

# ARVOUK

THE  
ASSOCIATION OF  
RETIREMENT VILLAGE  
OPERATORS  
UK

**Code of Practice  
And  
Minimum Operating Standards**

**September 2009**

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## PREFACE

### ***The origin of the Association of Retirement Villages Operators UK ("ARVOUK") and the formation of retirement villages.***

ARVOUK was formed in September 2008 in recognition of the development of retirement villages throughout the UK. In the UK the industry evolved out of the Aged Care sector.

The Association's Executive Committee comprises between three and ten representatives.

It is a core principle of ARVOUK to promote and insist on resident protection (including transparency and a disputes resolution process). ARVOUK has a Code of Practice and Minimum Operating Standards, and a rigorous Accreditation programme for prospective members.

ARVOUK acts as an advocate for the UK Retirement Village industry, providing a platform for industry communication, and promoting choice for the older population.

The Association believes its pro-active role in establishing industry standards and processes will result in the stable growth of the industry and provide re-assurance to Residents of retirement villages run by its Members

### **KEY FACTS/HISTORY**

Retirement villages originated in church organisations in the United States of America in the 1950's. They recognised the desire of older people to live in protective communities in purpose designed accommodation that could deal with their changing needs as they aged whilst offering a secure and socially active environment. , They particularly catered for a group of people who had accumulated assets wealth over their life though may be experiencing lower income after retirement. Many therefore operated on a "use now, pay later" basis, with deferred fees. This means that some offered extended terms which offset these fees against the capital proceeds from the sale of their village dwellings Although operators are sacrificing immediate cashflow, this structure allows elderly residents to reside in villages within the constraints of their capital resources and their weekly income. Since those early days retirement villages have become established throughout the world and increasingly have offered a variety of different financing options.

Resident funded Retirement Villages provide older people with an excellent option in lifestyle, retirement and aged care planning. ARVOUK recommends this lifestyle option for older people but encourages purchasing into a scheme that carries the protection of membership in ARVOUK with its Code of Practice, Minimum Operating Standards, and membership Accreditation Programme.

## INTRODUCTION TO THE ASSOCIATION OF RETIREMENT VILLAGE OPERATORS UK

### THE RETIREMENT VILLAGE ASSOCIATION'S PRIMARY OBJECTIVES

The Association of Retirement Village Operators UK ("ARVOUK") was established to promote the retirement village industry and the retirement village lifestyle in the UK, increase the professionalism in the industry and promote understanding of the Retirement Village concept. The Retirement Villages Association and its "ARVOUK" logo were also established to give reassurance to Residents who live in a village that upholds the Minimum Operating Standards within the Association's code of practice.

ARVOUK seeks to achieve these primary objectives by:-

- Maintaining high and consistent standards for all participants in the industry.
- Providing guidance to all tiers of Government, Statutory Authorities, and other organisations, on all matters relating to residential communities.
- Promoting the good reputations of members and excellence of service to Residents,
- Fostering the free exchange of ideas and co-operation between members.
- Collecting and researching information on the industry and using this information for the benefit of all participants in the industry.
- Establishing and maintaining public education on the benefits of retirement village living.

As an Association, the creation and adoption of our Code of Practice and Standards for member villages is a fundamental part of ensuring high and consistent industry standards.

### ARE WE TRYING TO OFFER YOU SOMETHING?

- Yes. Living in a Member's retirement village is a life of independence with a supportive framework.
- It is a first class residential lifestyle with communal facilities – an alternative to the loneliness of isolation and bereavement that can sometimes affect people in their mature years.
- It offers a range of care and support services that enables you to retain your independence whilst improving your quality of life
- Village living provides a sense of direction and companionship.
- It allows the freedom to maintain your own ambitions without daily chores and maintenance that can be physically tiring or mentally boring.
- It often means moving from a demanding or high maintenance house to an independent dwelling in a residential community.
- It opens up a world of entertainment, shared activities and professional services that may be expensive for individuals, but affordable for groups.

- It is equivalent to living in one's own home and having personal space, but free from the burden of its upkeep.
- It creates entirely new horizons for Residents in safe and attractive locations.

Members of the ARVOUK offer Residents quality residential living run by people and organisations dedicated to maintaining high standards of accommodation and health care.

#### **DO RESIDENTS GAIN FROM LIVING IN AN ARVOUK VILLAGE?**

**Yes! The requirements of our Code of Practice and Minimum Operating Standards – supported by accreditation audits for each village – offer re-assurance to Residents. By electing to live in a village which is a member of ARVOUK, Residents have an assurance of standardisation under the regulations and requirements of our Code of Practice and accreditation procedures. This Code has been developed for the assistance of Residents and to help achieve better understanding of the issues and principals which are important when selecting a lifestyle option in a retirement village. The use of the 'ARVOUK' logo by our members is designed to give residents and their families an immediate re-assurance of the quality and enhanced obligations of the member.**

#### **MEMBERS OF OUR ASSOCIATION ARE COMMITTED TO STANDARDS OF QUALITY.**

#### **LOOK FOR THE ACCREDITATION CERTIFICATE.**

#### **VILLAGES IN GENERAL**

Retirement villages are residential communities designed for people in a mature age group. Typically retirement villages are a group of self contained apartments, houses, or bungalows in a purpose-built complex. Village operators offer "lifestyle package" of services, amenities and facilities to Residents who can access these benefits as required.

