

Lyndoch starts selling assets as financial ruin looms



Less than six months after opening, the \$22 million Lyndoch Primary Care Centre is looking for buyers as Lyndoch Living aged care, its parent, struggles financially.

Carol Altmann – The Terrier

Lyndoch Living is selling both its \$22 million Lyndoch Primary Care Centre – which opened less than six months ago – and the May Noonan Hostel in Terang which it bought in 2018, as it tries to stay afloat.

Indeed Lyndoch hopes to sell both assets by the end of the financial year with potential buyers now emerging.

In addition, the \$100 million, grand-slam masterplan is also on hold and may never be revived.

As we know, Lyndoch is bleeding money.

It's haemorrhaging from a fatal combination of low resident

numbers (around 72 per cent occupancy), the \$22 million primary care centre being virtually empty, and May Noonan Hostel only 50 per cent full, with an ongoing battle to find staff so more beds can be opened.

While Lyndoch is not insolvent – thanks to a buffer of residential bonds which don't have to be refunded all at the same time – it can't keep going the way it is.

What is it doing to turn the ship around?

I've spent the past few weeks trying to answer that question.

I've pieced together bits and pieces from sources inside and outside of Lyndoch, including a sit-down, face-to-face conversation with the Acting CEO Jill Davidson who reiterated earlier public statements that, under her watch, Lyndoch will focus first and foremost on its core business.

That core business – wait for it – is looking after the elderly.

Thankyou, Jill. At last, someone is in charge who has their eye on the main game and not the puffed up trimmings and trappings of being a CEO or, god help us, CEO OF THE YEAR.

The bloated administration at Lyndoch Living is also under review, as are all the partnerships and sponsorships put in place which struggled to explain their relevance or benefit to the elderly residents who just want quality, daily care and a good hot cup of tea.

All that we feared and warned about has come to pass.

All of the red flags are at full hoist.

Some of those who raised these flags deserve a special mention tonight, including the Keep Lyndoch Living Group led by retired naval intelligence officer Jim Burke and medical expert Professor James Dunbar.

In 2021, the pair launched a petition which attracted more than 1000 signatures asking to stop the primary care centre from being built until there was an independent review into its viability.

The Lyndoch board shrugged it off and the-then chief operating officer Elizabeth Green (who has since resigned) was shuffled out to assure us the plan was fail proof.

Well, that's what the highly paid consultants from Melbourne said.

They were wrong. And where are these consultants now?

Which brings me to the real hero of the piece – Allan Conway, who was acting Chief Financial Officer before the first sod was turned.

Allan did all he could to warn the-then CEO Doreen Power and the board led by Sue Cassidy that the plan could sink Lyndoch.

His concerns were dismissed because, once again, the highly paid consultants from Melbourne said all would be well.

So millions of dollars were borrowed and the health care centre was built and now it has just one tenant: the 10-GP medical clinic owned by Lyndoch.

And after overseeing all of this – all of it – the former CEO/on leave CEO is still on the payroll as lawyers negotiate her settlement because in 2020 the blind board was stupid enough to sign up for another five years of that kind of “leadership and vision”.

From all of this blindness and stupidity, the community is left with the flickering flames of a fire sale and our once-proud aged care home rebuilding itself from the ground up.

It's a chapter we must learn from and never forget and my job these next few months is to unpick exactly how we got here.