



Sink or swim? Lyndoch's \$22m clinic months from completion

Description



The \$22 million health care centre under construction at Lyndoch Living. It was due to open next month, but is far from completion.

Carol Altmann – The Terrier

Lyndoch Living's multi-million-dollar health clinic was due to open next month: it's still an empty shell.

This is the three-level, 6761sq/m, \$22 million (at least) health centre being built right next door to Lyndoch on Hopkins Rd.

This project will either be a white knight, or a white elephant. It could kill Lyndoch.

The whole project is a huge gamble and it's one the board decided to take about five years ago, without any public consultation, when for the first time in Lyndoch's history, it borrowed a bucketload of money – about \$12 million – to fund this grand plan.

On top of the \$12 million, Lyndoch has redirected another \$10 million from its own funds (not including residential bonds, which is illegal) that would otherwise have gone toward aged care.

So that's at least \$22 million which has to be recouped by Lyndoch, plus any cost blow outs, plus interest, plus taxes, plus maintenance and repairs, before this building turns a profit.

The building was supposed to be finished by next month, or August at the latest.

As we could see during the 5 June rally, it's nowhere near it.

And so the huge floor space – equal to about four Olympic swimming pools – is nowhere near being ready to start taking tenants.

Which brings us to the first of many questions:

What is the new finish date?

What are the inevitable extra costs due to delays and the rising cost of materials?

And – most importantly – how many tenants has Lyndoch secured for the space?

The board was hoping for a full royal flush of up to 20 GPs, a dentist, a radiologist, acute care staff, pathology, allied health services, a café, a chemist and education/training facilities.

God knows where they're all coming from.

Perhaps Lyndoch has a secret stash of healthcare professionals tucked away that the rest of regional Victoria can't access.

The Warrnambool Medical Clinic, which Lyndoch bought three years ago, has 14 (full and part time) GPs but those contracts recently expired, and it's not known how many have signed up for another three years.

I've asked Lyndoch CEO Doreen Power and chair Sue Cassidy for comment on all of these questions, but, once again, have had no reply.

I have also not had a reply about the directorships of the medical clinic company (Lyndoch Healthcare Pty Ltd).

The company has four directors: Ms Power; Unisex Cuts hairdresser Ms Cassidy; board member and Warrnambool City Council manager Andrew Paton; and, more recently, Sue Fleming who was previously with South West Healthcare.

How were these directors chosen? Were these positions advertised? How long are they directors for?

And the big question that nobody seems to be able to answer: will they be paid?

Given the clinic is a commercial venture, (not a charity or not-for-profit), you would assume the answer is YES!

The best I could get from Mr Paton, some months ago, was that he was not being paid "for now" and that any other suggestion was "hypothetical".

So Lyndoch continues to pretend it can do what it likes, even when the future of Lyndoch is at stake, but we are getting mighty sick of the game, and so is the new Federal Government.

As MP Anika Wells tweeted last night: "Accountability and transparency will be at the centre of all aged care reform under the Albanese Government".

It can't happen soon enough.

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Author

carol