

# GUMMUN PLACE REPORT

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## Executive Summary

In November 2024 the future of Gummun Place Aged Care Hostel (GP) became a major community concern. In particular the Upper Hunter Shire Council's (the Council's) impending Expression of Interest raised alarms within the community. At that time the previous Council's S355 Gummun Place Advisory Committee had been disbanded and no new committee had been formed.

In the absence of any advisory committee to Council (and given concerns amongst local residents regarding the perceived lack of transparency from Council), the Merriwa District Progress Association (MDPA) took the initiative to hold a community information session. Local Councillors were invited to attend and provide the community with information on the current status of GP. The aim of this session was to stop rumours and gain insight through facts – direct from those involved. Since then the MDPA has gone on to gather information and survey the town to understand their current sentiment in relation to GP.

This report sets out our work to date. In providing this report to Councillors, Council and the newly formed GP Advisory Committee, our aim is to, among other things:

- provide the newly formed GP committee with sufficient understanding of the work done to date
- allow the committee to carry this information forward to the Council
- have an effect on the decision-making in relation to GP to ensure any future direction takes into consideration the requirements of the community as a whole.

## Some Initial Statements

Prior to continuing, it must be emphasised that at the core of many community concerns in relation to GP is the notion that the Council will sell GP (the bricks and mortar facility) and use the funds to offset bad business decisions (or bad debts) made elsewhere in the Upper Hunter Shire Council (UHSC). The MDPA passes on this concern in the spirit of transparency and openness, and not as a criticism of Council.

It must also be stated that the sense of ownership and pride the local residents have in the facility is not to be underestimated. The facility was built as a Council/community initiative with all funds raised by the district and the land donated by a local businessman.

The image below shows the 'barometer' located in Bettington St which was used to indicate the target funds and the funds raised as at the date the photo was taken.

### Did you know?

The total daily contribution from Gummun Place residents in 23/24 was \$65.98. This is 26% below the national average (<https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155/finance?search=search-by-name&searchType=agedCareHomes&name=Gummun%20Place>).



Image 1: Fundraising efforts were publicly displayed using a barometer that showed the total needed versus the amount raised to date.

## The MDPA's Work to Date

To date the MDPA has undertaken the following major activities:

- Held a town information session in November 2024 to allow our local Councillors to provide detailed information regarding the current status of GP
- Created a section in the MDPA website dedicated to GP (so emerging information is publicly available).

- Posted information to Meta (Facebook) when new information emerges.
- Created a questionnaire aimed at “taking the pulse” of the community – the goal was to understand community sentiment, not to determine a direction for GP.
- Reviewed a collection of historical documents (minutes and other Council records) relating to the development of GP – these documents were from what was then Merriwa Shire Council.
- Written to the following MPs asking for assistance to ensure GP remains open and financially viable:
  - Anika Wells, Federal Minister for Aged Care
  - Mark Butler, Federal Minister for Health and Aged Care
  - Barnaby Joyce, Member for New England
  - Dave Layzell, State Member for Upper Hunter
  - Anne Ruston, Shadow Minister for Health and Aged Care

The MDPA also wrote to Council and all Councillors asking them to withhold any decisions regarding GP until the results of the questionnaire were known. In his response the General Manager of the Council made it very clear the only mechanism for community representation was via the new Gummun Place Advisory Committee.

The MDPA has also make contact with the following groups.

- Hospital Auxillary
- Merriwa Community Advisory Committee
- Merriwa District Chamber of Commerce and Industry
- Country Womens Association.

These groups represent a broad spectrum of the community and allow the MDPA to understand the degree to which they would like to remain informed/assist with any work.

More recently the MDPA arranged for two local professionals in the aged care industry – Jo Bailey, General Manager, Quality Care and Kim Riley, General Manager, Quirindi Care Services – to address a small meeting of the local groups listed above. Ms Bailey and Ms Riley were able to speak eloquently and with a great deal of experience on the issues facing the aged care industry. Their insights were invaluable. It was made clear to the meeting that the issues surrounding GP run much deeper than those associated with Council’s desire to exit the management or day to day operations of the facility.

## Operating With or Without Government Funding

Aged care has two main operating models:

1. With government funding - these facilities must adhere to government regulations. As we move forward they will operate under the new Aged Care Model (the Regulator for this model is the Aged Care Quality and Safety Commission). Funding comes from a combination of residents and government. The amount of funding received from the government is impacted by a number of things - from the smallest thing to larger items. In return for the funding, the government expects the facility to meet their compliance requirements (via reporting mechanisms).

### Did you know?

The difference between income and expenditure in Gummun Place in 23/24 was -104.14 per day. (<https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155/finance?search=search-by-name&searchType=agedCareHomes&name=Gummun%20Place>).

- Without government funding - in these facilities there is no government funding. They are usually stand-alone, community owned, privately run and not-for-profit. Because there is no government funding, the government compliance requirements do not need to be met or reported on. Instead, these facilities impose their own standard of care.

## Care Minutes

One of the core components of the aged care working model is *care minutes*. This is a measure that the Government imposes suggesting how many minutes you must have per resident per day in staffing based on their classification. The roster in the facility must match the care minutes. In April the government will start to penalise facilities who are not meeting their care minute targets.

## The Issues

The MDPA has gathered a list of issues relating to GP which are by no means exhaustive, nor are they presented in any particular order.

- Almost all aged care facility issues come down to a problem of cost. It appears that the Government is not sufficiently supporting aged care financially given the increasing regulatory impost. Industry insiders say that the cost to meet compliance when operating a facility is now almost untenable. Even now quarterly financial record must be submitted down to the most minute details.
- The Council has no appetite to continue to manage GP and is looking to exit the facility via an Expression of Interest (EOI) which is closed at 5pm on 28 February 2025. The EOI covers possible management, leasing and selling options.
- The Council has failed to provide any transparency in relation to the EOI prior to its release and, in many instances, has had “closed door” meetings when discussing the facility (thereby making the local community suspicious and concerned).
- It has to be asked whether the EOI should have had a much bigger – and more transparent – conversation with the stakeholders involved, to explore whether or not an alternate model would be feasible.
- We understand that GP is not self-funding. Council has advised that GP has incurred annual losses of around \$400,000 a year over the past four years (with 24/25 financial year looking to be closer to \$900,000).
- This advice is inconsistent with income and expenditure figures published by Council in its annual Development Plan and Operational Program (DPOP). The table below presents figures extracted from Council’s DPOPs since 2016/2017.

