



**Tasmanian Association for Residents of
Retirement Villages**

TARRV: Your Voice in Retirement

Website: <https://www.tarrv.org.au>

NEWSLETTER No.11

January 2026

EDITOR: Jon Hosford

President's Page

Dear Fellow TARRV members, welcome to our first Newsletter for 2026. The Christmas break provided a short break for your Committee after the hectic times in November, this was a busy time in most retirement villages in Tasmania, with many villages having their village AGM in November and TARRV receiving comments and advice on matters arising from the financial reporting and the 2025-2026 budgets.

A consequence of those meetings has been, and continues to be, the support given by TARRV to concerned residents of 5 different villages, with further action determined at our December Committee meeting.

The December Committee meeting was held in a room at the Ross Town Hall Meeting Room, this provided for a face-to-face meeting between all Committee members. This may become the standard for many committee meetings that do not occur immediately prior to a General Meeting. Two important matters dealt with at the meeting was the appointment of Ms Joy Allen to the Committee and the ongoing review of the Retirement Villages Act.

In order to adequately provide information on matters concerning residents of Tasmanian retirement villages, particularly of a legislative nature, your Committee commenced a review of a list of 18 items (many researched and collated by our vice-President Nigel Burch) that we wish to bring to the attention of the Attorney General. Further details are contained in this Newsletter.

Our secretary, Jon, has written to the Tasmanian Attorney General (the Honourable Guy Barnett), with a copy to the minister for Health & Aging (the Honourable Bridget Archer). The letter has requested a meeting with the Attorney General to discuss many items needing legislative supported change .

In addition, the level of “consumer protection” provided by CBOS in 4 of the 5 matters referred to them, appears as more a case of operator support rather than consumer protection and in the 5th matter (Derwent waters R V), there has been no response since October 2024, except to advise that the officer responsible for dealing with the issues raised is very busy!

In closing this short report, on behalf of all members of TARRV, I would like to not only thank all Committee members for their acceptance of their election/appointment to the Committee, but to tender my congratulations to each of them for their dedication to, and support of, TARRV. Without this support TARRV would not have progressed to where we are today and able to work towards further support for retirement village residents and for significant changes to the Retirement Villages Act.

Ian Green (President).

Your Committee:

New Committee Member

At our December Committee meeting we received the resignation of Wayne Holt, who has resigned due to ongoing health issues. Wayne has been a member of the TARRV Committee since August 2024. We are grateful for his service and thank him for his contribution to TARRV.

Committee has agreed to appoint Ms Joy Allen, a member and resident at the Tamar Valley Court village to the vacancy on Committee. Joy is a current West Tamar Councillor and is familiar with the government of retirement villages, being a Board member of the Beaconsfield Park village. We are confident that Joy’s experience in local government and retirement village issues will be of great benefit to us.

Legislation Review

The basis for legislation of retirement villages in Tasmania is *The Retirement Villages Act 2004*. TARRV was successful in having changes to the Act passed by Government in 2023. Since this time we have been communicating with and listening to residents from villages across Tasmania to define and address issues which are causing confusion and concern for residents. We have recently drafted a series of papers ready for consultation with Government as a foundation for a substantial review of the Act as it currently stands. We have defined 18 issues that, we feel, need addressing. We have researched reference to these issues in the legislation of other States and have comprehensive documents prepared from which to initiate discussion with government. A summary of these issues is presented in this newsletter. Further, more detailed information can be found on our website. Members are welcome to question further, but please read the information on the website before you question further.

The summary below presents the issues only. TARRV has suggestions as to how changes in the law can clarify or change the problems presented currently.

1. Recurrent charges payable after vacating

While most operators cease billing, some do not, continuing to charge until the unit is resold. The situation is often unclear in the contract. Solicitors giving advice to potential residents do not look at this, as neither solicitor nor potential resident realise it is a potential problem. TARRV believes it is therefore necessary to specifically address it in the Act or Regulations.

2. Who pays the insurance excess on a claim?

While the excess on an insurance claim is not an issue in most villages, some have sought to place the cost unreasonably on residents through maintenance fees or directly onto an individual resident. Clarification and direction are needed in contracts, in the Act or by Regulation.

3.A Standard Contract for Prospective Residents

There is huge variation in the form of contracts signed by incoming residents. Some are short and simple, while others are long and complex. It is extremely difficult to compare contracts between villages, and in general they are quite overwhelming for prospective residents. They undermine the ability of many older people to make informed decisions.

