

Updates to the *Retirement Villages Act 2016 (SA)* Compliance Checklist

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Updates to the *Retirement Villages Act 2016* (SA)

Compliance Checklist

Background and Disclaimer

The *Retirement Villages Act 2016* (SA) (**Act**) and the *Retirement Villages Regulations 2017* (SA) (**Regulations**) have a number of upcoming changes which impact both residents and operators of retirement villages in South Australia. The updated Act and Regulations will officially commence on 2 February 2026, bringing with it new rights for residents and requirements which operators in this sector must comply with.

This Compliance Checklist is intended to provide an overview of the different action items which are required to be implemented by those operating retirement villages in South Australia.

The material contained in this Compliance Checklist is dependent on the information released as at the date of this Compliance Checklist.

This document is for general information only and cannot be relied upon as legal advice. Do not act on the basis of this document but seek specific advice from your legal adviser.

Cowell Clarke's dedicated Aged Care and Retirement Living Team continues to work closely with retirement village operators and aged care entities to ensure their best possible outcomes are achieved whilst ensuring compliance.

For further information, please contact our [**Aged Care, Retirement Living and Health Team**](#).

Compliance Checklist

Task No	Task Description	Completed ✓	Comments
Resident Contract			
1.	Review and amend template Residence Contracts		<p>Among other things, Residence Contracts will need to include:</p> <ul style="list-style-type: none"> • Permitted alterations to the residence. • How alterations will be handled on termination. • Fees or charges payable relating to remarking or exit at the end of occupation. <p>This applies to residents who entered a Residence Contract on or after 2 February 2026.</p>
Disclosure Statement			
2.	Review and amend template Disclosure Statement		<p>Among other things, the Disclosure Statement will need to include:</p> <ul style="list-style-type: none"> • A description of the estimated exit entitlements and fees for termination at various points in time (i.e. 2 years). • Details of any major capital item expenditure project in place or planned for the next 2 years. • Any special levy in place and payable by residents. <p>This applies to residents who entered a Residence Contract on or after 2 February 2026.</p>

Task No	Task Description	Completed ✓	Comments
Dispute Resolution Policy			
3.	Review and amend Dispute Resolution Policy		<p>It is a new requirement for operators to provide the Dispute Resolution Policy to residents at least 10 business days before the Residence Contract is entered into.</p> <p>Among other things, the Dispute Resolution Policy will need to include:</p> <ul style="list-style-type: none"> • A timeframe to acknowledge and respond to a complaint. • Who to submit the complaint to. • How to submit the complaint.
Recurrent Charges and Surplus Policy			
4.	Create and provide a Recurrent Charges and Surplus Policy		<p>While there is limited guidance given on the requirements of this policy, more broadly, it should:</p> <ul style="list-style-type: none"> • Deal with surplus and deficits in the accounts relating to recurrent charges for any financial year. • Overlap and align with operator's recurrent charges policy (to some extent). • Be provided to residents at least 10 business days before they enter the Residence Contract.

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Premises Condition Report			
5.	Review and amend Premises Condition Report template		<p>It is a new requirement for a completed Premises Condition Report to be given to the resident before they enter occupation.</p> <p>The Premises Condition Report must be completed by the resident and returned within 10 business days of entering occupation. A resident who does not return the completed report within 10 business days is taken to have agreed to the report.</p> <p>Among other things, the Premises Condition Report will need to include information about:</p> <ul style="list-style-type: none"> • Who is responsible for maintenance and repair, and if the operator is responsible, which fund will cover this. • Any planned improvements of the residence by the operator and timing. <p>This should reflect what is in the Residence Contract.</p>
Code of Conduct			
6.	Provide the new Code of Conduct to the resident as part of the onboarding information bundle		The Code of Conduct now applies to village managers, senior managers, and person employed or engaged to work at the retirement village.

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Disclosure Period			
7.	Update internal procedures and comply with the new requirements regarding waiver of the disclosure period		<p>A prospective resident can waive the 10 day disclosure period only where the following is met:</p> <ul style="list-style-type: none"> • Documents have been provided to the prospective resident. • A prospective residents' legal advisor gives written notice that the resident has received legal advice on the Residence Contract & related documents. • The prospective resident gives written notice of their wish to enter the Residence Contract before the disclosure period has expired.
Fees and Charges			
8.	Update internal procedures and comply with the new cap on deposit charges		<p>Deposit cap:</p> <ul style="list-style-type: none"> • Operators cannot accept a deposit from a person in contemplation of the person becoming a resident that exceeds \$5,000. • It is also prohibited to increase a fee or charge under the Residence Contract during the deposit holding period.
9.	Update internal procedures and comply with the new cap on the payment of capital contributions payable on exit		<p>Cap on the payment of capital fund contributions payable on exit:</p> <ul style="list-style-type: none"> • Existing contracts: 12.5% of the current market value of the residence. • New contracts (from 2 February 2026): 1% of current market value per year (or part of) cap up to 12.5%