Retirement villages are not free. Buying into a retirement village involves purchasing a day to day service to be provided on a long term basis. Residents are buying into a lifestyle, not just purchasing a property or unit. ARVOUK recommends Residents seek suitable financial and legal advice before entering a village.

The promoter of a village may be a public or private company or a charitable organisation. This diversity of interest creates a variety of choices - environmental, financial, legal, architectural, cultural and recreational to name a few. ARVOUK seeks to encompass the full range of membership in terms of both size and locations throughout the UK.

Villages may have different bases on which Residents occupy their village dwelling through a long term lease, rent or a licence to occupy, for example. There is no one "correct" or "preferred" method of occupation.

All villages require a management charge. This charge and the frequency of payment will vary between villages because facilities and services offered by different villages vary considerably.

The management charge will normally include external and or internal maintenance of the dwellings. They may also cover gardens and grounds maintenance, building repairs and insurance, maintenance, cleaning and operation of communal facilities, village transport,

management, staffing, the operation of emergency call systems, and where applicable access to 24 hour onsite domiciliary care provision.

**ARVOUK encourages open disclosure of all fees and charges for Residents at the outset.**

Prospective Residents have considerable choice today. They are encouraged to think of the alternatives as creating opportunities for a new lifestyle. When visiting a Member's village prospective Residents should expect a very pleasant experience.

**THE PRACTICAL EFFECT OF THE CODE OF PRACTICE AND MINIMUM OPERATIONAL STANDARDS**

The establishment of a Code of Practice and Standards for retirement villages in the UK is designed to deliver the following practical outcomes:

- Retirement village promoters, owners and managers are clearly presented with a set of criteria which are considered to be best practice in the promotion, sale and operation of retirement villages.
- Members of the public, Government and Local Authorities, and other interested parties are better informed of the important criteria relating to the promotion, sale and operation of retirement villages.
- Members of the ARVOUK are required to fully comply with the Code of Practice and Minimum Operating Standards. This is the prerequisite to being a fully accredited member.
- A proper procedure for resolving disputes between Residents, or disputes between a Resident and management, is contained in the Code of Practice. Members of ARVOUK are required to follow this method of dispute resolution, as part of their compliance with the Code.
- A Review Authority can be established under the Code to investigate and make requests or recommendations regarding any complaint about a village. Failure to comply with the Review Authority's recommendations may result in the members expulsion from ARVOUK.
- The Code of Practice does not in any way replace or detract from the individual common law rights that each individual Occupational Contract provides.
- This code of practice shall also be read in association with any Statutory Code approved by the Secretary of state under section 87 of the Leasehold Reform, Housing and Urban Development Act 1993.

**LOOK OUT FOR THE CERTIFICATE OF MEMBERSHIP OF THE ASSOCIATION OF RETIREMENT VILLAGE OPERATORS UK – THERE IS A DIFFERENCE**

## **CODE OF PRACTICE AND MINIMUM OPERATING STANDARDS**

### **1. INTRODUCTION**

#### **1.1 Commencement**

This Code came into effect on the 22<sup>nd</sup> day of September 2009.

#### **1.2 Application**

This Code applies to and is binding on all members of ARVOUK.

#### **1.3 Amendments**

This Code is updated from time to time and it is acknowledged that some Residents' Contracts issued prior to an amendment may not comply with this Code. However, members shall treat such Residents as if the amendment to this Code was in place at the time of issue of the Occupational Contract. This requirement shall not apply if it detracts from the existing rights of Residents.

#### **1.4 Legislation**

In addition to this Code members shall comply with all applicable legislation, including but not limited to any legislation relating to Retirement Villages, and legislation relating to fiduciary duties.

#### **1.5 Compliance by Management**

Members shall use all reasonable endeavours to procure that management of any Retirement Village in respect of which it is a member shall comply with this Code.

#### **1.6 Amendment**

This Code may be amended from time to time by memorandum approved by a majority of the votes cast at a meeting of the ARVOUK.

#### **1.7 Definitions**

In this Code:

"Code" means this Code.

"Association" means the Association of Retirement Village Operators UK.

"Industry" means the industry of Retirement Village planning, construction, marketing and administration or any incidental or connected activities.

"Management" in relation to a Retirement Village, means the person or company by whom or on whose behalf the Retirement Village is administered, and includes a person (other than a Resident) who owns land within the Village.

"Occupation Contract" means a contract, agreement, or other arrangement by which a person or their nominee obtains the right to occupy residential premises in a Retirement Village, and may take the form of a lease, rental agreement, licence to occupy or other arrangement.

“Resident” means a person who is entitled to occupy residential premises in a Retirement Village under an Occupational Contract.

