

# Retirement villages

Internal dispute resolution  
guidelines for retirement  
village owners and managers



Because this publication avoids the use of legal language, information about the law may have been expressed in general statements. This guide should not be relied upon as a substitute for the *Retirement Villages Act 1986* or professional legal advice.

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This document is available for download in accessible PDF and Microsoft Word formats at <https://www.vic.gov.au>. If you would like to receive this publication in an alternative accessible format, please phone 1300 55 81 81.

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# About this publication



**B**ackground information about the Retirement Villages Act 1986 and the Retirement Villages (Records and Notices) Regulations 2005 is available in the [Background Information](#) section of this publication.

The *Retirement Villages Act 1986* and the Retirement Villages (Records and Notices) Regulations 2005 set out detailed procedures for the formal handling of management complaints and resident disputes.

This guide summarises what you, as the manager, are legally required to do (you can be penalised for not complying with the law). It also outlines actions that may not be required by law, but which we recommend as good practice.

Consumer Affairs Victoria also publishes 'Retirement villages: good practice to address key issues'.

Information to help prospective and current retirement village residents understand what is involved in retirement village living is also available.

Printed guides are available from Consumer Affairs Victoria, and information is also available on our website at [www.consumer.vic.gov.au](#).

If your village has an owners corporation, the *Owners Corporations Act 2006* sets out a separate three-step process to deal with grievances with lot owners. Consumer Affairs Victoria can provide more information on this process.

For contact details, see '[Consumer Affairs Victoria](#)' on page 14..

## General tips for handling complaints

If a complaint is made, try to resolve it quickly – the longer it goes on, the more likely it will escalate and become more difficult to resolve. Good practice for handling complaints includes:

- not becoming personally involved
- listening carefully to the complaint and summarising it to confirm it has been understood
- identifying and speaking to independent witnesses (where necessary)
- taking action according to statutory procedures
- rescheduling the meeting with the resident(s) to the next day if they are too angry or distressed to work through the issues in a calm manner.

### Handling complaints between residents

Communication between residents should be encouraged. Advise residents to discuss complaints – simply talking about the issue may lead to a solution.

If you, as manager, become involved in a dispute between residents, follow the points set out above, but also:

- be fair to both parties – don't take sides
- come up with several options and let the residents decide on a solution
- advise the parties that they may contact the Dispute Settlement Centre of Victoria (DSCV) for advice on dispute resolution assistance.

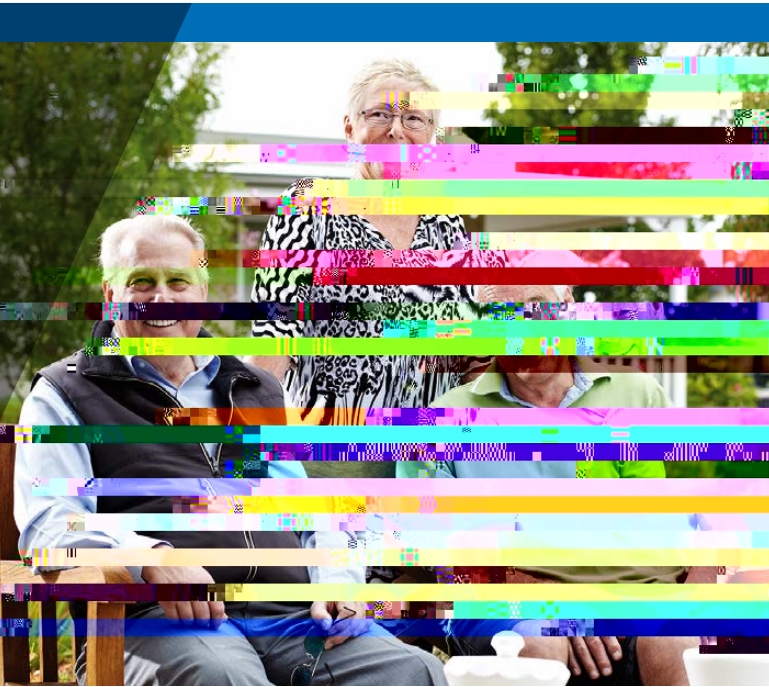
## Why an internal dispute resolution scheme?

By law, all Victorian retirement villages must have an internal dispute resolution scheme.

