blocks. Premises within a village are generally 1-2 bedrooms, for occupancy by an individual or a couple. Retirement villages may have just a few residents or many hundreds.

What types of contractual arrangements are used?

There are a range of contracts used within the retirement village industry. If you are not buying the premises you may be asked to sign a licence or a lease or some other form of occupancy agreement. A 'services contract' may need to be entered into if you are buying the premises.

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What services and facilities are found in retirement villages?

The level of services and facilities available varies from village to village. Some retirement villages have little or no services and facilities. Other villages may offer services such as a bus, vital call system, on-site management and a range of recreation and function facilities. Each village must itemise their services and facilities in their disclosure statement.

Which organisations operate retirement villages in NSW?

Church and charitable organisations operate many retirement villages in NSW. Some community groups, particularly in regional areas, also operate villages. An increasing number of villages are being operated by private companies.

Where to get more information

Fair Trading Centres

Tel. 13 32 20

Specialist Support Unit

Tel. 9895 0297 or Toll free. 1800 625 963

TTY Tel. 9338 4943

Telephone service for hearing impaired.

Language Assistance Tel. 13 14 50

Ask for an interpreter in your language

www.fairtrading.nsw.gov.au

This fact sheet must not be relied on as legal advice. For more information about this topic, please refer to the appropriate legislation.