“Retirement Village” or “Village” means complex containing residential premises (whether or not including nursing home, hospital or serviced apartment units) predominantly or exclusively occupied, or intended to be predominantly or exclusively occupied, by retired persons pursuant to Occupational Contracts.

“Village Rules” means the rules with which Residents of a Retirement Village are expected by the management to comply, and includes any by-laws (to which the Residents are subject).

## **2. OBJECTIVES AND PRINCIPLES**

**2.1** This Code sets out the minimum standards for the promotion, sale and operation of Retirement Villages in the UK by members. In some areas, best practice guidelines are also set out. The objectives of the Code are to:

- (a) Clarify the rights and obligations of members, Residents and management in Retirement Villages and through that promote fair trading practices in the Retirement Village industry; and
- (b) Facilitate the disclosure of all important information relevant to any person who is considering entering a Retirement Village; and
- (c) Require contract documents for Retirement Village accommodation to contain full details of the obligations and entitlements of Residents and management; and
- (d) Facilitate Resident input in accordance with the provisions of this Code, into the operation of Retirement Villages, and
- (e) Establish appropriate mechanisms for the resolution of any disputes between Residents and management or between Residents; and
- (f) Encourage the promotion and development of Retirement Villages in accordance with the Code.

**2.2** The general principles governing members' involvement in the Retirement Village industry are that:

- (a) The well-being and interests of Residents, together with the rights of management, shall be given due consideration; and
- (b) The freedom of decision and action of Residents shall be restricted as little as possible and shall be acknowledged in the relationship between Residents and management of Retirement Villages; and
- (c) Management shall recognise the importance of maintaining and facilitating the relationships of Residents with their families and past and present communities. This recognition should take account of the cultural, religious and linguistic backgrounds of Residents; and
- (d) Residents shall be encouraged to exercise, and in no way be inhibited from exercising self-reliance and independence in matters relating to their personal, domestic and financial affairs; and

- (e) Residents shall be treated fairly and management shall use all reasonable endeavours to ensure that Residents are protected from abuse and exploitation; and
- (f) Retirement Villages shall be prudently managed to ensure they are financially viable.

### **3. BASIC RIGHTS OF RESIDENTS AND MANAGEMENT**

#### **3.1 Resident's Privacy**

Residents have a basic right to privacy in personal accommodation which must be respected by management. The management has the responsibility of facilitating the Residents quiet enjoyment of both personal accommodation and communal amenities.

#### **3.2 Autonomy over Personal and Financial Affairs**

Residents have the right to autonomy over personal, financial and other matters and possessions. Each Resident must also be given access to their personal file, if any, created by the management of a Retirement Village.

### **4. DISCLOSURE OF INFORMATION**

#### **4.1 Management Obligation**

All information and contracts relating to a Retirement Village shall:

- (a) be written in clear, concise, plain English, avoiding vague or ambiguous statements; and
- (b) not be in breach of any provisions of this Code, or in conflict with UK law; and
- (c) Fully disclose all of the arrangements which will apply in relation to a Resident's occupation of the Village, and the exit from the Village.

#### **4.2 Meeting with Residents**

Management shall take reasonable steps to encourage prospective Residents of a Village to meet with existing Residents of the Village on an informal basis. This is to enable the prospective Residents to become better informed of matters relating to lifestyle in the Village.

#### **4.3 Understanding of Documentation**

Management shall encourage prospective Residents to inform themselves about all contracts relating to residence in the Retirement Village and to obtain independent legal advice before signing any such documents.

#### **4.4 Disclosure in Advertising and Sales Promotion**

All promotional or sales material provided by the management of a Retirement Village about the Village, whether in written or oral form shall be truthful, accurate, unambiguous and entirely consistent with the provisions of this Code and UK law.

#### **4.5 Planning Permission**

- (a) All necessary planning permissions shall be obtained from the relevant planning authority before any marketing of a Retirement Village may be undertaken, unless the sales material clearly indicates that planning permissions are still to be obtained. This provision shall not preclude the carrying out of a market survey prior to any sales promotion
- (b) No Occupational Contract shall be entered into prior to all necessary Planning Permissions being obtained unless such contract shall be subject to a condition precedent requiring such permission to be obtained within a specified period and unless the Occupational Contract stipulates for any deposit or other moneys payable under the Occupational Contract to be held by the person to whom the moneys are paid as stakeholder pending satisfaction of all conditions to which the contract is expressed to be subject.
- (c) Where a development is a staged development the Occupational Contract or other occupancy documents shall so state and specify which planning consents and facilities are applicable to each stage and paragraphs (a) and (b) of this clause 4.5 shall be construed in the case of a staged development as referring to the then applicable stage of development.
- (d) Where any planning consent or s.106 agreement or other similar obligation includes a requirement that the developer provide certain services for the life of the development or for any other specified period that requirement shall be disclosed to the prospective Resident.