Task No	Task Description	Completed ✓	Comments
10.	Update internal procedures and comply with any agreed caps on the following fees: <ul style="list-style-type: none"> • Refurbishment fees • Reinstatement fees • Remarketing fees 		<p>The cap for these fees should be outlined in the Residence Contract and charged accordingly.</p> <p>For existing contracts that do not identify a remarketing fee, operators cannot charge more than the reasonable costs incurred in remarketing the residence.</p>
Recurrent Charges			
11.	Review and amend current internal procedures and policy to ensure that all recurrent charge increases are compliant with the new requirements.		<p>This applies to recurrent charges irrespective of whether the Residence Contract was entered into before or after 2 February 2026.</p> <p>The cap on the increase of recurrent charges:</p>
12.	Where an increase is attributed to a reason prescribed under the Act, operators should undertake an analysis of the change and financial impact and provide evidence that there has been an increase in the cost of operating the village		<ul style="list-style-type: none"> • As set out in the contract. • If not specified, by CPI. • As agreed by majority of affected residents. • By an order of SACAT. <p>Among other reasons, an increase in a recurrent charge is allowed if attributed to:</p> <ul style="list-style-type: none"> • Increases in rates, taxes, or charges payable by operators under another Act. • Increases in salaries or wages of staff. • Increases in maintenance costs. <p>A resident is not required to pay any increase in a recurrent charge unless 10 business days written notice is given by operators.</p> <p>Recurrent charges must be discussed at budget meetings held before annual meetings.</p>

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Refunds			
13.	<p>Update refunding practices to allow deduction of the following fees where a resident terminates during their "settling in period":</p> <ul style="list-style-type: none"> • Remarketing fees • Refurbishment fees • Reinstatement costs 		<p>The settling in period is 90 days from occupying residence or signing a contract (whichever is later).</p> <p>Reinstatement costs only apply to approved alterations under an agreement stating that the resident returns the residence to its original condition. If not, the resident will be responsible for the cost to reinstate.</p>
Insurance			
14.	Review current insurance arrangements and obtain all required insurance policies		<p>To comply with the Act and Regulations, among other things, this includes:</p> <ul style="list-style-type: none"> • Implementing measures to ensure adequate insurance is maintained which is equivalent to the replacement value of all buildings in the village and improvements. Where buildings are not owned by an operator, the operator must ensure that all third-party owners puts in place the same level of insurance for those buildings. • Implementing insurance for liabilities in tort. • Providing details of current insurance policies (including certificates of insurance) to residents at their request. • Operators may also be required to implement insurance for any other liability as required by special resolution of the residents committee (if reasonable).

Task No	Task Description	Completed ✓	Comments
Exit Entitlements			
15.	Update internal procedures and comply with new requirements regarding the payment of exit entitlements		<p>This applies to all exit entitlements, except where, before 2 February 2026, the resident had:</p> <ul style="list-style-type: none"> • Ceased to reside in the village; or • Given notice to the operator in accordance with section 27(2)(b)(ii) of the Act. <p>Exit entitlements are due after 12 months plus 30 business days since the resident leaves the home (instead of 18 months).</p> <p>Operators must take “all reasonable steps” to pay the exit entitlement within 10 business days of the earlier of:</p> <ul style="list-style-type: none"> • The date the exit entitlement becomes due. • Requesting and receiving payee details. <p>However, if by the due date, the resident has not given payment details for exit entitlements, the debt does not become payable until those details are given.</p>
Staff Training			
16.	<p>Implement and undertake training on the operational policies and procedures of the village to the following people:</p> <ul style="list-style-type: none"> • Managers • Senior managers • Anyone else who is employed or engaged to manage or work at the village 		<p>Training must be relevant to the person’s role and responsibilities within the village.</p> <p>This must be provided:</p> <ul style="list-style-type: none"> • New staff: before the person commences their duties at the village. • Existing staff: within 12 months of the commencement of the changes under the Act and thereafter, every 3 years or sooner if there are changes to a person’s role and responsibilities.

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Unclaimed Goods			
17.	Create (or update) a policy to deal with unclaimed goods and review and include (or update) related provisions within the Residence Contract template .		<p>This should align with the Act and Regulations and provide that, if a resident has ceased to reside in the residence, among other things, operators must:</p> <ul style="list-style-type: none"> Securely store the property and make it available for collection. Provide written notice to the resident to collect their property. Store the property for 30 days, then if no collection occurs, depending on whether the item is property or a personal document, operators may sell or donate the property.
Duty to ensure Common Areas are reasonably safe			
18.	Prepare and maintain an emergency plan for the village and implement practices to ensure residents and staff are made aware of it.		<p>The emergency plan should be provided to each resident:</p> <ul style="list-style-type: none"> Within 10 business days of being published (and on subsequent updates). On their request, free of charge and within 10 business days of the request. The emergency plan should be reviewed at the following times: At least annually. Following any significant changes to the scheme or to the premises or land. Following an emergency.

Task No	Task Description	Completed ✓	Comments
19.	Undertake a safety inspection of communal areas (if any) and make a safety inspection report on the findings of each inspection available to residents.		<p>Safety inspections should be conducted at the following times:</p> <ul style="list-style-type: none"> • At least annually. • Following any significant changes to the scheme or to premises or land. • Following an emergency.
20.	Display prescribed safety information in communal areas.		<p>This includes:</p> <ul style="list-style-type: none"> • A map. • Evacuation instructions.
<i>Dealings with Residents</i>			
21.	Review and update current practises to ensure they are compliant with new requirements surrounding dealings with residents		<p>Among other things, there are additional requirements for:</p> <ul style="list-style-type: none"> • Convening resident meetings (i.e. requirements for information to be provided). • Dealing with resident rules and alteration of such rules.