4.The Need for an Ombudsman or Advocate

There is a lack of understanding of retirement village law and good practice, both among operators and solicitors. For their part, residents are minnows in a sea of sharks, with little understanding of their rights and suffering a huge power imbalance when it comes to standing up to young and aggressive operators, who seem to see retirement villages simply as profit sources and elderly residents as a soft target.

5.Village funds to be used for Village purposes

The Act is silent on what funds should be established in the accounts, who contributes to them, and how they are to be used. Villages are increasingly being seen as an easy profit source and a soft target. In one case, an operator has cleaned out all the village maintenance bank accounts and sold the previously not-for-profit village as a real estate speculation to an entrepreneur, inviting him to raise fees and make a profit. This means residents will be charged again for maintenance for which they have already paid. Other operators are increasingly using villages as a profit source to fund other activities.

The treatment of depreciation is part of this problem. If depreciation is included as an expense in the village budget, and used to justify or increase recurrent charges, then residents have paid for the depreciation, and therefore improvement/replacement of the capital items. The funds raised must be used for the purpose for which they were levied or returned to the residents.

6. Ban on Converting NFP to For-Profit

Elderly people move into a retirement village for security, predictability, and low maintenance and cost. Villages usually achieved these desired outcomes by registering as not-for-profits (NFPs) and charities. This attracted donations, volunteer operators and government grants. However, retirement villages have recently drawn the attention of entrepreneurs as potential profit-making concerns, with elderly residents seen as a soft target, unable to resist the speculators. Even when an NFP is bought by another NFP or charity, the transaction does not replace like-for-like. The purchasing entities, though they may be NFP, have become large corporations, with volunteer operators replaced by employees and highly paid executives. These purchasers reduce services and benefits to maximise profits, whether for speculative gains or to subsidise other operations, or finance new ventures. The elderly residents lose their security, predictability, and low maintenance and cost.

7. Building Standards

Retired people have specific needs when it comes to accommodation. While building regulations exist for disabled accommodation, they do not exist for retirement villages in Tasmania. Elderly people often have disabilities, but even when they don't, their accommodation needs to allow for their age and prospect of increasing frailty. The elderly are liable to falls, for example, and do not have the strength or agility of younger people. They often have arthritis and other degenerative conditions, while still capable of independent living.

8. Village Comparison Document

Retirement villages are enormously varied in how they are set up and operated, and also in respect of ingoing contributions, fees and exit entitlements. It is extraordinarily difficult for prospective residents to make comparisons, or even for their families to make comparisons and advise them.

9. Errors in R V Act Urgently Needing Correction

Error One:

The new Section 14A of the Tasmanian Retirement Villages Act, in (2)(b)(i), provides that an increase in recurrent charges over CPI must be approved by a meeting of "residents and tenants". However, tenants do not pay recurrent charges – they pay rent. This means that the tenants are voting for a fee rise that only applies to residents! The same error occurs with levies in 14C. There is both a conflict of interest, and the potential for operators to thwart the intention of the Act by prevailing upon tenants to support an increase on residents.

Error Two:

Section 8(3) of the Act provides that a resident who needs to move to a high care facility and cannot afford the cost, may apply to the operator, and the operator must provide, a refund of the resident's ingoing sufficient to cover the cost. However, this assumes that the resident is entitled to repayment of ingoing! This assumption is clear from the reference to Section 12 made within (8)(3)(f). Section (8)(3) seems to overlook the fact that some villages do not work on the system of sale or repurchase of a unit. They charge a lower ingoing, which is not repayable (after a certain period), and is essential for the maintenance of the village. Many, if not most, residents end up going into care, and application of this provision to villages that do not have refundable ingoing could bankrupt them.

10. Expressions of Interest

Historically, all retirement village operators in the State of Tasmania have offered available units at a fixed price – often these prices are listed on an operator's website (or available by enquiry). In this way a potential retirement village resident knows exactly what entry costs they are committing to.

While units are often offered for "sale", they are not actually sales – the "purchaser" does not get title, instead, they get a lease for life. In most retirement villages, payments made in consideration of occupancy of a retirement village unit are really an interest free loan to the operator by the occupier. The resident is then granted a life tenancy.

Yet despite residents of retirement villages actually being tenants, while expressions of interest are banned under the Residential Tenancy Act, they are not banned under the Retirement Villages Act.