Such a scheme benefits both residents and managers, as it:

- provides a clear, dedicated avenue for residents to pursue any issues they may have with management
- means disputes can be dealt with efficiently and effectively within the village, often without involving an external dispute resolution body
- is accessible to all parties
- means minor problems can be addressed early, which helps prevent major disputes
- helps managers improve communication and build strong relationships with their residents, which helps prevent future disputes
- promotes a harmonious living environment, where residents' concerns are taken seriously, and are addressed appropriately and impartially.

## What does the scheme cover?



A complaint is the reporting by a resident of an issue, problem or grievance that is affecting their quality of life at the village. It may relate to behaviour (an action or a failure to act) and/or the physical environment.

The dispute resolution scheme applies to:

... , including complaints about another resident's (or residents') action or inaction that affects the:

- resident's use and enjoyment of the village
- use of village services.

... , including about the manager's:

- control or operation of the village
- action or inaction that affects residents' use or enjoyment of the village
- provision or non-provision of services.

Essentially, a management complaint is an allegation that a manager has failed, or is failing, to meet an obligation. These obligations do not have to be contained in the resident's contract, although many management complaints will involve contractual issues.

**Warning:** Managers should not use the internal dispute resolution process to resolve disputes that involve violence. Either the manager or resident should report these matters to the police.

## Do residents have to use the scheme?

In the first instance, residents should be advised to try to resolve any complaints they have about management or other residents using the village's internal dispute resolution scheme.

If this is unsuccessful, for complaints about management residents may contact:

- Consumer Affairs Victoria for information and advice
- DSCV for assistance with dispute resolution (noting that parties in a dispute cannot be compelled to participate in dispute resolution through DSCV).

Residents may also choose to lodge an application at the Victorian Civil and Administrative Tribunal (VCAT). Although VCAT may offer alternative dispute resolution services within a proceeding, residents who lodge an application with the tribunal in these circumstances will generally be seeking a binding order.

For complaints about another resident, they may seek advice from the residents' committee or DSCV.

What are the  
manager's  
obligations?

# What does the internal dispute resolution document include?

## What the document must cover

The mandatory internal dispute resolution document sets out your village's procedures for handling management complaints and mediating disputes between residents.

Use plain, non-technical language and, if appropriate, make the document available in alternative formats for people with different needs – for example, an audio version or language translations.



#### Internal dispute resolution

The document must inform residents that they may seek information and advice from Consumer Affairs Victoria, and include details on how they can contact us. Consumer Affairs Victoria can provide advice but not directly conciliate disputes between residents.

The resident may also choose to have a dispute with another resident handled by the residents' committee, however the law does not require this option to be included in the internal dispute resolution document.

#### Recording information

We recommend the document also include details of what information must be recorded, by law, about a dispute or complaint (see ['Recording information about a complaint or dispute'](#) on page 11).

the road building dispute resolution document

# What is the dispute resolution process?

As the manager, you are responsible for the process of resolving a dispute. How you go about this will depend on the nature of the dispute and the parties involved.

On this page is a sample dispute resolution process.

Some of these steps are mandatory, mainly around the reporting and recording of information. As a manager, make sure you understand your legal obligations for creating and maintaining written records of a management complaint or resident dispute (see [‘Recording information about a complaint or dispute’](#) on page 11).

## Sample process

- 1: Complaint received.
- 2: Acknowledge receipt of the complaint and make a record of it (a record is mandatory if the complaint is not resolved within 72 hours – see [‘Recording information about a complaint or dispute’](#) on page 11).
- 3: Is the dispute resolved within 72 hours? If not, inform the complainant of the outcome and make a record of the complaint and resolution. If yes, go to stage 4.
- 4: Plan dispute resolution approach and inform parties including details of the time frame. Make a record of this action (mandatory) as soon as practicable and place a copy on the complaint file.
- 5: Carry out actions against the plan and continue communicating with the parties. Make a record of each action (mandatory) as soon as possible.

# Recording information about a complaint or dispute

The law has certain requirements around the recording of information on management complaints or resident disputes.

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## **Resolved within 72 hours**

Inform the complainant of the outcome and make a note of the complaint or dispute and the resolution.