#### **4.6 Residential Care Facilities**

Where any reference is made to, residential nursing or respite care, private hospitals, or sick bays in any promotional or sales material provided by the management of a Retirement Village, the general basis on which such facilities may be accessed shall be disclosed and, further, it shall be made clear that more detailed information is available on request. This further information shall include details applicable at the time of enquiry of the method of payment required, whether Government subsidy is available and on what conditions, the identity of the person or company who controls, operates or owns the facility, and whether an individual assessment is required to be carried out prior to admission.

#### **4.7 Registered Agencies and Premises**

Any registered domiciliary care agency owned or contracted with Management and providing services in the retirement village should have a minimum CQC rating of 1 Star. If this is not achieved on any inspection it must be obtained as a minimum requirement at the next inspection.

#### **4.8 Proposed Facilities and Services**

In respect of any proposed facilities and services which are referred to in promotional or sales material there shall be implied into each Occupational Contract an assurance of implementation and completion.

#### **4.9 Disclosure of Fees, Charges, Financial and Other Information**

Management of a Retirement Village shall make the following information available in writing upon request, to a prospective Resident of the Retirement Village before the prospective Resident enters into any contract relating to the Village

- (a) a list of all monies payable by that Resident to the Village or associated party in order to enter the Village; and
- (b) a list of all periodic charges or fees payable by a Resident and the method of determining any variation; and
- (c) a list of services provided at that time for these fees; and
- (d) a list of any additional or optional services provided and their respective costs; and
- (e) where a Village offers a range of accommodation (e.g. self-care and serviced units), a description of the costs payable by a Resident associated with moving to and living in the alternative accommodation; and
- (f) where a Village recovers periodic charges or fees from Residents on a cost recovery basis, an operating budget, including any provisions for future maintenance for the Village for the current financial year if the Village is already operating, or the projected operating budget if it is under construction and including as a minimum the information set out in Schedule C to this Code; and
- (g) where the Village operates on the basis of a fixed fee from the Resident, then, the amount of the fee; and
- (h) any element of subsidy or cross-subsidy in relation to operating expenses or services charged to residents;
- (i) whether or not there is a maintenance or sinking fund;
- (j) delineation between items covered by maintenance or operating costs and those services that are costs for the individual user;
- (k) a copy of any Village rules or regulations ; and
- (l) a clear explanation of any retentions, deductions or fees payable, if any, to a Resident, if the Resident or management terminates the Occupational Contract. Such explanation shall include reference to any fees or commissions charged by management on termination of an Occupational contract. The explanation shall include a statement explaining the basis on which the return is determined.
- (m) liability for levies/payments after leaving the Village.

#### **4.10 Title and Tenure**

The Occupational Contract shall fully disclose the legal basis of occupancy and the type and length of tenure secured in return for the payment for entry. In the event of any conflict the terms of the Occupational Contract shall prevail over the terms of the Code of Practice.

#### **4.11 Accommodation**

Occupational Contract documents shall include or be accompanied by plans that show the location of the accommodation, and any separate car parking space, garage or storage area allocated to the accommodation. The plans shall also include a floor plan and significant dimensions of the accommodation where an Occupational Contract is entered into prior to completion of the accommodation. The fixtures, fittings and furnishing which are to be provided shall be listed. Any items for which maintenance will be the Residents responsibility or which are not covered by maintenance fees payable by the Resident shall be so identified.

#### **4.12 Services and Facilities**

Contracts between management and a Resident relating to a Retirement Village shall describe all services and facilities that are to be provided by the management. This description shall include information about who is providing the service and whether there is a separate charge for its use. Where a service is provided by an independent agency, any potential restrictions on access to the service shall be clearly stated (e.g. some services may have eligibility criteria or waiting lists). It is recognised that the identity of the provider of services and facilities within a Retirement Village may change from time to time. Such changes shall be communicated to the Residents by management, and such changes shall be implemented in the best interests of the Village community.

#### **4.13 Accommodation Charges and Refund Provisions**

All accommodation charges (i.e. any payment that is required to secure accommodation in the Retirement Village) shall be fully specified in the Occupational Contract together with the Resident's rights to a refund, if any, on termination of the contract. If there is to be a refund, the contract shall set out in full the method of calculation and time for payment and relevant conditions. If there is not to be a refund the contract shall so specify.

#### **4.14 Regular Maintenance and Management Charges**

The Occupational Contract and any other contract between the management and a Resident of a Retirement Village shall contain all details necessary to provide a Resident with a full understanding of what his or her recurrent charges will be, when they must be paid and what will be provided in exchange for those charges. Recurrent charges for the current financial year of any such contract and the basis for their future determination shall be set out in the contract.

#### **4.15 Deferred Exit Fee**

Where a deferred exit fee, lifetime lease fee, or other payment obligation is payable by a Resident on departure, or sale of a residents property, or other termination of an Occupational Contract, the fee and the basis for its determination shall be clearly explained to the resident in writing prior to contract, clearly set out in the Occupational Contract or lease and the resident shall be required to take independent legal advice prior to entering into the contract or lease.