11. More on Increasing Recurrent Charges

Three problems have arisen in practice, after the passage of the recent Amendment Bill:

- The new Act provides for increases after presentation of audited accounts. In practice this means that the meeting that approves an increase for the current year, is held in October or November. Some operators then seek to backdate the increase to the beginning of the financial year.
- Some operators are not telling prospective residents of planned or approved increases in recurrent fees, or of planned works that would increase fees.
- Residents at an AGM can feel constrained about voting their true feelings, when the operator and other residents can see their vote – such as by a show of hands.
- If residents are not satisfied that the operator has "demonstrated in writing" (as required in Clause 14A (2) (a)) there is no provision for a vote for residents if they do not agree that the operator has adequately "demonstrated in writing" "that the increase in recurrent fees is reasonable in the circumstances".

12. Resident Committees

Whilst Resident Committees are provided for in the Retirement Villages Act, some operators are either ignoring the Act or finding ways around it in order to obstruct the committees. On one occasion, an operator sacked a committee. Another act of interference was to refuse to allow a committee to use the village hall for meetings.

13. Introducing Budget Meetings

Section 14(A) of the Retirement Villages Act provides for increases in recurrent fees after presentation of audited accounts. In practice this means that the meeting that approves an increase is held in October or November.

In Tasmania most AGMs in which budgets are presented are held in November. From an operator's point of view, a fee increase that only applies from the following July represents unreasonable delay, and operators may decide to apply it from the beginning of the current period. This means that they levy the increase from well before it was approved or require residents to make up the instant shortfall created by a fee rise that is backdated.

To clarify this issue, the Act could, as suggested in a separate submission, specify that the increase can only apply from after approval. To apply from the month following the AGM that approved them seems reasonable, and indeed, after consultation with TARRV, one large operator has re-evaluated their practice and accepted this as a sensible interpretation of the intent of the Act and advised residents of the change accordingly.

14. Capital Gain

In villages with Deferred Management Fees ("DMFs"), it was usual for residents to gain all or part of the capital gain on their unit when they moved out and it was "resold". Operators are becoming increasingly greedy and some are eliminating that return of capital gain to the resident, in order to maximise profits.

In calculating the capital gain, it would be expected that it would simply be the difference between the ingoing contribution paid by the outgoing resident and the new ingoing contribution being paid by the new resident. This is clear and fair. However at least one operator is now using the difference between the ingoing contribution, and a valuation of the unit prior to refurbishment, with the valuation being done by an employee of the operator. This is a clear conflict of interest, and if the actual sale price is not revealed, it is potentially fraudulent.\

15. The Confused Status of Tenants

With outside rental returns historically high, many operators are taking advantage by renting out units, rather than “selling” them when a vacancy arises. This is causing much confusion among operators, who will not admit that they do not know their obligations with respect to tenants, and use bluff and bullying to simply do what suits them.

Section 14(A) of the Retirement Villages Act, for example, says that a meeting of “residents and tenants” must approve an increase in recurrent charges – but those charges only apply to residents! So why do tenants have a vote? Or was it intended that tenants would also enjoy the CPI limit on rental increases? This is not stated in the Act and, in practice, operators give short-term rental leases under the Residential Tenancies Act, rather than the Retirement Villages Act, and raise rents as much as they like on renewal – or don’t renew a lease and raise the rent to the new tenant under a new contract.

Do tenants need to be retired? Do they need to be over a certain age? What form of contract should they be given? Operators are confused. What recourse do residents have if an operator moves in noisy, aggressive young people? Is this a way for property speculators to force out the elderly and deregister a village to make speculative gains?

Should tenants get the same services as residents? This is not spelled out.

16. CBOS Conflict of Interest/Failures

The regulating authority of the Retirement Villages Act 2004 is the State Government Dep’t of Justice – Section: Consumer Building & Occupational Services (CBOS). TARRV would like to see a greater degree of notice taken of the issues we bring to the attention of this authority. We have found that operators appear to gain tacit or direct approval to proceed with contentious issues without due recognition of the Act and its implications for residents. We aim to bring this to the attention of The Attorney General, and have requested a meeting with him to address this and other issues.

17. DMFs and Ingoings

Residents pay an ingoing contribution. That is universal and is (partly) the definition of a retirement village. Most operators then take what they call “Deferred Management Fees” out of the ingoing annually, for a period set under the resident’s contract.