### Did you know?

The spend per day in 23/24 on registered nurses at Gummun Place was \$128.41 per day and the sector average is \$58.81 (<https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155/finance?search=search-by-name&searchType=agedCareHomes&name=Gummun%20Place>).

Table 1 - Gummun Place Hostel, Merriwa - Operating Costs

	Operating Revenue	Non-operating Revenue	Operating Expenses	Non-operating Expenses	Balance

2016/2017	\$1,063,941	\$75,256	\$1,010,615	\$76,116	\$52,466
2017/2018	\$1,076,050	\$101,690	\$1,056,636	\$5,500	\$115,604
2018/2019	\$1,036,700	\$132,578	\$1,148,378	\$0	\$20,900
2019/2020	\$1,053,250	\$185,264	\$1,211,314	\$0	\$27,200
2020/2021	\$1,518,500	\$316,201	\$1,615,370	\$10,163	\$209,168
2021/2022	\$1,390,003	\$64,150	\$1,390,682	\$33,471	\$30,000
2022/2023	\$1,427,613	\$117,514	\$1,525,127	\$0	\$20,000
2023/2024	\$1,432,183	\$83,820	\$1,481,003	\$0	\$35,000
Source: UHSC DPOPs 2017 to 2024					

7. There is some reason to doubt the validity of the figures Council quotes in its DPOP documents, as Council's *Annual Financial Statement for the year ended 30 June 2024* quotes quite different figures for the operation of GP, as the table below shows.

	Operating Revenue	Non-operating Revenue	Operating Expenses	Non-operating Expenses	Balance
2022/2023	\$1,457,000		\$1,476,000		-\$19,000
2023/2024	\$1,585,000		\$1,818,000		-\$233,000
Source: UHSC Annual Financial Statement for the year ended 30 June 2024					

8. For the last three years, at least, the Council has presented their draft DPOP to the people of Merriwa. Each year they continually stress that they have a “balance budget”, thereby making the GP losses appear inconsequential in the overall scheme of things and yet these losses are now a major issue for Council.
9. It needs to be made clear that while GP is operating at a loss, it does not carry any debt (i.e. there is no money owing on the facility).
10. Council is neither qualified nor skilled enough to continue managing GP. It does appear that the Council has waited until the facility is in crisis before taking any action.
11. Recently there have been new (more demanding and more complex) regulatory requirements placed on facilities such as GP by the Federal Government. These requirements must be met in order to retain/obtain accreditation. We understand that in April 2025 an additional four reporting requirements will be added to the current – and already complex – reporting requirements for aged care facilities. The additional Government regulatory requirements and have added to the cost of running the facility. Government funding has not kept pace with the increased operational costs/demands placed on facilities such as GP.
12. In July 2025 the new Aged Care Act will be enabled, at which point the reporting requirements will be cast into law.

13. It is possible other organisations that are specialised aged care service providers are better equipped to run a facility such as GP – particularly in the light of the increased requirements for accreditation.
14. Costs to run GP have been provided to a limited degree by Council, but the breakdown of those costs can be difficult to determine as some expenditure is not shown at line-item level. For example, in the Council’s financial statements for the year ended 30 June 2024, page 112, the Council shows Materials and Contracts as a single line item with a change in costs from \$289,000 in the 2023 financial year to \$512,000 in the 2024 financial year. Going back several years, these line items were separated. It is difficult to understand whether the change in costs is due to the “materials” or the “contracts” or both.
15. The MDPA has come to understand that the Council transfer-charges costs from within the Council to GP. For example, if GP calls the Council for something, the time spent on the phone is transfer charged. This is common practise with many large organisations (to understand cost centres and profit centres) but it is not clear from the financial statements how much (if any) of the deficit each year is due to “on paper” transfer charging. Listed in Council’s DPOP 2024 under revised expenditure is an item for Administration Overheads amounting to \$84,318, in addition to Administration Costs of \$132,213. This may well inflate the losses associated with GP.
16. Obtaining qualified staff is a **major** issue within the aged care sector. Trained aged care workers and registered nurses are in very short supply and recruitment issues are compounded by the fact that we are a regional area. An aged care facility can pay \$15,000 in immigration fees in order to obtain nurses from overseas (just to land them in the country).
17. Accommodation is a major issue with Merriwa’s housing – housing once available to professionals such as teachers, nurses and doctors – having been sold off by Council. Agency staff have used aged care units as accommodation due to the shortage of accommodation in town. It needs to be said that the issue of accommodation is compounded by the amount of major civil and corporate works in the area (wind farms, solar farms, road works, etc.).
18. The previous GP s355 Merriwa Aged Hostel Management Committee had control and management of the Merriwa Aged Hostel Trust. The committee was disbanded when Council elections were last held (this is standard practise for such committees). On Monday 25 November 2024 at Council’s ordinary meeting, the Council resolved to establish a new Gummun Place Hostel Advisory Committee (although it would not be an S355 committee). Their role was simply to provide advice to Council (on behalf of the community). It has recently been made clear to the MDPA that while the committee can offer advice, ultimately the decisions regarding GP rest with our elected councillors (and not the committee)
19. A quick “back of the envelope” set of figures suggests that just the care staff alone at GP would generate a wages bill of around \$31,000 a fortnight. This does not include management or general running costs. In a 20-bed facility with 85% of a pension being provided by residents, the \$31,000 per fortnight would not be met.
20. The discrepancy between the income and expenditure at GP (the reported losses) may be due in part to the lack of billing for current residents. Multiple locals have



