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Speech by Adam Graycar:

"Retirement villages"

presented at the Australian Retired Persons
Association Annual General Meeting, 17th August
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AUSTRALIAN RETIRED PERSONS ASSOCIATION

ANNUAL GENERAL MEETING

ADELAIDE

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RETIREMENT VILLAGES

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There is an old Arab proverb which says "If you transplant an old tree it will die". Proverbs of course, are not truisms but short, pithy sayings with a grain of truth in them. For many older people making a clean sweep, uprooting, and moving to different accommodation is a profoundly intense and significant experience. Some leave large houses and move into small units. Some leave independent living arrangements and move into hostels or nursing homes. Some move to be closer to or even in with their adult children.

For some older people moving is an important and necessary activity and it makes life easier and more comfortable, provides a less stressful lifestyle and gives people a new lease of life. For others it is deeply distressing, as old ties are broken and a journey into the unknown begins. The point to note is that the efforts of moving are very different for different individuals, and there is no simple right or wrong. What may be just about perfect for one person may be an absolute disaster for another. Any contemplation of moving must be carefully thought through, thoroughly discussed and painstakingly analysed so that if you decide to stay put or to move , you do what is right for YOU.

For some people a house move may be appropriate because the house in which they may have lived for a long time now appears

too large, or perhaps maintenance or gardening is getting too much, or perhaps it is too full of memories which can no longer be shared. Many people in such situations consider moving into another form of independent living - a home unit, a flat in a block of flats or a cottage or unit in a "retirement village".

Any move should be discussed at length and openly with family, friends and/or professionals such as a social worker, your local council's aged care worker and, if s/he has the time, perhaps your general practitioner. People considering such a move should try to maintain, as closely as possible a similar lifestyle. Keep doing the things you enjoy with the people you are close to. Keep as many links with friends and family, the local area, local shops, services and local activities as you can.

Some people move great distances perhaps to get away from the hustle and bustle or to be by the seaside, and while this may seem idyllic, a lot more thought should go into such a move.

Relaxed seaside resorts or sun drenched holiday spots often leave people with happy and lasting memories - memories upon which retirement plans are built. It must always be remembered that a couple of weeks away, relaxing and enjoying a break is a different ball game to moving permanently. Before considering a long-distance move think carefully about how you will fill in your time, about whether there are suitable and accessible support services, about whether you can live happily a long way from family and friends, about whether they can afford to come

and visit you, about whether you will fit easily into a new environment. Be very careful if it seems as if you might be burning your bridges. If things turn out not to be as expected can you return? Can you sell up without incurring too great a loss? While it might be just great for you and your spouse, how would things be if anything should happen to your spouse - how would you both cope with a prolonged and disabling illness? In the long term would one of you be able to cope alone in a new environment, when all your plans were made for two? If you think and talk these issues through carefully and satisfy yourself that you can handle any problems, then a move away might be a wonderful retirement venture.

A more modest move than a move to the seaside or the country is contemplated by many people. Those who want to stay close to friends and family, and within familiar surroundings often contemplate a move from the family home to a smaller unit where the more compact layout and limited maintenance may seem more suitable. Apart from the financial considerations (often there may not be a lot left over after selling a house and buying a unit), many things have to be thought through carefully.

Despite the many advantages a move to a smaller unit will mean that you will have to part with a great deal of your furniture and many of the things that you have treasured over the years. Much of it simply won't fit and facing up to the reality of disposing of belongings often causes tension and anguish. It may no longer be possible to keep your pet. Because the unit is smaller will there be room for grandchildren or others to come

and stay? If this is an important feature of your life the size of the unit may be of great significance.

A unit which may be easily accessible today may not be so tomorrow. While one flight of stairs may be fine for you now as time goes on that one flight could be difficult if there is no lift. In buildings with elevators make sure the elevators are big enough, are easy to operate and don't take all day to go two floors. Many independent flats are not especially designed for older people and many have experienced difficulties because curtain rails are too high, because light fittings are hard to get to to change or clean, because the bathroom is poorly designed for an older person.

Many of the design problems have been overcome in the rapidly developing field of "retirement villages". Here especially designed and built units are offered, within a congenial environment. Sometimes there are additional services available through a community centre on the grounds, though "retirement villages" do not have on-duty nursing staff. In some cases nurses from adjacent hostels may provide back-up service, but generally residents of such villages receive community services, such as meals-on-wheels or district home nursing on the same basis as anyone else in the community.

