

Australia's property industry Creating for Generations

3 March 2022

Mr Angus Abadee Director Building and Construction Policy New South Wales Department of Customer Service Better Regulation Division via email: angus.abadee@customerservice.nsw.gov.au cc: rvdiscussionpaper@customerservice.nsw.gov.au

Dear Mr Abadee,

ADDITIONAL SUBMISSION - RETIREMENT VILLAGE DATA COLLECTION AND PUBLICATION REGULATION

Thank once again for including the Property Council of Australia in industry consultation regarding the *Retirement Villages Amendment (Operator Obligations) Regulation* 2022.

We are pleased to provide the attached additional comments for the Department's consideration, regarding the collection and publication of data and associated information relating to Retirement Villages.

Should you have any questions regarding the content of this submission, please contact Charles Kekovich, NSW Senior Policy Adviser on <u>ckekovich@propertycouncil.com.au</u> or 0409 776 588.

Yours sincerely,

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Proposal to collect, publish and share retirement village data:

Whilst the Property Council prides itself on working with the Government to ensure equitable access and information sharing, we must continue to balance the needs of our members and operators across the retirement living network across New South Wales. Our additional submission regarding the draft *Retirement Villages Amendment (Operator Obligations) Regulation 2022* aims to further outline to the NSW Government matters pertaining to the commencement date, transparency mechanisms and the reasoning surrounding the equitable collection of data by the Department of Customer Service. It is our hope to continue working collaboratively with the NSW Government to deliver equitable and transparent data sharing mechanism between residents and operators. The Department of Fair Trading has required retirement villages and manufactured home estates to provide a General Inquiry Documents (GID) and the Disclosure Statements (DS) in order to be officially registered. The Department has historically published downloadable and searchable data of all retirement villages and manufactured Home Estates in New South Wales via their website. This information has been updated regularly and included details on individual properties, our members recognise the assistance that access to this data provides residents and industry stakeholders.

We encourage the Department to consider our responses provided in our previous submission from 2021 and re-examine our breakdown of data collection sets attached in appendix 1 of the submission to examine opportunities to further streamline unnecessary collection fields. We note the decision by the Government to pay for the data collection portal without placing undue financial burden on operators and welcome the outcome.

Proposed commencement date:

The Property Council and its members continue to share considerable concerns regarding the proposed September 2022 commencement date for any regulation requiring operators to share data with the Department of Customer Service. The concerns as outlined in our previous consultation with the Department stem from the need to develop, implement and undertake successful Asset Management Plans across all retirement villages in New South Wales this year. This is a significant undertaking which many operators are struggling to complete on time due to the interference by COVID-19 restrictions and associated Public Health Orders. The data which would be required to be disclosed to the Department is no small undertaking. Many small-scale operators, with limited support and administrative staff have outlined their concern about being placed with the additional burden of compiling, reporting and collecting the necessary data to meet the new proposed implementation date of September 2022. As a fair and equitable alternative, the Property Council is proposing a revised commencement date of 30 January 2023 as an alternative to our original recommendation to the Department outlined in our submission last year.

Another consideration which must be given when determining an implementation date is the need to test, develop and fulfill access requirements across the industry to the new data collection portal. This is no small task and will take time to ensure that bug fixes and development issues, which are inevitable when setting up a poral of this nature are resolved prior to the September commencement date. The Department will recall issues surrounding the rollout and collection of data for Central Coast and Lake Macquarie LGA's in 2021 when similar data collection requirements were imposed on industry. The process for collecting that data resulted in a near 2-month delay for members with a number of queries being raised by members.

Recommendation:

The Property Council recommends the NSW Government amend the Retirement Villages Amendment (Operator Obligations) Regulation 2022 to reflect a 30 January 2023 commencement date.

Data field updates:

The Property Council has in our previous submission outlined a breakdown of comments and reasoning surrounding proposed data collection fields, which has been provided to the Department in 2021. Operators reasoning for providing data have been outlined and segmented. The majority of operators outlined concerns relating to commercial sensitivity, best practice principles and the overall benefit to current and future residents in providing such information to the Department.

The Property Council notes that Fair Trading are still requesting a significant amount of information initially from operators. Our members have identified concern for the requirement for many data fields to be updated within 21 days if changes are made pertaining to certain data fields as well as then annually. It is our recommendation that an amendment be made to the regulation and data field requirements which allows for a 45-day grace period be installed rather than 21 days, as outlined in the current proposal and that the requirement for updates be removed if the update falls into the annual update period.

Fair Trading are aware of the abundance of information and data which operators already produce specifically, the General Inquiry Documents (GID) and the Disclosure Statements (DS). We propose a more equitable solution for operators to provide the Department with a copy of the GID and DS and keep them updated by providing revised versions as and when any changes occur. This could potentially reduce an operator's administrative burden as operators already have an obligation to keep both the GID and DS accurate and up to-date. The list of proposed data fields could then be reduced dramatically to eliminate those already in the GID and DS.

Recommendations:

- 1. The Property Council recommends amendment of the Retirement be made to the regulation and data field requirements which allows for a 45-day grace period be installed rather than 21 and that the requirement for update be wiped if the update falls into the annual update period.
- 2. We propose a more equitable solution for operators to provide the Department with a copy of the GID (General Inquiry Document) and DS (Disclosure Statement) and keep them updated by providing revised versions, as and when any changes occur.