

For Immediate Release

Thursday 28 January 2021

BCH Board Statement Eric Tolliday Units

BCH has announced a significant operating deficit for the second consecutive year, and a rigorous turnaround strategy to return the organisation to a financially positive position is now being implemented.

There are several reasons for the deficit, including lost revenue and increased costs due to COVID-19, additional clinical costs to address wait lists, back payments for award entitlements and additional costs associated with the implementation of new information and communication technology and infrastructure.

This financial situation means that BCH does not currently have the funds to commit to the redevelopment of the Eric Tolliday Units.

BCH understands that some community members will be disappointed that work has not progressed as planned. It is also extremely disappointing for the Board. The BCH Board has had to make some tough decisions that support the viability of BCH, but it is not abandoning the Eric Tolliday Units, or the current residents.

BCH is actively pursuing alternative funding opportunities and other potential partnership avenues to achieve a redevelopment. BCH is extremely hopeful of being able to make some further announcements in the coming months.

BCH acknowledges that the intention was to provide funding for community projects from some of the proceeds of the sale of aged care licences. However, as noted above BCH has incurred substantial deficits in the last two financial years.

While BCH is unable to provide funds for the redevelopment of the ETUs, the company is committed to provide funding for community purposes when able. At present the aim is to return to breakeven or better within two years, but no firm commitments on timing or value can be made at this time.

BCH has already undertaken, at cost, a significant amount of work towards the ETU project including a site survey, concept planning, initial costings, and modelling.

The Community Engagement Reference Group worked tirelessly to research, investigate, and draft a proposal for an affordable housing model to present to the BCH Board. That work will be used to inform discussions and funding bids and potential partnering arrangements to advance this project.

The needs of the current ETU residents remain a priority and BCH will continue to support the residents while alternative redevelopment opportunities are sought.

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