- reported, anecdotally, thousands of dollars in un-invoiced fees. This may be further compounded by residents not being assessed to the correct care level (and therefore government funding is lower than it could be). It is worth noting that it is possible to outsource assessment in order to increase the government funding
21. The use of agency staff is almost mandatory if roles in aged care are to be filled. Agency staff are paid for 80 hours work per fortnight, even if they do not work the 80 hours. This means they are given shifts to ensure the full hours are taken up. This is at the cost of local, casual staff, making it harder to retain locals, thereby further increasing the need for agency staff. This becomes a spiral.
  22. Currently 10% of Quirrindi staff are agency staff. Agency staff must have accommodation, travel and a rate that can be double that of non-agency staff. Even if we wanted to pay non-agency staff a high rate (commensurate with that of agency staff), the workers are simply not in the country. We have a depleted aged-care workforce.
  23. According to the Stuart Brown Agency – a well respected aged care consulting and accounting firm – many aged care facilities operating in MMM5 regions operate at a loss (<https://www.stewartbrown.com.au/>). Merriwa, being a small regional town, is in an MMM5 region. Over 50% of facilities in an MMM5 are operating at a loss. Note: MMM refers to the Modified Monash Model).
  24. Quirindi has a relationship with the school and creates school-based trainees. They can then go onto Cert IV and then through pathways to become RN qualified. Unlike Quirindi, Merriwa does not build a staff base from locals via school traineeships (although it is believed Merriwa previously had a similar model).
  25. If Merriwa wants to “go it alone” as the expression goes, that is, we want to have a privately run, community owned, not-for-profit facility, both Jo Bailey and Kim Riley agreed (and recommend) the need for (at the very least)
    - a. a good manager
    - b. a skills-based Board (for example, they must understand things such as what help is available, reporting requirements and care minutes – what they are and how they are used.
    - c. a Chair with significant – **and recent** – aged care experience
    - d. a good solicitor
    - e. good insurance cover
    - f. a good debt collector
    - g. additional income streams (aged care independent living units, NDIS accommodation).
  26. Jo Bailey and Kim Riley have both advocated the use of the My Aged Care website and their services (<https://www.myagedcare.gov.au/>). This offers free advice and services.
  27. Some in the industry believe successive governments have been discussing closing down small, aged care facilities/providers for years – although this has been denied.
  28. Industry experts suggest it would be hard to sell GP to a big provider and we should perhaps look to merge with another provider (a like-minded facility) with a first port of call perhaps being Merton Court, Denman.

29. Prior to making any decisions, there is help available from the Business Workforce Advisory Programme – they help with the develop of the business. They identify what you want to do and help you get there
30. The Commonwealth Government, through their *Business Workforce Advisory Program*, offers assistance in operating small businesses such as GP. Council is also eligible to access this free service

## Gummun Place Financials 23/24 (Federal Government)

The Federal Government's My Aged Care website provides the 23/24 breakdown for GP financials (see <https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155/finance?search=search-by-name&searchType=agedCareHomes&name=Gummun%20Place>).

The image below is taken from the My Aged Care website.

### How much did this provider spend on care and services?

Every business makes decisions about how much it spends on different things. You can use the chart below to see what this provider prioritised last year. These figures are from the 2023/24 financial year and may not reflect the aged care services current operations.



**\$411.58**

Total expenditure (per resident per day)

