

Housing Options.

Retirement housing types - definitions



Retirement Villages

Housing operated under the South Australian Retirement Village Act includes independent living units and serviced apartments. The types of financial arrangements include resident-funded and entry contribution. The South Australian Government Department for Health and Ageing administers the Act through the Office for Ageing Well - Retirement Villages Unit (tel. 8204 2420, email RetirementVillages@sa.gov.au).

Resident-funded independent living

Resident-funded units are sold at market value. The resident does not own the unit but enters into a lease/licence agreement that in effect provides the resident with a licence to reside in the village. When the resident leaves the village the administration may retain a percentage of the sale price (deferred management fee). Other exit fees may apply.

Entry contribution independent living

The entry contribution units are usually administered by community and church-based organisations. These units are ideal for people with limited assets or those who wish to have more financial freedom after selling their home. The entry contribution amount varies depending on location, unit and site features. Operators that request a higher entry fee may offer a partial refund when the resident vacates the unit. The conditions and refunds should be fully discussed on entry and written into any contracts.

Serviced apartments

This type of accommodation is popular with frail older people who do not require residential aged care but wish to live in a supported environment where services such as laundering of linen, meals and cleaning may be provided.

The resident does not own the apartment but enters into a lease or licence agreement. When the resident leaves the village the administration may retain a percentage of or the full sale price (depending on the financial arrangement – see above).

Please note that some providers of independent living units may also offer services similar to serviced apartments as the resident's needs change. This is more likely to occur in villages that include both types of units or that have an aged care facility adjacent /on site. In such cases the resident has the option of living independently using the services the village offers on a user-pays basis.

Occupancy rights in retirement villages

In South Australian retirement villages a resident may be granted a right to occupy a unit by way of a lease or licence.

Licences are the most common arrangements for entering a retirement village. Long-term licence agreements usually include a right to use common areas and the facilities of the village. Licences are not registered on certificates of title and for that reason may appear to be a less secure form of tenure. However, terms and conditions of licences are usually very similar to those for leases.

A few villages in South Australia operate under the **lease** category. Several variations have been used in different villages across Australia and these schemes have similar characteristics. Generally, residents are provided with a long-term lease, e.g. for life or 99 years, which includes the right to use common areas and the village facilities. These leases are often registered on the title, which provides good security of tenure. Leases usually contain detailed provisions setting out the rights and obligations of residents and village administrators.

It is essential to have good understanding of the lease agreement and to make sure any fees to be paid by the resident are clearly specified.

Residential Parks

These are operated under the Residential Parks Act 2007. Some parks cater exclusively for people aged 50 or 55 years and over and may be called 'residential villages'; residents own a relocatable home and lease the site. Other parks may also rent units and cabins and may not have a minimum age requirement. These include mixed use caravan/residential parks.

In parks with individually metered sites residents are usually charged separately for utilities such as gas, water and electricity. The items need to be listed in the lease agreement. There also parks with sites on a shared meter, with charges included in the site rent.

Rental housing

Low cost rental accommodation for seniors (and in some cases people with a disability) is mostly administered by community and church-based organisations. This type of accommodation is generally for people who are on a pension and do not own property. Entry requirements may differ from organisation to organisation, including minimum eligible age and other criteria. Organisations may

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require an assets test to determine eligibility and require you to complete application forms.

Public and community housing

These include housing provided the South Australian Government and by not-for-profit community housing agencies.

Community housing

Community housing provides secure, low-cost, rental housing for people with specific needs or lower incomes. It can encompass shared houses, single houses or units. There are two types of community housing:

- Housing associations
- Housing co-operatives

Housing associations are community-managed groups that provide housing for people with special housing needs.

Housing co-operatives (aka volunteer member-tenant managed community housing) are run by people who have a common need for secure, appropriate affordable housing and a commitment to co-operate.

The Residential Tenancies Act 1995 (SA) covers all private rental agreements and includes special provisions for registered community housing providers. The Consumer and Business Services (Tel. 131 882, www.cbs.sa.gov.au) provides information in relation to tenancy and residential parks arrangements and disputes, and will advise appropriate cases on the hearing procedures undertaken through the South Australian Civil and Administrative Tribunal (SACAT).

Community houses

Community houses are purpose-built or modified larger homes which offer bed-sitter accommodation in a supportive environment for people who have limited financial means.

It is suggested that prospective residents discuss this option with family, friends and /or care worker.

Public housing

Housing SA (formerly Housing Trust) provides public housing for people on low income, particularly those who have difficulty accessing and maintaining housing in the private market. Demand for public housing exceeds the number of properties available. Applicants must conform to Housing SA's eligibility criteria and must complete the relevant application forms. A priority ranking applies and waiting lists vary accordingly.

For more information contact any Housing SA district or regional office on **tel. 131 299** or visit www.sa.gov.au/topics/housing/public-and-community-housing.

Other housing developments targeting over 50s

Other housing complexes with common areas and amenities but not operated under the aforementioned Retirement Villages Act or the Residential Parks Act may be advertised as catering especially or exclusively for over 50s. These may include groups of houses, units or apartments made available for purchase or rental.

Purchase - The options available for purchase usually come under strata titles (plans deposited before 2009) or community titles schemes. The law concerning the latter is contained in the *Community Titles Act 1996 (SA)*, the *Community Titles Regulations 2011 (SA)* and the common law.

The Legal Services Commission publishes the booklets *Community titles – a legal guide* and *Strata titles – a legal guide* and can provide further information. Tel. 1300 366 424; www.lsc.sa.gov.au

Rental - The options available for rental may include 'rental villages' (sometimes called 'lifestyle villages') where additional services such as meals may be provided. The rental component would be covered by the *Residential Tenancy Act 1995 (SA)* and *Residential Tenancies Regulations 2010 (SA)*. However any additional services would fall outside the scope of this legislation.

Please note that some retirement villages may offer a rental option for some of their units or serviced apartments. However, if this occurs, the contract / agreement would be signed under the Residential Tenancy Act above. The caution advice above would also apply to these contracts and arrangements.

Housing directories, registers, vacancy information

Catalyst Foundation (including the Seniors Information Service) maintains an online housing directory which can be searched at. It www.catalystfoundation.com.au/housing/ includes retirement villages (independent living units and serviced apartments) and also rental units for seniors on low income. Assistance with searching and retrieving information from the directory can be provided by our staff. The directory also includes vacancies currently available with subscribing housing providers.

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The Foundation also publishes a Rental and Community Housing Directory and a list of residential parks in South Australia. Both are available in print and from its website. An information officer is available to assist with information on housing options.

If not sure whether a housing complex is registered as a retirement village with the South Australian Government you can contact the Office for Ageing Well - Retirement Village Unit for clarification: tel. 8204 2420, email RetirementVillages@sa.gov.au.

The South Australian Government publishes lists of community housing providers and of volunteer member-tenant managed providers (housing cooperatives) on its website: www.sa.gov.au/topics/housing/public-and-community-housing.

For further information on the types of accommodation mentioned above see the housing fact sheets published by **Catalyst Foundation** (including the Seniors Information Service), the sa.gov.au website maintains an online

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