## **Not resolved within 72 hours**

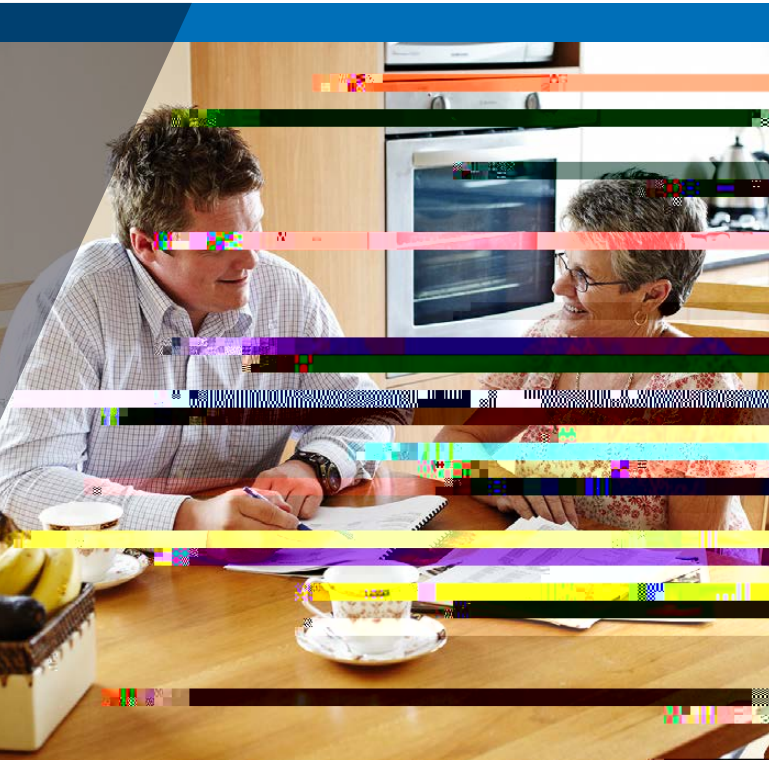
The law prescribes how written records are to be created and maintained for complaints or disputes unable to be resolved within 72 hours (not counting weekends and public holidays).

By law, the manager must:

-

## Annual reporting responsibilities

## Reporting confidentially



The retirement village manager must present a report at the annual meeting of residents. Without identifying the parties, this report must detail for the past year:

- the number and nature of management complaints and residents' disputes
- the outcome of each complaint or dispute, including any action taken to resolve them
- any changes, made or proposed, to address issues arising from a complaint or dispute.

The best way to maintain confidentiality in the reporting process is to collate the specific information about individual complaints and disputes into a range of broad categories – for example, collating by:

- number of complaints and disputes received
- timeframes for resolution
- nature of the complaints, such as:
  - condition of village grounds
  - maintenance issues
  - contractual issues
  - noise
  - quality of service
  - disputes between residents
- action taken, for example:
  - information provided
  - apology
  - public meeting
  - conciliation/mediation/facilitation session
  - resident interviews or meetings
  - consultation with residents' committee
  - independent/expert advice or report obtained
  - corrective action (for example, maintenance work or repairs)
- outcome, for example:
  - resolved to satisfaction of both parties (for disputes between residents)
  - resolved to the satisfaction of the complainant (for management complaints)
  - resident advised to seek external assistance
  - referred for external dispute resolution
  - as a result of the complaint, a village policy or process was changed
  - complaint withdrawn
  - unsuitable for dispute resolution – referred to relevant authority (for example, the police or a local council).





### **Retirement Village Association (RVA)**

The RVA is Australia's peak national body for the retirement village industry. It supports and promotes its members and advocates to government on housing and services for older people.

1800 240 080

### **Leading Age Services Australia – Victoria (LASA Victoria)**

LASA Victoria is the peak body for providers and other organisations associated with aged and community care, including providers of retirement housing.

[info@vic.lasa.asn.au](mailto:info@vic.lasa.asn.au)  
03 9805 9400

### **National Seniors Australia**

This is the largest not-for-profit organisation advocating to all levels of government on issues relating to older Australians. It also provides members with a range of services and products specially tailored for the over 50s.

[npo@nationalseniors.com.au](mailto:npo@nationalseniors.com.au)  
02 6230 4588

### **Association of Independent Retirees**

This is a non-party political organisation, representing the interests of retired and semi-retired people at all levels of government. It also provides information of interest to this sector.

[info@independentretirees.com](mailto:info@independentretirees.com)  
02 6290 2599

### **Legal Referral Service – Law Institute of Victoria**

03 9607 9550

### **Victorian Civil and Administrative Tribunal (Civil List)**

1300 01 8228

### **Dispute Settlement Centre of Victoria**

03 9603 8370 or  
1800 658 528

1300 55 81 81 (local call charge)