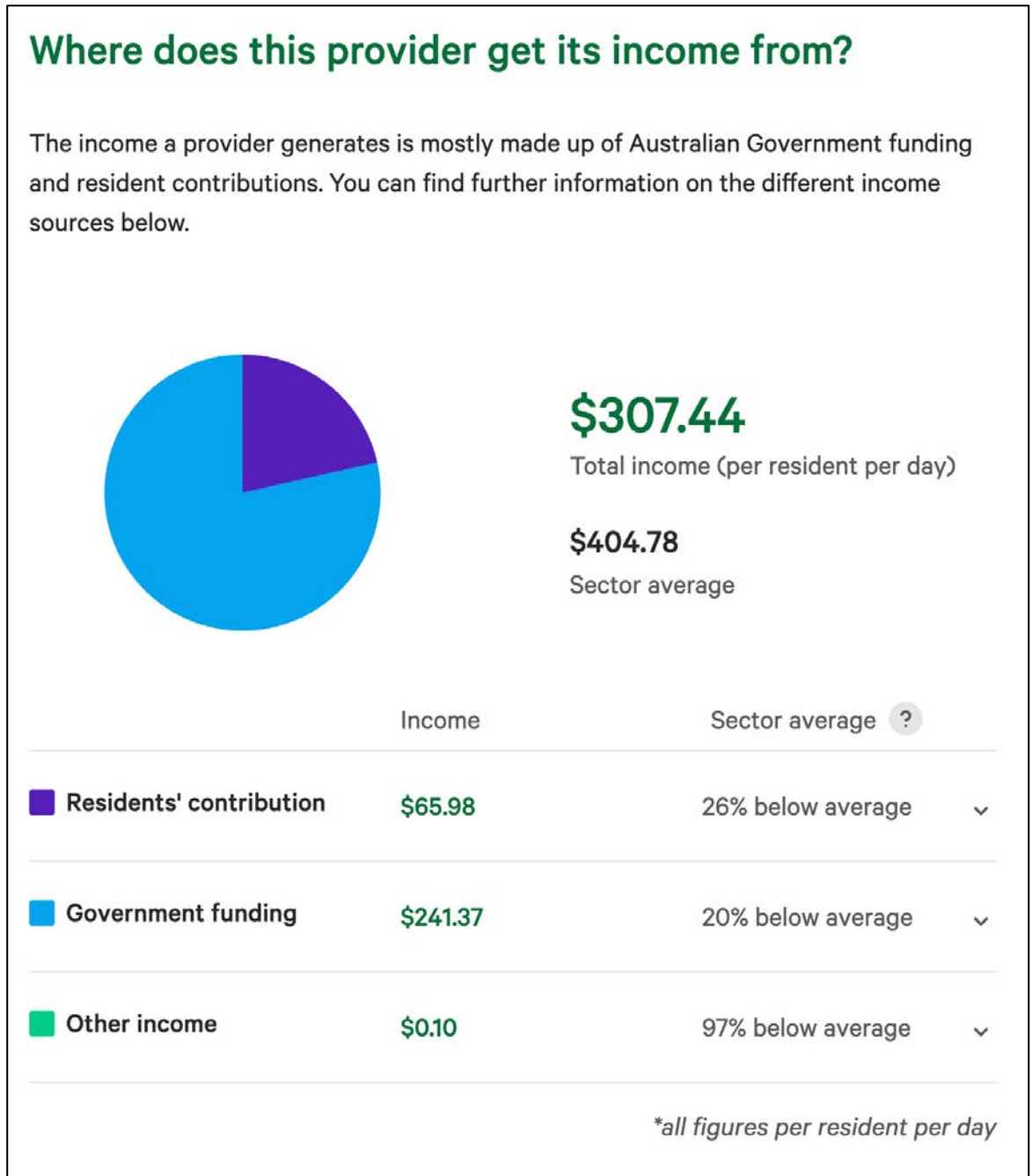
**\$395.27**

Sector average

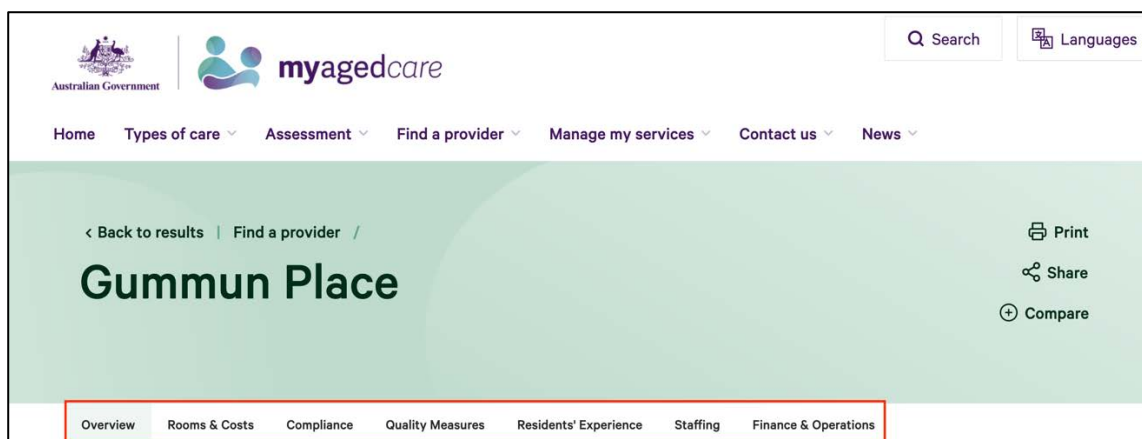
	Expenditure	Sector average <span>?</span>	
<span style="color: purple;">■</span> Care and nursing	<b>\$254.75</b>	8% above average	▼
<span style="color: blue;">■</span> Administration	<b>\$54.76</b>	8% above average	▼
<span style="color: green;">■</span> Cleaning and laundry	<b>\$21.92</b>	22% below average	▼
<span style="color: yellow;">■</span> Accommodation and maintenance	<b>\$45.32</b>	20% above average	▼
<span style="color: pink;">■</span> Food and catering	<b>\$34.82</b>	13% below average	▼

*\*all figures per resident per day*

According to the My Aged Care website, in 23/24 GP received the bulk of its income (almost 80%) from government funding. The breakdown is shown in the screen shot below. (see <https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155/finance?search=search-by-name&searchType=agedCareHomes&name=Gummun%20Place>).



The My Aged Care website also provides information on rooms and costs, compliance, quality measures, and residents' experience. These details can be found at <https://www.myagedcare.gov.au/find-a-provider/aged-care-homes/1234155>.



## Gummun Place Questionnaire

In January 2025 the MDPA surveyed the district as a way of “taking the pulse” of the local residents. The MDPA also wrote to Council asking them to not make any decision in relation to the EOI until the results of the survey were known.

The Council made it clear in a response to the MDPA that they would be doing all community consultation via the new Gummun Place Hostel Advisory Committee. Therefore we offer the results of the questionnaire in this report.

One hundred and forty five questionnaires were returned. Of those five were discounted due to the way they were completed (only half the questions completed or multiple answers given when only one answer was required). This left a total count of 140 questionnaires.

The aim of this questionnaire was to understand the preferred direction of the locals. It was not to develop an operating model.

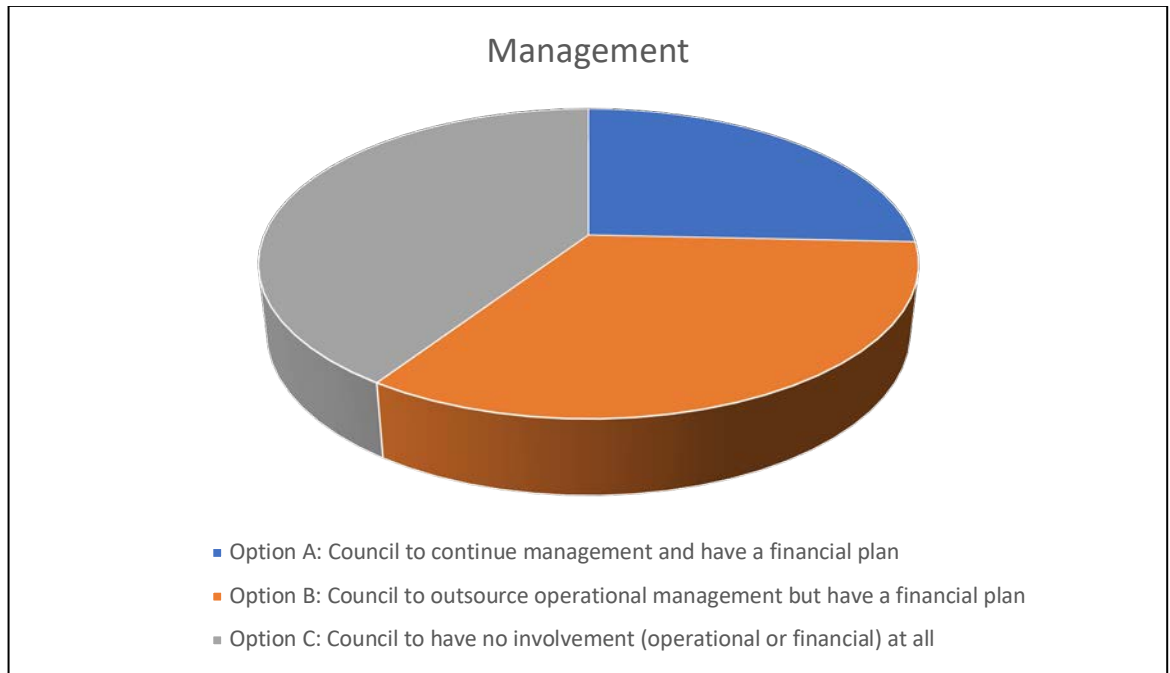
The questionnaire had four sections aimed at eliciting information regarding:

- the community's thoughts on the management of GP
- the community's thoughts on the leasing of GP
- the community's thoughts on the selling of GP (meaning the bricks and mortar)
- the community's thoughts on other ways GP might operate and remain a community facility.

The raw count is set out in the following pages.

## Questionnaire – perceptions of ongoing management

Some 40% of respondents believe the Council should have no management oversight of GP while another 60% believe the Council should remain engaged either as financial managers only (option B below) or as financial and operational managers (option A below).



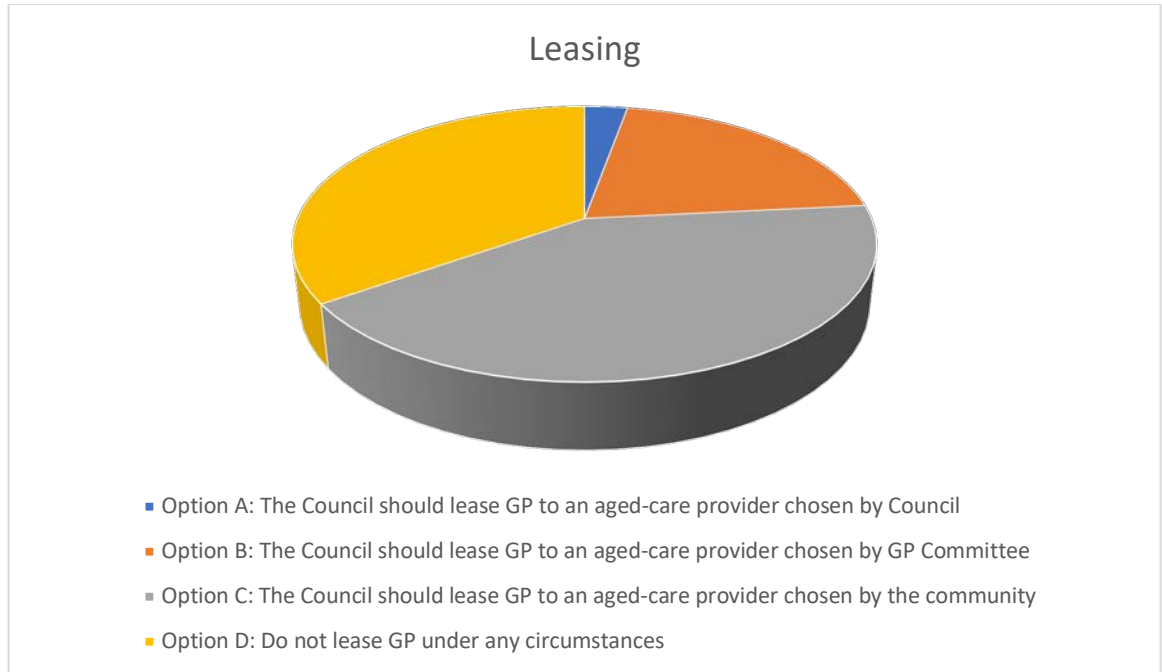
Options A to C are set out below – as they were worded on the questionnaire. Note: the options may not have been presented in the order shown below.

Respondents were asked to select one option only.

Option	Wording as shown on questionnaire	Count (N=140)
A	The Council should continue to manage Gummun Place (operational and financial) as per current practises but develop a plan for ensuring Gummun Place becomes financially self-sufficient (i.e. income equals expenditure) within 2-5 years.	36
B	The Council should: <ul style="list-style-type: none"> <li>retain all financial management (accounts, reporting, financial reporting, etc.),</li> <li>and outsource the operational management (day to day operations) to a qualified aged care company,</li> <li>and put in place a plan for ensuring Gummun Place becomes financially self-sufficient (i.e. income equals expenditure) within 2-5 years.</li> </ul>	47
C	The Council should not, under any circumstances, continue to financially or operationally manage any aspect of Gummun Place this includes overseeing any organisation that manages it.	57

## Questionnaire – perceptions of ongoing leasing arrangements

It appears the community is not completely adverse to the idea of leasing GP but do not believe the Council should be the decision-maker in this process. Over 75% of respondents want either the committee or the community to have a say in the leasing arrangement and to whom the facility is leased (if this path is chosen).