#### **4.16 Relocation**

The circumstances, if any, in which a Resident has the right to transfer from a fully independent self-care unit to another type of accommodation in a Retirement

Village, whether to another type of independent or assisted living or to a CQC registered care facility shall be disclosed in the Occupational Contract (or in any other relevant contract entered into by a Resident). Any promotional or sales material shall note that information relating to the financial and other arrangements which would apply in the event of such a transfer is available on request.

#### **4.17 Additional Content of Occupational Contracts**

Every Occupational Contract shall draw the Resident's attention to the existence of this Code. It shall provide for the rights of Residents to have disputes between Residents or with management to be referred to a Disputes Committee which shall be established by each Retirement Village. The contract shall also refer to the provisions of this Code relating to the involvement of the Review Authority.

#### **4.18 Insurance Disclosure**

Management shall disclose its insurance obligations in the Occupational Contract and otherwise in respect of the Village and Residents, including temporary housing of Residents while buildings are being repaired and the extent to which Residents are covered for damage they cause to community facilities and their residences.

#### **4.19 Questions to be answered by Management and a Resident Checklist**

The following schedules have been attached to this document to be used as guidelines by Management for the benefit of potential residents:

- (a) Schedule A sets out suggested questions that potential residents should ask of management of a Retirement Village
- (b) Schedule B sets out a resident's checklist to be used before choosing to reside in a Retirement Village

### **5. TERMINATION OF TENURE**

#### **5.1 General**

An Occupation Contract may only terminate in a limited number of circumstances, set out in the Occupational Contract.

#### **5.2 Termination by Management**

Management may terminate an Occupation Contract only on the following grounds:

- (c) The Resident's physical or mental health is such that based on a medical assessment obtained by management, the residential premises are deemed to be unsuitable for occupation by the Resident after consultation by Management with the Resident or the Resident's family or appointed representative where appropriate, prior to exercising any right to terminate; or
- (d) The Resident has breached in a material or significant way the Occupation Contract or residence rules and has failed to rectify the breach within a reasonable time after receiving written notice from management that management intends to terminate the Occupation Contract unless such breach shall be remedied; or

- (e) The Resident has intentionally or recklessly, or is likely to intentionally or recklessly cause or permit serious damage to the residential premises or injury or disturbance to the management or an employee of the management or any Resident; or
- (f) The Resident or surviving Resident as the case may be dies or has abandoned the residential premises occupied by the Resident.

### **5.3 Notice of Termination by Management**

Where the management or a Retirement Village seeks to terminate an Occupation Contract for any of the reasons above, other than by reason of the Resident causing or permitting or being likely to cause or permit serious damage or injury or disturbance, the Resident must be given at least one months written notice of management's intention to terminate the contract. Termination will be in accordance with the provision of the lease prevailing in respect of that property.

### **5.4 Payments on Termination by Management**

Where termination of an Occupation Contract has been initiated by the management of a Retirement Village, it must pay the Resident any money to which she or he is entitled under the contract within 7 days of the Resident vacating or the time that the Occupational Contract provides.

### **5.5 Termination by Residents**

A Resident shall have the ability to terminate their Contract. The manner in which a Resident may terminate an Occupational Contract shall be set out in the contract. The timing and amount of payments to be made by either management or the Resident on termination shall be clearly set out.

### **5.6 Consultation on Resale**

Management shall put in place appropriate mechanisms for Residents or their families or appointed representatives where appropriate, regarding the resale of a dwelling.

### **5.7 Good Faith**

Management shall approach the resale process in good faith, particularly where a Village is under development and management are selling new residences as well as formerly occupied residences.

### **5.8 Qualifying Criteria**

Any prospective Resident must meet the normal entry criteria for the Village.

## **6. VILLAGE OPERATION**

### **6.1 Consultation with Residents**

Management shall create appropriate structures and acceptable standards for Resident consultation with management about Village operations. Village Residents must be able to participate in and influence management decisions where it is appropriate to protect their residency, lifestyle or investment.

These objectives shall be balanced with the management's need to operate the Village without undue interference and to provide services for the benefit of all Residents.

Subject to the management's requirement of reasonable managerial autonomy such structures shall allow Residents to:

- (a) Where the Village recovers periodic charges of fees from Residents based on a cost recovery basis be provided with an operating budget for the Village, including any provisions for future maintenance for the Village for the current financial year if the Village is already operating, or the projected operating budget if it is under construction and consult with Management regarding such budget. The operating budget shall provide as a minimum the information outlined in Schedule C to this code and containing sufficient information to explain any significant increase in fees and will normally include the costs of services, details of any upgrading or expansion of facilities and changes or additions to existing services.
- (b) Where the Village operates on the basis of a fixed periodic fee from Residents, the residents should be provided with details of the amount of the proposed fee and an operating budget including all the information referred to in clause 6.1 (a) supporting the fixed fee.
- (c) Have input into any change to services or facilities which involves either increased costs to Residents (beyond those presented in the Retirement Village's budget) or may lead to loss of amenity by the Residents.
- (d) Have input into proposals for the upgrading of buildings fixtures or fittings where the Residents are financing the whole, or part of, the capital or recurrent costs of the work. Where possible, upgrading recommendations should form part of the annual budget.
- (e) Contribute to the formation of the committee for resolution of disputes referred to in clause 7.2.
- (f) Contribute to the establishment of any set of Village rules and have input into and agree to any amendment or addition to existing Village rules. Any Village rules shall be consistent with the general principles stated in Clause 2.

