



# **Lutheran Homes Group (LHG)**

## ***Merger Frequently Asked Questions***

**30 March 2022**

Following the merger between LHI Retirement Services and Fullarton Lutheran Homes, it is understandable that residents, families and staff will have questions about how this may affect them. This document answers some of those questions and issues and will be updated as we progress through the transition.

If you have other questions that haven't yet been addressed, please send your query to [FAQ@lhg.org.au](mailto:FAQ@lhg.org.au)

### **General questions:**

#### **Why is Fullarton Lutheran Homes merging with LHI?**

The two organisations have joined to form a new organisation – Lutheran Homes Group (LHG) – with local and individual identities. LHG has the size and scale to continue providing high-quality services with a Lutheran ethos long into the future.

The consolidation provides the size we need now with the option of growing further.

Together, we will build on our strong reputations and serve our communities in Fullarton, Glynde, Hope Valley and Para Vista. For example, we will be able to provide more services, including Home Care Packages and Commonwealth Home Support Services.

We will also be able to invest in new systems and specialists, bringing innovation to the way we operate and provide care. We are a human services/health services organisation and the people entrusted to our care come first. In the modern world we need modern systems to provide that care and we need size and scale to be able to do that.

#### **Will all the services we're used to be retained?**

Yes – and being a larger organisation gives us scope to provide additional services and care. LHI provides home care services to many of its residents and the new organisation will ensure that these services are also made available to ILU residents at Fullarton and Para Vista. This is particularly important as we see a market shift and preference for people to be supported in their own homes for longer.

As a larger organisation we'll also be able to hire specialists to help us manage the increasing number of Government requirements, freeing up other staff for their core work of caring for our residents.

**If you get too big, we the residents, might just become like numbers or cogs in a wheel.**

That won't happen. LHG gives us an efficient and logical structure to work under and a great benefit of that is being able to concentrate on care and services more fully for our residents. That personal contact and knowing our residents well is a cornerstone of our model of care, and always will be.

**LHI and FLH both have a long history and very clear Christian values. How will they be preserved?**

A great deal of time and planning has gone into this aspect. LHI and FLH share a common set of values and a common Lutheran identity, and these remain the cornerstone of the LHG's care delivery. Our Christian mission will always be our strength and our ministry is being carried on in the same way by the new organisation.

Both homes have a long history and a great many people have contributed to their success and continue to do so. That contribution is recognised and appreciated and will continue to be honoured in the life of LHG.

Our Pastors and congregations are, of course, crucial to us and this will never change. Lutherans provide aged care because it is part of our calling to serve our communities and part of how we live out our service.

**What will it mean for staff?**

This is good news for staff. As a larger organisation we can offer greater opportunities for staff across all locations, including better career pathways and more fulfilling careers.

It's becoming increasingly difficult to recruit caring and dedicated staff and LHG will be in a better position to attract suitable, well-qualified staff to work alongside our existing dedicated team.

We are committed to working with our staff to build their futures.

It is important to note that we do not envisage wholesale change for frontline staff in day-to-day operations. We will continue to evolve and strive for best practice; this may lead to operational changes in time, but these changes will be based on operating a best practice service delivery model that provides our residents with high quality care.

**When is it happening?**

The new Board and CEO (Tim Chia) are now responsible for LHI and FLH. New staffing and management structures arrangements will be introduced over the coming months. The Lutheran Homes Group name is in the final stages of being formally registered.

## **Who is on the new Board?**

The new Board has a strong Lutheran identity and Board members have the right mix of skills and experience to meet the governance requirements of the larger organisation and Government regulators. All eight Directors previously held roles on either the FLH or LHI Boards; they are Mel Blondell (Chair), Andrew Cannon (Deputy Chair), Colleen Fitzpatrick, Deb Bryant, Tony Materne, Philip Riquier, Emily Haar and Kathryn Materne.

## **Who is running things?**

The new Board has appointed Tim Chia as CEO of LHG.

## **What will it mean to FLH Members and ILU Residents?**

The Constitution of the new organisation does not include a provision for life and annual members. The Retirement Villages at Fullarton, Para Vista, Hope Valley and Glynde will operate under a single Constitution which will include the establishment and/or the continuation of existing Residents' Associations within each village. The Residents' Associations at LHI Hope Valley and Glynde have operated very successfully over many years with an excellent level of engagement between residents and management. This model of resident engagement will be encouraged across Fullarton and Para Vista Retirement Villages.

## **The two organisations each have their own identity. I'm concerned that will be lost in the merger.**

There is definitely a place for faith-based, not-for-profit aged care providers such as LHG. As a larger organisation, LHG will provide a wider range of services such as Retirement Living, Home Care Packages, Respite Care and Residential Care as well as access to healthcare and lifestyle services. When we talk about identity we often mean our community – we will always work with those communities, preserve their identity and continue to serve them.

## **Is this all about cost saving?**

No, it's not, the merger is taking place because it's the right time to do it. The rising cost of aged care is a fact in everyday conversation and we are all aware of this.

We are forming LHG because it makes sense for both organisations to do so, and we have identified that scale is important now and will be even more important in the future. Together we will be able to use our size to offset the increased cost of compliance by streamlining overhead and compliance costs which the Government does not subsidise.

## **What's it going to mean to the standard of care?**

One of the main reasons for coming together is to give us the size we need to sustain a very high standard of care. It's one of the prime reasons for the consolidation. The Boards of both LHI and FLH reached a point where they agreed that it was necessary to grow quickly now and create an opportunity for future growth. This consolidation achieves that and it will give us the size we need to reassure all our residents and their families that the standards they are used to will remain.