



The Anglican Church of Australia

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Open letter to the community regarding Kellock Lodge – 18 June 2018

I write as a director of Kellock Lodge and as the Chair of the Trustees of the Anglican Diocese of Wangaratta, which is Kellock Lodge's Approved Provider under the *Aged Care Act 1997*.

Kellock Lodge is a valued community asset, and it is important that the community has accurate information about the Trustees' wish to strengthen its capacity to provide quality care by putting in place a new governing board.

The most important thing for the community to know is that the prime concern of the Trustees is those in the care of Kellock Lodge – our seniors and some of our most vulnerable and aged – and those in the community who will need quality care in the future.

It is no secret that Kellock Lodge has faced recent challenges. For example, earlier this year it was found to be non-compliant with seven critical expected outcomes under the Federal Government's quality framework, including clinical care, medication management and nutrition and hydration.

This and other issues have compelled the Trustees to act, in the best interests of the elderly who rely on Kellock Lodge for care. We commissioned an independent review by leading industry experts to look into Kellock Lodge's governance, finances and operations.

A key recommendation of the review is a new governance structure – one incorporated association and one board of directors for the Diocese's homes, Kellock Lodge and St John's Village in Wangaratta. The Trustees accept this advice, and hope that in the coming weeks the members of the existing Kellock Lodge and St John's Village incorporated associations will endorse the proposal.

We believe that the long-term best interests of Kellock Lodge's residents and staff will be best served by creating a new professional board with specialist aged care and health care expertise to oversee both homes. This would include some directors from both homes' current boards.

With strengthened governance and operational resources, Kellock Lodge and St John's Village will be well placed to meet the challenges of providing quality care in an increasingly complex and competitive aged care environment.

If the members endorse the proposed governance changes the role of the Diocese as the Approved Provider under the aged care legislation would not change. The facility's name would remain Kellock Lodge and its future as a much-loved community asset would not change. Importantly, a new governance structure would not affect the security of tenure, bonds and fees of aged care residents and independent living unit owners, as agreements would not change. Staff entitlements and employment conditions would also remain unchanged under the existing staff Enterprise Agreement.

You may have heard claims about the motivations of the Trustees. These include the allegation that we want to appropriate the assets of Kellock Lodge for St John's Village. The independent review undertaken included comprehensive financial modelling which showed both Kellock Lodge and St John's Village would be strengthened by coming together.

The basis of allegations in relation to assets is the different accounting practices used by Kellock Lodge and St John's Village. Because of this, at first glance, St John's Village may appear to be less financially robust. But I can assure the community that the auditors have verified that St John's Village has significant assets and more than enough funds to meet commitments such as bond refunds. In short – the Trustees do not want or need to take the assets of Kellock Lodge for the benefit of St John's Village. I am very happy to go through the accounts of St John's Village with any community member who has a concern.

I am heartened by the support of the staff who have worked tirelessly to make operational improvements, residents, the majority of the Kellock Lodge board and others in the Alexandra community. I have every confidence that the changes we are seeking to put in place will be the beginning of a new era for Kellock Lodge, safeguarding its future and ensuring that it can continue to provide quality care for the elderly of Alexandra and surrounding regions into the future.

Yours sincerely,

The Rt. Revd. John Parkes AM



**Bishop of Wangaratta
Chair of the Trustees of the Anglican Diocese of Wangaratta
Director, Kellock Lodge**

This letter is co-signed and supported by directors representing the majority of the board of Kellock Lodge:

Graeme Brown, Ian Davis, Ann Hunter, Heather McLaren and John Parkes