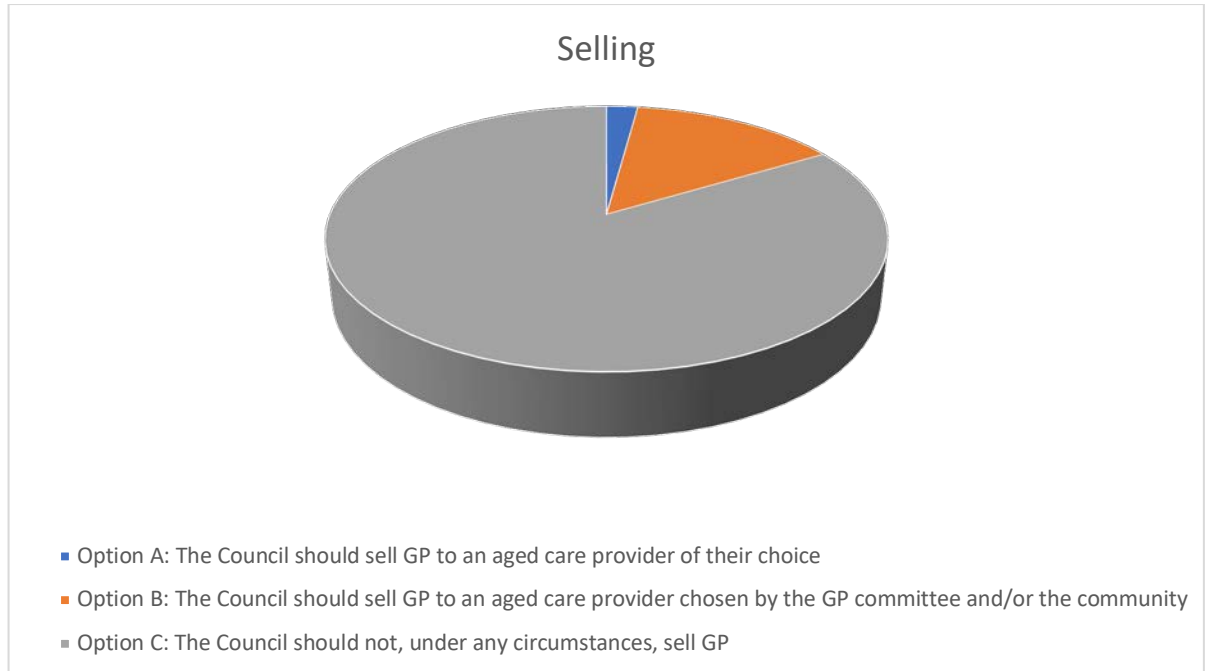
Options A to D are set out below – as they were worded on the questionnaire. Note: the options may not have been presented in the order shown below.

Respondents were asked to select one option only.

Option	Wording as shown on questionnaire	Count (N=140)
A	The Council should lease Gummun Place to an aged-care provider of their choice (it is up to the Council to choose the company who will lease the facility).	4
B	The Council should lease Gummun Place to an aged-care provider chosen by the Gummun Place Committee.	29
C	The Council should lease Gummun Place to an aged-care provider AFTER they have consulted with the community and the community has had a say in which organisation is chosen.	59
D	The Council should not, under any circumstances, lease Gummun Place to a third party.	48

## Questionnaire – perceptions of selling GP

Based on the questionnaire results, the idea of selling GP is clearly a major issue for the community. Given the facility runs at a loss year on year and the losses appear to be accumulating, it is assumed there is no underlying “business” to sell. Therefore, the question was based on the idea that the facility (being the only thing of real value in a financial transaction) would be sold (along with the business functions).



Options A to C are set out below – as they were worded on the questionnaire. Note: the options may not have been presented in the order shown below.

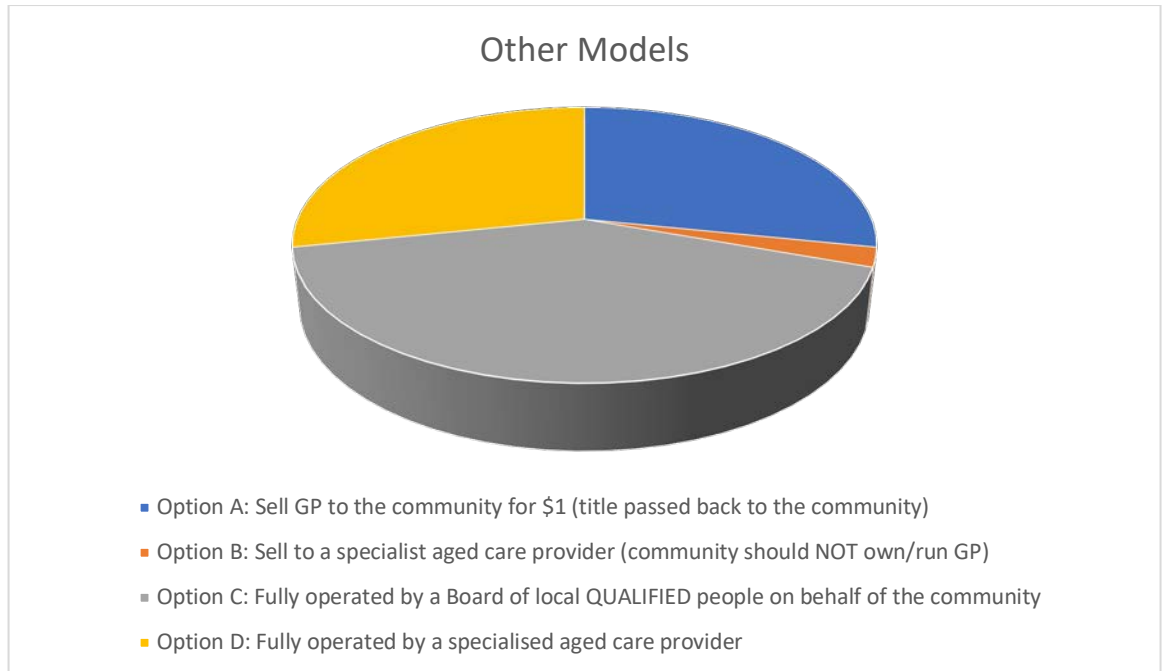
Respondents were asked to select one option only.

Option	Wording as shown on questionnaire	Count (N=140)
A	The Council should sell Gummun Place to an aged care provider of their choice (it is up to the Council to choose the company who will purchase the facility).	3
B	The Council should sell Gummun Place to an aged care provider chosen by the Gummun Place committee and/or the community.	20
C	The Council should not, under any circumstances, sell Gummun Place to a third party (it must remain a community-owned asset).	117



## Questionnaire – other options

To canvas other options – particularly around community ownership, the respondents were asked to consider alternative models and also offer suggestions of their own. In this question, respondents could select more than one option. Of most significance is the fact that a locally owned (option A) and/or locally managed (option C) facility was a preferred alternative to the current model.