## **6.2 Extent of Participation**

While management must provide appropriate structures and opportunities for consultation, as aforesaid every Resident may choose the extent to which the Resident wishes to participate directly or through a properly established entity or committee representing the residents in the affairs of the Retirement Village.

## **6.3 Increases in Periodic Charges**

When considering any increases to periodic charges, Management shall consider the reasonableness of any proposed increase.

## **6.4 Insurance**

At all times management shall ensure that full replacement insurance cover is maintained. Management shall also consider the position of Residents when arranging insurance cover, noting that it is desirable to provide temporary

accommodation of a similar standard for Residents during reinstatement of buildings for up to six months, and to cover Residents for any damage that they may cause to community facilities, or their dwellings.

### **6.5 Deposits**

The basis upon which deposits are paid by potential Residents to secure an occupation right shall be set out clearly in writing and disclosed to potential Residents.

### **6.6 Cooling-Off Period**

Residents shall be entitled to a "cooling-off" period of minimum of [fifteen] working days from the date of signing the application for residence or making their initial deposit whichever is the earlier. If a Resident withdraws from the contract within the "cooling-off" period that Resident shall be entitled to a full refund of any monies paid, so long as the Resident has not moved into occupation of the residence, less any reasonable administration charges.

## **7. DISPUTE RESOLUTION**

### **7.1 Disputes**

It is recognised that in any communal living situation such as a Retirement Village where facilities are shared, disputes between Residents and between Residents and management will arise from time to time. This Code places particular emphasis on providing easy access to informal and inexpensive means of resolving disputes. Management has a policy that Residents refer disputes to the Village manager in the first instance and exhaust all local processes to see if such disputes can be satisfactorily resolved before resorting to any alternative means of dispute resolution.

### **7.2 Disputes Committee**

Management shall convene a Disputes Committee to hear and mediate disputes that arise within the Village between Residents or between management and a Resident or Residents. The Disputes Committee shall comprise three persons as follows:

- (a) a person appointed by Residents; and
- (b) a person representing the management; and
- (c) a person agreed by both the Resident and management representatives, or failing agreement appointed by the Chairman for the time being of the Association.

### **7.3 Application to Disputes Committee**

Where a dispute arises which for any reason has not been resolved by the Village manager, then subject to any express terms in the Occupational Contract either Resident or management may apply to the Village's Disputes Committee to have the matter heard. The Committee shall meet as soon as possible after being notified of a dispute and may hear and decide the matter in accordance with its charter if any and otherwise as it sees fit. Decisions of the Disputes Committee may be majority decisions. The Committee shall advise the parties to the dispute, in writing, of its decision within 30 days of hearing the dispute. Notwithstanding anything to the contrary the Disputes Committee shall not have power to make any decision which required management to incur any capital expenditure.

## **8. REVIEW AUTHORITY**

### **8.1 Review Authority**

The Association has established and administers a Review Authority responsible for investigating and making recommendations or requests regarding any complaint relating to any matter received by the Association and referred to the Review Authority by the Executive.

### **8.2 Constitution of Review Authority**

The Review Authority consists of 3 persons appointed from the pool of persons elected to be members of the Review Authority at a general meeting of the Association. At least one such person shall be independent from the industry.

### **8.3 Proceedings of Review Authority**

The Review Authority may conduct its affairs entirely as it sees fit and shall elect one of its members to be its Chairperson.

### **8.4 Quorum**

Two members of the Review Authority, but including at least one appointee independent from the industry present in person constitute a quorum. Decisions of the Review Authority are made by a simple majority.

## **9. GENERAL**

### **9.1 General Compliance**

It is acknowledged that, whilst the provisions of this Code are binding on members, the provisions are necessarily broad and general and may not suit every Village and Village structure, many of which are long established. Accordingly, the Executive of ARVOUK has the right to waive compliance with specific provisions of this Code where a different practice has been established that is in accordance with the aims and objectives of this Code and meets the particular purpose of the specific provision that is being waived.

## MINIMUM OPERATING STANDARDS

For Members of Association of Retirement Villages Operators UK

**Update: 22<sup>nd</sup> September 2009**

### GENERAL

1. The role of management and staff of a Retirement Village is to provide a caring, responsible attitude toward all Residents; respecting their dignity, privacy and independence as individuals.
2. As a requirement of membership of the ARVOUK Villages are to be measured against a list of minimum standards, which will be known as the Minimum Operating Standards for membership of the ARVOUK.
3. Certification of Compliance shall be carried out by such person or persons as may be nominated by the Executive of the Association.
4. Full compliance with these minimum operating standards at all times is a condition of membership of the Association.

