

Legislative Update & Growth Opportunities Retirement Living Sector

Mark Prosser
Director Retirement Living and Seniors Housing
Ageing Australia

May 2026



Victorian Retirement Villages reform

- Major overhaul of existing legislation – now rights based
- Regulations – released **mid April 2026**
- New regulatory framework commenced **1 May 2026**
- Includes:
 - Retirement Villages Amendment Act 2025
 - Retirement Villages Regulations 2026
 - Retirement Villages (Contractual Arrangements) Amendment Regulations 2026



What do operators need to be aware of?



Notify **CAV** via the **myCAV** website of operator and village details



New **Information Statements** must be prepared and published on the **operator/village website**



Condition reports must be given to non-owner residents prior to occupation. The reports are in a prescribed form



Creation of **Capital maintenance plans** – 10 year cycle



Emergency plans to be created and display of key safety information in communal areas



Dispute resolution policy must be published on website



Changes to contracts too

Contract timing and key compliance requirements

Transition dates

1 May

Prescribed form available

New standard form contract may be used from 1 May 2026

31 Aug

Existing templates end

Templates may be used until 31 August if updated for transitional requirements

1 Sep

Mandatory from this date

Mandatory contracts apply from 1 September 2026

Existing contract templates may be used until 31 August **provided** they are updated and comply with transitional requirements

Key compliance requirements

1

7 business days cooling off period

2

DMF is now defined and may only be calculated by reference to the entry payment

3

No undisclosed fees (e.g. marketing costs)

4

Equal sharing of capital gains and losses



Financial implications for operators

- Changes to the Deferred Management Fee
- Maintenance charges and optional service fees cease on death or vacant possession (whichever occurs earlier)
- Operating deficits are funded by the operator and yet surpluses are carried forward to the following year
- Operators responsible for costs of capital replacement
- Buybacks must occur within 12 months
- Variation to aged care payment assistance
- Assistance with alternative accommodation payment (non owner)



What else should I be aware of?

- Resident modification rights (non owners)
- There have been changes to reinstatement and renovation costs – residents are only responsible to return premises to condition upon entry excluding fair wear and tear
- Reinstatement works notice to be issued within 21 days after vacant possession and completed within 90 days
- Renovation of units can continue to be shared with residents if agreed and in the same proportion of capital gains share

Potential resident impact

Prospective (applying to new residents)

- New DMF provisions, exit entitlements and recurrent charges ceasing
- New reinstatement rules
- Template contracts, disclosure documents and condition reports

Retrospective (applies to all residents)

- Annual contract checks
- Aged care / alternative housing payments
- Capital maintenance and replacement
- Disputes
- Breach and termination of contract





Ongoing compliance and future changes

- Annual operator notification to CAV via the myCAV website
- Annual resident contract checks
- Important to note that villages with an existing exemption will need to reapply by 1 May 2027
- Details of the Code of Practice, new annual operator payments and exemption applications will be released shortly with a 1 September commencement date



Anti Money Laundering / Counter Terrorism Financing (Tranche 2)

- Commences **1 July 2026** – AUSTRAC is regulator
- Tranche 2 includes real estate, an established and well known method of money laundering
- What is real estate in our context?
Includes long leases (i.e. greater than 30 years), which may include retirement village contracts



Australian Government

AUSTRAC



AML / CTF Tranche 2: Enforcement risk

The key message for operators: AUSTRAC has strong powers, penalties can be substantial and AML/CTF obligations require active governance.

1

Enforcement powers

100,000 penalty units

Maximum civil penalties may apply for non-compliance. \$330 per penalty unit.

2

Real-world penalties

\$1.3 billion

Westpac incurred a penalty of approximately \$1.3 billion following nearly 20 million reporting failures

3

Key takeaway

AML/CTF compliance should be treated as a serious governance, systems and risk management obligation



What should members do?

- **Seek legal advice initially**, then if applicable:
 - Enrol with AUSTRAC
 - Governing body consideration and due diligence
 - Compliance Officer and implementing AML program / policies
 - Identifying and managing risk
 - Customer and employee due diligence
 - Initial and ongoing training
 - Reporting and records keeping - \$10k threshold



Support at Home Pooled Funding opportunity

Trial purpose

Test pooled funding models that adapt around the person, not just the program

Funding intent

Compensation for additional administrative costs

Applications encouraged from providers delivering services in:

- Retirement villages
- Rural and remote areas
- First Nations communities
- Culturally diverse communities
- Shared housing for people at risk of homelessness



Support at Home Pooled Funding

Grant funding to offset additional administrative costs

TOTAL POOL \$2m available	EXPECTED GRANTS \$50k-\$200k per provider – up to 10 providers	TIMING SPLIT 80% / 20% FY26/27 and FY27/28
---	--	--

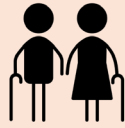
Funding bands and loadings

Base grant increases by participant band. Loadings are additive where eligible.

Participants	Base funding	Loading for Diverse backgrounds / life experiences MM6 and MM7	Loading for MM3, MM4 and MM5
Under 20 participants	\$50,000	\$50,000	\$25,000
21-99 participants	\$75,000	\$50,000	\$25,000
100-299 participants	\$100,000	\$50,000	\$25,000
300+ participants	\$120,000	\$50,000	\$25,000



Support at Home Pooled Funding - outcomes



Older people in group settings experience improved access to Support at Home services reflecting their personal needs, preferences and aspirations



Providers are supported to deliver high-quality, person-centred care through pooled funding models, reducing service gaps and enhancing continuity of care



Providers delivering Support at Home services benefit from predictable funding through pooled funding models



The trial is evaluated to inform the design of future funding models, supporting scalable approaches that align with the *Aged Care Act 2024* and broader aged care reforms



What can the funds be used for?

Eligible grant activities may include:

- service coordination of pooled funding
- reporting and data collection requirements
- project management including co-design, governance and administrative activities relating to the grant
- participation in the trial's evaluation process.

It is not intended that grant funding would be used to reimburse providers for the cost of providing the service itself



Key dates

Support at Home Pooled Funding opportunity

GRANT PROCESS

Application window

Open now

Now

GrantConnect GO8248
is open

Deadline

29 May 2026

Applications close
at 2pm

PROGRAM TIMING

Pilot delivery

Likely start

Aug. 2026

Likely
commencement date

Completion

30 June 2028

Completion of pilot
program



Thank you to our working party members

