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Aged-care centres hit by debt crisis

Hundreds of people living in 10 aged-care and other residential centres in Victoria face an uncertain future, after the two debt-plagued companies that operate the homes went into voluntary administration.

Almost 100 residents live in the three affected nursing homes, and 200 live in the seven other supported residential facilities, which mainly house aged-care residents but can also include people with disabilities.

All of the homes will remain open, bar one in West Preston that will close today, as had been planned before the company went into administration. All residents had already been moved except for two, who will be moved today.

A Queensland-based family owns the companies – Shamrock Nursing home and Torkar.

Deloitte was appointed receiver and manager this week and has started telling staff and residents and their families. It has stressed that the issue is not related to standards of care, and is solely financial. Deloitte is trying to find buyers.

The facilities employ 250 staff, including casual staff, who will continue to be paid. But it is unclear if they will keep their jobs or receive all entitlements.

“We’re continuing to trade and it’s going to be an orderly sale process,” Deloitte partner Simon Wallace-Smith said. “There is no standard-of-care issue.”

He said he was hopeful staff would get all their entitlements. “The employees have been very supportive,” he said. “I’m hopeful of them being able to find employment with the new owners of the facility.”

The federal Department of Health and Ageing oversees nursing homes, while supported residential services are the state’s responsibility.

The Department of Human Services will appoint an administrator early next week to protect the interests of people in the residential facilities. A spokesman said the department has been in contact with the receiver and would continue to work with him.

The Department of Health said it was closely monitoring nursing homes.

Nursing Homes:

- Camelia Court, Mount Martha
- Country Club Lodge, Safety Beach
- Woodleigh, West Preston (closing today)

Supported residential services:

- Southcare Lodge, Hastings
- Mornington House, Mornington
- Adare Aged Care, Wantirna South
- Grace Manor, Glen Waverley
- Malvern Manor, East Malvern
- Bellarine Court, St Albans Park, Geelong
- Raynes Park Court, Hampton