There are many types of "retirement villages", some operated by charitable or religious bodies, some by public authorities and some by commercial developers. People wishing to move into such a village generally must be in good health and of a minimum age.

The term "resident funded" means that costs are borne by the residents and anybody contemplating moving into resident funded accommodation should seek professional (including legal) advice.

The financial arrangements are quite complicated, but in general people may pay somewhere between \$50,000 and \$150,000 for a unit and in addition pay a weekly maintenance fee of around \$25. Despite the outlay of a large sum of money, people do not actually buy the unit. What they buy, is a licence to occupy the unit. The financial and legal arrangements are quite complex and when thinking about such a purchase people should enquire about what happens if they wish to move out and who decides if they should move out.

It is important that prospective buyers think very carefully and look very critically at what is there on site and what realistically can be provided. That reality might be quite different from their eagerly formed assumptions about what they think might be there or what they think might be provided.

When one considers the amount of money that is changing hands, one can not expect very much more than accommodation and a modicum of communal facilities. Most retirement villages would like to provide much more than they do provide, and many have long-term strategies to provide more than they do provide. Many will never be able to fulfill these promises.

The retirement village industry tries to provide the sort of accommodation that many people want. Like any commercial

product people will pay reasonably if they think they are getting value for money. Many people who have bought into retirement villages do not feel they are getting value for money and have made representations to the Office of the Commissioner for the Ageing. The Office deals with that minority of people that had a serious set of complaints and does not hear from that majority of the people who feel they are comfortably and well-housed. Some of the issues brought to the attention of the office are listed below. They are listed under five general headings, but it must be pointed out that these issues and complaints do not arise in all, or even in the majority of villages, but occur sufficiently frequently to be of concern to the Commissioner for the Ageing.

CONTRACTS

- . Contracts can be extremely cumbersome, convoluted and confusing. It is not uncommon for there to be 100 page contracts. Most proprietors suggest that residents seek legal advice before signing a contract. Some proprietors suggest that potential residents see their (i.e. the proprietor's) solicitor. These very complex and long contracts are often beyond the general experience of the average suburban solicitor.

- . In many cases, proprietors do not make available to the

resident a copy of the contract, and residents who complain to the Office of the Commissioner for the Ageing find they have no contract to refer back to.

PROMISES NOT KEPT

- . When units in a retirement village are being "sold", there is often the promise that additional facilities such as a nursing home, hostel or other facilities will be built or will be available. In many cases hostels have not been built; a retirement village developer or proprietor is not in a position ever to promise ultimate nursing home admission for a resident. Nursing home admission is contingent on assessment, and not contingent on the purchase of a unit.

- . A move to a hostel (where the hostel is available) can involve the resident in a double payment. The resident pays first for admission to a resident-funded retirement village, and then for a move even within that retirement village to a hostel unit or serviced apartment. This can cost the resident many tens of thousands of dollars.

- . There have been problems with general maintenance. In some cases once the money has been paid for the

types of managers - sometimes managers are seen as a business operators or entrepreneurs, sometimes as a caring age-care giver. Sometimes these roles are compatible, sometimes not, but often there is role confusion and ambiguity.

CARE NOT DELIVERED

- . Most retirement villages have residents who are reasonably fit though many residents buy into a village on the expectation that 24 hour care will be available. Most villages are not able to provide 24 hour care, nor could they afford to do so. What this often means is the resident is free, 24 hours a day, to phone their GP or to use other services outside the village, e.g. Royal District Nursing Service or Domicillary Care.
- . It has to be remembered that if there is one manager for 40 or 50 units, it is most unlikely that that manager can, in addition to all other duties, provide a level of care that people are led to believe will be available.

TERMINATION/DEPARTURE/REFUNDS

- . Some people find that retirement village living or living in a particular retirement village is not to their liking and wish to leave. Most retirement villages have extremely complicated processes when one chooses to leave.

- . Many residents find that upon leaving, there is a time lag, often as long as 20 months, before they are given the refund due to them.

- . Refunds sometimes are considerably less than expected as there are hidden charges e.g. commission or deferred maintenance.

- . In many cases, the developer will not pay the refund until the unit being vacated has been sold, but at the same time the developer makes no attempt to sell the unit, particularly if there are other unsold and new units on site.

Moving is never easy, but the disadvantages, if considered carefully can be outweighed by the advantages, especially if you think long and hard, and are not afraid to talk through all aspects of the proposed move with family, friends and professionals.