



Robyn Preston MP

Member for Hawkesbury

MEDIA RELEASE

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REFORMS DELIVER FAIRER, SIMPLER RETIREMENT VILLAGE FEES

The NSW Government will deliver fairer, more transparent fees for retirement village residents through new laws that will see exit entitlements paid more quickly when residents depart their village.

Member for Hawkesbury Robyn Preston MP said the new reforms will help Hawkesbury's retirement village residents by improving access to exit entitlements, creating a new mechanism to support residents moving to aged care, and placing a 42-day cap on the payment of recurrent charges for general services.

"The NSW Government promised to make retirement village fees fairer, and these reforms will put Hawkesbury residents first, saving them thousands of dollars and giving them access to their exit entitlements sooner when they leave the village," Ms Preston said.

Under the changes, if a unit remains unsold after 12 months, Hawkesbury residents will be eligible to receive their exit entitlements if the village operator has not taken reasonable steps to facilitate a sale.

Minister for Better Regulation, Kevin Anderson said the state-wide reforms respond to several key recommendations of the independent report into NSW Retirement Villages conducted by Kathryn Greiner AC, which found residents could wait years for their unit to be sold by the operator before they received their exit entitlements.

"Waiting extended periods of time to receive your exit entitlement can cause a financial and personal burden. These new measures provide a safety net that will require operators to buy back the unit from the resident if they don't use their best endeavours to sell it within the appropriate time period," Mr Anderson said.

"We're also capping recurrent charges, such as office management and gardening fees, at 42 days after a resident moves out."

Mr Anderson said the Government is also making it easier for retirement village residents to transition directly into aged care.

"More than 60 percent of residents transition from villages directly into aged care accommodation. However, under the status quo, many can't afford these costs if their unit does not sell quickly."

"Under the reforms, the operator will need to cover a portion of the estimated exit entitlement directly to the aged care provider, allowing a seamless transfer."

Retirement villages currently accommodate over 66,000 retired people, and this number is expected to double by 2033.

New laws to deliver on the reforms will be introduced into the Parliament later this year.

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