### SECTION 1 - VILLAGE MANAGEMENT

#### STAFFING

5. All key staff must be suitably experienced for their role within the Village. This experience may be by way of qualification or work experience.
6. All staff members must be provided with a Job Description and be bound by an Employment Contract.
7. All staff members must be subject to Criminal Records Bureau checks to ensure vulnerable residents are appropriately safeguarded
8. The Village must have in place a staff appraisal system to measure on-going staff performances.
9. Regular staff meetings shall be held between management and **KEY** staff.
10. The Village must provide an on-going staff training programme which should be designed to up-grade and improve the knowledge and skills of staff.
11. As a minimum standard, all relevant staff must have attended a course in basic First Aid run by a reputable training establishment **or** person properly qualified to provide such training.
12. All staff must be advised of the importance of the confidentiality of Resident's information and medical details and an undertaking as to confidentiality is to be included in all staff employment contracts.

#### SAFETY

13. All member Villages must comply with the standards laid down in the appropriate health and safety and other relevant legislation.

14. An internal accident reporting system must be established for both Residents and staff. The system must include the "signing-off" of each accident report by the manager of the Village or an officer appointed to do so.

#### **RESIDENT INVOLVEMENT**

15. The Village must have in place and advise all in-coming Residents of a disputes resolution procedure which is to provide independent assistance in resolving disputes between Residents and management. Such procedure must include resident representation.

#### **MAINTENANCE**

16. All member Villages must have in place a long term schedule of maintenance and replacement to ensure that a satisfactory standard is maintained. This schedule must be reviewed and updated at least every three (3) years.
17. All member Villages must disclose how they expect to fund the maintenance and replacement requirements of their Village and confirm that maintenance and replacement will be carried out within a reasonable period of time.
18. The Village must have in place a procedure to ensure that Resident requests for maintenance are dealt with promptly.

#### **LEGAL AND INSURANCE**

19. Disclosure documents for the Village must be adequate and clear in their explanation regarding:
  - (i) Weekly/monthly/quarterly/annual charges (including details of what the charges).
  - (ii) Establishment of Maintenance/Sinking Funds.
  - (iii) Liability for Charges/Payments after leaving the Village.
  - (iv) Retentions/Deductions upon leaving the Village.
  - (v) Delineation between costs paid by the Village and costs for the account of Residents.
20. Replacement insurance cover must be maintained by the Member at all times together with insurance to cover the cost of accommodating Residents during any period of reinstatement. The Member is required to have regular revaluations of the building costs.
21. Documentation must define the responsibilities of the various parties under their specific documents of tenure.
22. Contract documents must define the Village policy on reinstatement in the event of fire or other damage to residential accommodation.

## SECTION 2 - RESIDENT SERVICES

### EMERGENCY SERVICES

23. All member Villages must have in place a 24-hour monitored emergency call system with calls able to be responded to within a reasonable timeframe, by appropriately qualified staff.
24. There shall be at least one emergency call device in each apartment
25. All emergency response staff must be trained in First Aid and CPR as a minimum.
26. All members must provide an emergency medical procedure for Village Residents.

### HEALTH MONITORING

27. All members shall have a system for monitoring of the health and wellbeing of the Residents. Any such system shall respect Residents' privacy.
28. Where ongoing staff assistance is required for a Resident and the Village holds itself out as providing nursing care, a care plan shall be put in place for that Resident in accordance with legislative requirements.
29. All members shall have a system in place to ensure 24 hour access to GP's and ambulance services.

### PHYSICAL SECURITY

30. All member Villages must have in place written procedures for fire and general emergency, including evacuation of Village accommodation.
31. Written emergency evacuation procedures must be in place for all dwellings and evacuation drills involving Residents and staff must be carried out at least annually.
32. All Villages must have in place systems and written procedures for security, particularly during the night, over statutory holidays, weekends or other times when there may not be a full staff complement present.
33. Whilst each Village must determine what is appropriate for their Village, some best practice requirements are as follows:
  - (i) All members shall promote the use of smoke detectors in accommodation where these are not a legal requirement.
  - (ii) All members shall communicate to Residents the importance of security in the dwellings. This would include reminders about such things as locking their homes at night and when they are not at home.
  - (iii) Where appropriate members shall encourage the setting up of neighbourhood watch groups.
  - (iv) All members shall have a system to be able to gain access to a Resident's accommodation unit in case of emergency.

34. All member Villages must physically check the operational status of all call points at least [quarterly] and retain records of such testing.
35. All member Villages must provide for security lighting throughout accommodation and common areas, including streets paths and walkways.

#### **VILLAGE COMMUNICATIONS**

36. All Villages shall have a system of regular communication between management and Residents, including at least a quarterly newsletter and a communal notice board.
37. The Village must have an Annual General Meeting of Residents or other suitable means of consultation at which financial reporting of Income and Expenditure for the previous year and the projected budgets for the coming year shall be presented for discussion.
38. When a Village has an elected Residents committee management representatives shall meet with the committee on at least a quarterly basis. Where no such committee has been established, consultation with residents shall occur at least as frequently.