Options A to D are set out below – as they were worded on the questionnaire. Note: the options may not have been presented in the order shown below.

Respondents were able to select multiple options.

Option	Wording as shown on questionnaire	Count (N=140)
A	The Council should sell Gummun Place to the community for \$1 (so the title of Gummun Place is passed back to the community).	50
B	The Council should sell Gummun Place to a specialist aged care provider and the community should NOT have a hand in owning or running Gummun Place.	4
C	Gummun Place should be run (financial and operational management) by a Board of local QUALIFIED people on behalf of the community.	73
D	Gummun Place should be run (financial and operational management) by an organisation that is a specialised aged care provider.	50

Overwhelmingly the local community is looking to ensure the facility remains in local hands or has some sort of local control via a Board.

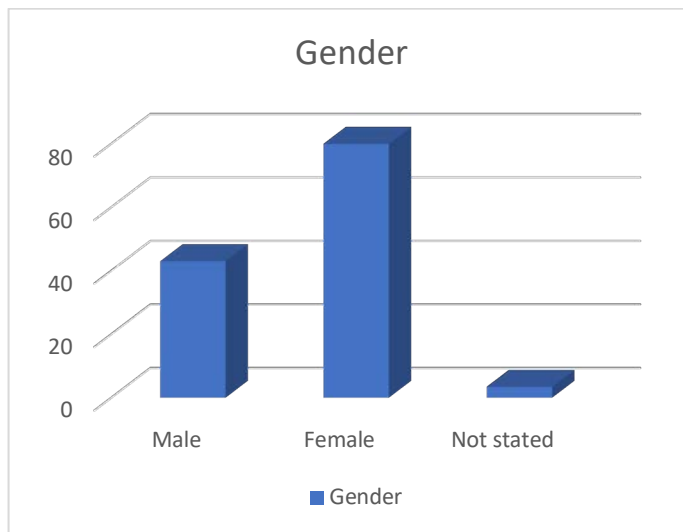
## Questionnaire – additional comments

Respondents also expressed the following in relation to an alternative operating model:

- Although I think leasing GP to a certified aged care provider is the best option I am concerned that this could limit opportunities for future growth and development that will strengthen GPs viability and help the community. Council and the GP committee should pay attention to this.
- This was a community initiative and MUST NOT be abandoned by the Council.
- Council needs an aged care plan that covers the hostel, independent living, palliative care to ensure the future viability of this town.
- Should not be shut down. Should be run by an authorised aged care provider.
- The asset should never be sold, so that we do not lose the service that the community needs, however better qualified operational management is needed to ensure our aged citizens have the best care they deserve.
- Don't want to see another asset of the former Merriwa Shire sold.
- I like the idea of having community involvement - congratulations and keep it up. I also think if we sell it our (Merriwa) community will not benefit from any funds received.
- It would be useful to see the financial books on GP. The whole residence needs to be updated in order to attract more staff. Then increase residence fees.
- (...) If it gets leased, there needs to be a strong capex focus.
- Council should keep managing and operating the facility through qualified and specialised people from the community and from across NSW.
- Should be locally owned after Council has fixed up any outstanding bills.
- With the regulatory requirement associated with the Aged Care Act it would be very hard for Council to undertake all aspects in order to be compliant - this requires specialist knowledge that is not in Council's remit. It is also hard for a small stand-alone NFP organisation to be financially viable and meet all the compliance requirements.
- Need at least monthly updates on all progress - plans and timeframes quarterly or 6-monthly. Public meetings with UHSC management.
- GP needs to expand to self-contained units so there is a transition to care for elderly. These types of units are financially viable and if they had been done as per original plan, GP would be more viable now as a staged aged care provider.
- Council should invest in homes, flats etc. built on the grounds of GP to provide for staff only.
- Council should retain management and full ownership of GP Hostel. Council should advocate strongly to the Federal Government for additional funding due to the imposed changes on the operation of aged care facilities from the Royal Commission.
- Council should remain owners, employ a financial director, general manager and other directors that are qualified and show interest and ownership in the Council assets they oversee.
- A financial plan to return it to at least a break-even scenario should have been enacted well before it reaches such a large debt.
- It is critical for Merriwa to have a viable, well run aged care facility. Its relative isolation, lack of regular reliable public transport means the local older population must have the comfort of knowing they and their family can remain connected by coming to GP [and be] well looked after.