That ingoing is really a reducing liability to the operator, yet they treat it as their own. The ingoing is really residents’ money they hold in trust. They make money out of the ingoing, such as with interest, yet do not declare it and take it for themselves.

There are no directions in the Act as to how DMFs and Ingoing Contributions are used. In the past they were often used to make up shortfalls in the village budget, helping to provide affordable accommodation to the elderly, but this has quietly changed. Now they are often used to prop up other operations, or to fund other developments.

18. False Representation of Ownership

Operators are increasingly advertising units within retirement villages as “for sale”, implying ownership for the prospective “purchaser”. Unless the village is a strata title occupancy, there is no ownership, only a “life time lease”. This has huge implications for the return of capital when a resident leaves the village or ultimately dies, and the estate of the resident is settled. TARRV believes it is imperative that transparency in the presentation of advertising is essential and that operators and real estate agents involved are accurate in how they attract new residents.

Our New Legal Fund

Our Legal Fund has now been established!

To date, we have had several generous donations from members.

This fund will provide us with the financial resources to seek a court ruling when it is necessary to:

- establish a principle,
- ensure compliance with the law by an operator,
- gain justice and fair play for residents,
- or prod Consumer Affairs to action.

TARRV’s normal role is to advocate, mediate and lobby. However sometimes this is not enough, and people need to know that we are capable of seeking a legal remedy, even though we may generally not elect to do so.

Would you like to make a donation, or make a provision in your will to assist us in the future?

The account is open at the Commonwealth Bank and is already attracting donations! The details are as follows:

Acc: Tasmanian Association for Residents of Retirement Villages Inc – Legal Fund

BSB: 067 603

No: 1053 7542

Many thanks, ***The President and Committee of TARRV***

TARRV MEETINGS for 2026

Wednesday February 11th @ 9:30 am- 10:30 Committee Meeting

Wednesday February 11th @ 11:00 am General Meeting

North Venue: Kings Meadows Lions Club Rooms, Merino Street

South Venue: Dining Room, St Canice R V, St Canice Avenue, Sandy Bay, the President will chair the meeting from St Canice.

Notice of Motion:

The General Meeting will vote on an addition of a clause 39 to our Association Rules as follows:

39. In the event of the organisation being wound up or dissolved, all assets that remain after winding up and the satisfaction of all debts and liabilities shall be transferred to another organisation with similar purposes, which is charitable at law and which has rules prohibiting the distribution of its assets and income to its members.

Moved: Nigel Burch

Seconded: Ian Green

This clause is necessary for us to register as a charity, which the Committee believes will be beneficial to the organisation and its purposes.

Future Meetings:

Committee Meetings will be held each month, on the 2nd Wednesday of the month.

General Meetings will be held following Committee Meetings in February, May, August (AGM) and November.

Village Visitations

The Committee is keen to visit villages of our members and to encourage membership of all residents. It is important that we have the support of all when representing issues to government.

If you or your Resident's Committee would like a Committee member of TARRV to make a presentation at one of your meetings, please contact the Secretary secretary@tarrv.org.au and we shall try to organise a date for you. Similarly, you may choose to encourage friends at a village without TARRV members to invite TARRV to make a presentation at that village.

Membership

We currently have 505 members of whom 143 are whole of life members.

During 2025 we had 151 members who did not renew their membership despite several reminders by newsletter and through village representatives. We understand that

sending cash through the post is not legal and higher risk these days. We suspect that many of those who did not renew their membership either forgot or found it too difficult to arrange an online transfer. TARRV is working on this problem to make it easier for members to renew annually.

TARRV membership fees fund communication, postage, internet and meeting costs, transport of volunteer Committee to visit villages and some publication costs. Our organisation is staffed by committed volunteers.

We ask your support by your continuing membership. We are working on alternatives to make renewal of annual membership payments easier for our aging members.

Membership Secretary

Unfortunately, we have lost the services of our most dedicated Membership Secretary, Dennis Smith. Dennis has been involved in TARRV since foundation, but now finds his support for family does not allow him to be as deeply involved.

TARRV is seeking the voluntary services of a member who is computer literate enough to be taught how to use and update our database (Microsoft Access). At present the Secretary is responsible for all of this. Between June and November it doubles his workload.

Please offer your assistance if you can. I am happy to teach you how to operate this very powerful database.

Jon. Hosford

This newsletter is distributed through our database and by postage for distribution by village representatives to those members who do not communicate by email.