#### **VILLAGE SERVICES AND COMMUNITY FACILITIES**

39. The following services must be available to Residents, either through the Village structure or through external agents as either part of the levy or on a user pays basis but organised and arranged by the Village management.
  - (i) House cleaning.
  - (ii) Handyman services.
  - (iii) Garden maintenance service.
  - (iv) House maintenance.
  - (v) Attendant care service.
  - (vi) Smoke detector alarms.
  - (vii) An emergency home meal service.
40. Where there are multi-storey buildings, such facilities must be fully DDA compliant.
41. A fundamental requirement of all Retirement Villages is the need to provide wheelchair access within community facilities, including toilets and dining areas.
42. Member Villages shall provide or have the ability to provide facilities at least for the following services for visiting:
  - (i) Doctors
  - (ii) Chiropodists/Podiatrists/other care professionals
  - (iii) Hairdressers

43. The following social facilities freely available to Residents and their guests are deemed to be the minimum requirement for Retirement Villages:
- (i) A communal lounge area
  - (ii) Library area
  - (iii) Crafts and activities area
  - (iv) Restaurant or food provision area
44. The Village must state in documentation on purchase where the Village provides any of the following additional services to Residents as part of their charges or on an additional individual user cost:
- (i) In-home respite care for short periods
  - (ii) Pharmaceutical deliveries
  - (iii) Village bus or transport
45. The Village must provide adequate Village directional signage and/or information for visitors/trades people to find their way within the Village.
46. The Village should encourage the involvement of Residents in the larger local community.
47. A Village must ensure that it has the adequate resources to assist with the ongoing recreational activities of the Residents where these activities are promised to Residents.

## SCHEDULE A

### QUESTIONS TO BE ANSWERED BY MANAGEMENT IN RETIREMENT VILLAGES

1. Does a prospective Resident have to supply a medical certificate or report to certify her/his ability to live independently?
2. Does a Resident have to provide documentation of her/his medical condition and medication? If so, who will have access to it?
3. What restrictions are there on a Resident in the use of her/his dwelling and the Village facilities with regard to:
  - Having someone else live with her/him; and
  - Having visitors, including overnight or short stay guests; and
  - Car parking; and
  - Pets; and
  - Other restrictions?
4. What type of public, private or Village transport is available to Residents?
5. If the unit is still under construction, does a Resident have a say in the design, construction or furnishing of her/his?
6. Can an Occupational Contract be terminated? In what circumstances?
7. Can a Resident move or be moved from one part of the Village to another (e.g. from unserviced to serviced accommodation) and, if so, under what circumstances?
8. What arrangements exist for Residents to participate in the operation of the Village? Are Residents actively involved in making Village rules and setting fees and charges?
9. What protection does a Resident have against a loss of rights (including accommodation rights) if the Village is sold to another organisation?
10. Can Residents be made liable for any additional or extraordinary charges and, if so, for what purposes?
11. Are there any restrictions on the Resident on the sale of her/his dwelling? What happens if there is a dispute over the sale price?
12. What is the background and business experience of the Retirement Village's senior management?

## **SCHEDULE B**

### **RESIDENT'S CHECK-LIST**

It is important for you to carefully read and consider the following questions before deciding to enter any Retirement Village.

If, after reading through the list, you are uncertain as to any aspects of the Village or its suitability for you, seek further advice.

1. Have I fully discussed my decision to enter a Retirement Village with my family, friends or adviser?
2. If I am considering moving to a Retirement Village because the housework, gardening and general maintenance has become too much, am I satisfied that Retirement Village living is the best option for me?
3. Have I received adequate information about the Retirement Village I have chosen? Have I shown the documents to my solicitor? Am I satisfied that I fully understand the contract that I am signing?
4. Do I know that the lifestyle of the Village (including social activities and religion) will suit me? Have I spoken to any Residents of the Village?
5. Will the Village and my unit be readily accessible if I become disabled and need a wheelchair or walking aid? What alternatives do I have if I become too frail to live alone?
6. Does the Village provide nursing care, an emergency call system and other facilities specially designed for the elderly? Do these meet my present and likely future needs?
7. Have I looked at alternatives to compare suitability for my circumstances, lifestyle and financial arrangements?
8. Can I afford to live in the Village I have chosen and what are the financial consequences for me if I do not like living in the Village and wish to move out?

## SCHEDULE C

### FINANCIAL

#### 1. Operating Budget

Name of Enterprise

Estimated Income and Expenditure Budget for the Year Ended

	Budget	Last Year
	£	£
<b>Income</b>		
Residents Charges/Fees/Rent		
User Pays Services		
[Village Owner's Subsidy]		
Other Income (Specify)	_____	_____
<b>Total Income</b>	=====	=====
<b>Expenditure</b>		
Employment costs		
Community & Administration Operating Expenses		
Provision for Future Maintenance		
Depreciation		
Non-Operating Expenses		
Accounting and Audit Fees		
	_____	_____
<b>Total Expenditure</b>	=====	=====
<b>Surplus/Deficit</b>	_____	_____

#### 2. Operating Statement

Similar layout and income and expense classification to (1) above, but showing **Actual** figures compared with **Budget** estimates.