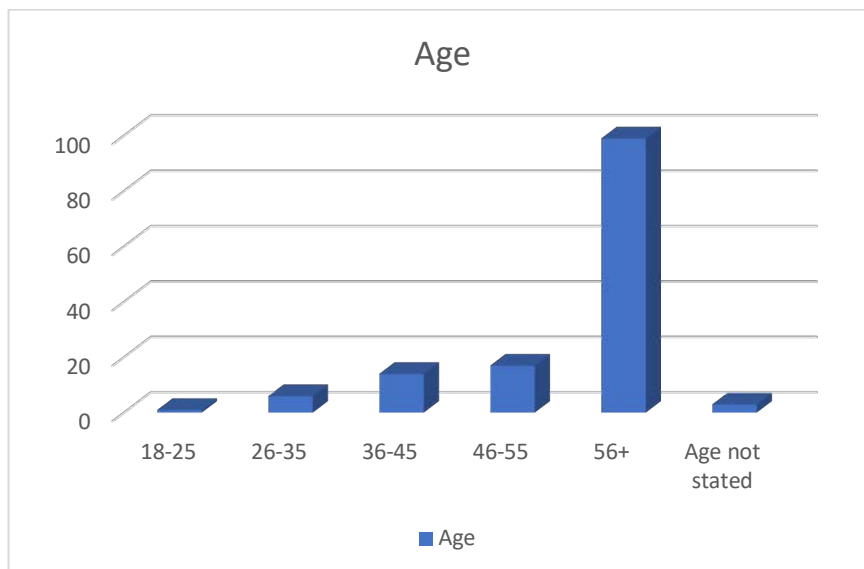
- GP needs to expand to self-contained units so there is a transition for elderly. These types of units are financially viable and if they had been done as per original plan, GP would be more viable now as a staged aged care provider.
- Community owned, managed by committee or co-op.
- Gummun was built by and for the community. [The residents] worked hard, lived hard and paid their rates. They deserve to have dignity of life as they get older. Council must keep GP and if your current staff do not know how to manage this - let them go and find the right people who can!!! Money was wasted on footpaths, lights on trees, silos, willow tree road, Scone airport. These projects are not living entities. GP is alive, day and night and needs people to be kept alive.
- Council must continue to own and manage GP. Merriwa people have worked too hard and have paid their rates to now be put in a position of fear by not knowing what will happen to them as they get older. Council must own up to the fact that they have staff who do not know how to manage this facility - so go and get the right people who know what to do!!!
- Merriwa has qualified people to run GP both financially and operationally as they have successfully in the past. Shire should stick to running the 3Rs.
- GP was originally started and operated by local qualified people successfully for years.
- Red tape is a problem for GP and our local [politicians] need to set up a department / organisation that handles it for small hostels.
- Financial and operational management should be looked at closely, including the staff as they are the people that are the front line management of GP. First the payments that have been paid to stay at GP should be checked to make sure that money is available and accounted for.
- GP is an important community asset for Merriwa. Where do the allocation of beds go if GP closes - Merriwa, elsewhere in the UHSC or further afield. It is critical the residents receive the appropriate level of care while in residence.
- Ownership should remain with either community or Council. If leased, income should be reserved for use by/for GP, and not put into general [UHSC] revenue. I believe there is a trust document re GP ownership. Should get independent level advice about terms of the trust. Council stated they have legal advice, ask them to provide the trust document to community for independent review.
- Council should show what they are spending money on, they say they are spending, for the reason they need to sell. Council should start answering questions the community is asking - start being straight with us.
- Shared financial / operational management with other [aged care facility] in surrounding area e.g. Denman, Murrurundi.
- Look at other successful community run, similar sized aged care hostels for guide. Petition governments to adapt legislation to cater for smaller care facilities.
- Ownership should be retained at all cost otherwise we have no control in the future. Gummun Place [should be] run by a Board in conjunction with a specialist aged care provider.

## Questionnaire – demographics



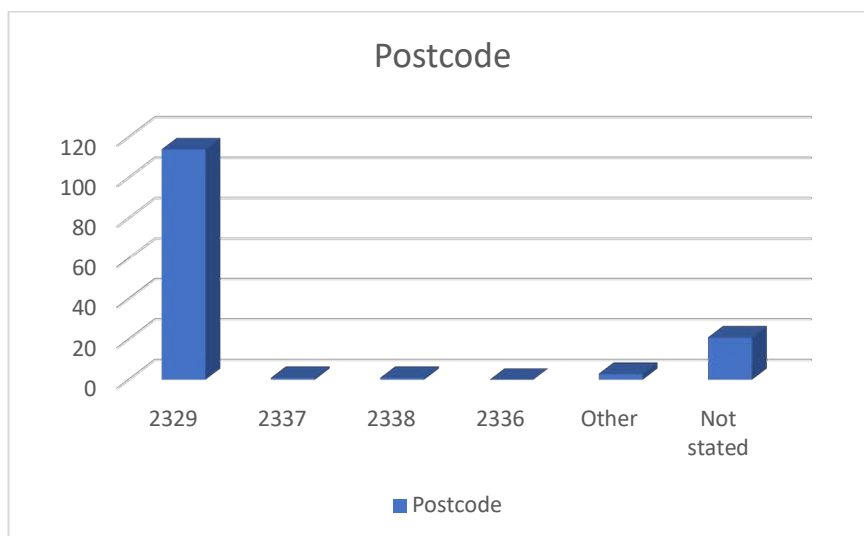
### Gender

Male	43
Female	80
Not stated	17



### Age

18-25	1
26-35	6
36-45	14
46-55	17
56+	99
Not stated	3



### Postcode

2329	114
2337	1
2338	1
2336	0
Other	3
Not stated	21

## Options and possible solutions

Advice to the MDPA suggest it is unlikely that any **large** provider will want to buy the facility given current financials and size of the facility. In the absence of any transparency from the Council, it is difficult to know whether the EOI has elicited interest from any large provider.

Extended services that bring in income that could help meet the financial needs of GP include:

- enlarging the facility by constructing more units
- having independent (unassisted) living units
- extending into services such as NDIS accommodation
- having a complete pathway through aged care (to meet all levels).
- investing deposits paid by residents (in some instances residents pay an up-front lump sum deposit to move into GP).

There is some suggestion that a low-care operating model (also referred to as a staffing model) may be possible – this is somewhat how the facility used to be.

Using previous (historical) rosters that reflect this staffing model, this would allow residents to be cared for by competent care staff, with a registered nurse having oversight a couple of days a week.

The MDPA is told that, contrary to popular belief, this level/staff mix can ensure a high level of care. However, while GP looks to maintain AP status – and operate as an accredited residential care facility – we could not (moving forward) get around the need for registered nurses on a 24/7 roster. It is this requirement that is **not** sustainable.

This may mean moving completely away from residential aged care and operating GP as a retirement village/assisted living facility. This would require a lot less staffing and allow the facility to then tap into a range of services through community health – for example, a community nurse for registered nurse oversight.

These services are not accessible while operating as residential care facility. If the community is to maintain the facility, this may be the only sustainable model, given all the current obstacles.

There would also be the option of taking in a percentage of residents who are having their care funded through an NDIS package.

The shift from a residential care facility to a retirement village would not be an easy feat and bring into question whether the residents with current “high care” needs be able to be cared for appropriately with a model that has a lot less staff.

## Document History

Version	Date	Details	Distribution
01-0325	8/3/25	Document outlining the work done by the MDPA in relation to GP and the issues facing it.	Gummun Place Hostel Advisory Committee