

# CHANGE IMPACT STATEMENT

This Change Impact Statement provides details about the proposed changes at Whiddon Easton Park to maintain financial viability, specifically to rostered hours and ordinary hours of work across the group care departments (nursing employees), the impact of this proposed change to employees and outlines the consultation process on managing the proposed change.

## 1. Project Purpose (Why)

In 2022 an operational review was conducted for our Whiddon Easton Park Aged Care Facility. The purpose of the review was to undertake an analysis of the financial viability and sustainability of the business, particularly in relation to the Easton Park campus. Upon completion of the review, Whiddon identified that the Easton Park campus has run at a financial deficit of \$7.3million over the last 3 years (excluding the direct cost impact associated with COVID outbreak management).

The purpose of the below proposed changes is to assist in addressing operational costs, and financial deficit, associated with the Easton Park Aged Care Facilities and to ensure that the campus can continue to operate into longevity in a financially sustainable manner. It must be noted that Whiddon has already assessed several costs associated with running the campus, with review to streamlining, reducing operating costs, reducing waste and increasing funding and income streams, of which we outline the particulars below:

- A review and implementation of increasing ACFI funding / active preparation and management of the new AN-ACC funding model, to ensure revenue received is aligned with current resident care needs;
- Actively increasing occupancy of the residential homes across the campus through various methods of community and referrer engagement;
- Implementing additional services available to new clients which results in residents contributing to the cost of lifestyle options provided at Whiddon;
- Review of major contracts to identify efficiencies in both service delivery and cost;
- Changes to the dining experience through the decentralisation of the kitchens to the homes. The focus of this project was to improve the resident dining experience, while the project also resulted in operational cost reductions;
- Continual review across procurement to identify opportunities to streamline, re-negotiate rates with providers and reduce waste; and
- Actively exploring other new funded business opportunities via grant programmes such as transitional care, currently available in EPU.

Unfortunately, the above changes have not been sufficient enough to ensure ongoing financial sustainability of the Easton Park services. Whiddon are in a position where the review of our care roster must occur to ensure we are operating efficiently and effectively and can sufficiently address the financial concerns while continuing to maintain the level of care required by our residents.

## 2. Description of the proposed change (What)

As part of the financial review process Whiddon conducted an operations review of its Easton Park Aged Care Facilities which included consideration of current roster efficiency, the facility's occupancy rates, care hours being provided and operational costs. The review was conducted in line with recommendations from the Aged Care Royal Commission, current industry averages and internal benchmarks and was undertaken with key consideration to the delivery of ongoing high-quality services, safety to residents and employees and continuous improvement.

Whiddon identified several business areas where efficiencies could be achieved, in particular, the requirement for a roster review across all our Residential Aged Care homes at Easton Park. The aim of the roster review and proposed changes are to:

- provide consistent shifts to streamline roster practices
- allow rosters to flex with high and low demand times for resident care needs across a 24-hour period
- harmonise start and finish times to make it easier for employees working across multiple buildings
- reduce the length of overnight shifts to increase safety for employees and residents
- see the removal of paid meal breaks for overnight staff which is not a provision of the Whiddon EA
- see some clinical RN shifts being paid in charge allowances

- continue to deliver high quality care well above the industry average as we moved into the new AN-ACC funding model from October, 2022
- see more balance across the EP site with staff care minutes reflecting more accurately resident equity and occupancy and in line with the mandated care minutes which take effect in October 2023

Whiddon is proposing changes to rostered hours and ordinary hours of work to meet the operational requirements. This is to be achieved through consultation with all employees with, subject to the consultation process, agreed published rosters commencing 05 June 2023.

### 3. Proposed Change (What)

The proposed changes to rostered hours and ordinary hours of work are based on current contracted hours and the operational requirements per business area. It is identified that Care departments (which includes RN, EN, AIN team members), will see a change in the span of hours (start and finish time) across the roster. The proposed span of hours will vary with some shifts becoming slightly longer and some shorter.

For further context, the proposed changes will mean changes to the Care Minutes and the Rostered Hours, of which we outline below:

#### Care Minutes

Consistent with the recommendations from the Royal Commission and the guidance issued to Providers by the Department of Health (DOH), Whiddon have calculated care minutes per resident per day based on worked hours of registered nurses and personal care staff/assistants in nursing. One hundred percent of the time worked by these team members within the facilities, has been used to calculate the care minutes for the Quarterly Financial Report (Q1) submission. In addition to this, Whiddon have also followed the DOH guidance relating to resident care delivered by care management staff and staff in hybrid roles – only the portion of time spent on care of residents has been incorporated in to reported care minutes, including the management of personal care through tasks such as providing advice on management of wound care, diabetes, behaviours, medication, nutrition and hydration, pressure care and incontinence. Furthermore, tasks associated with identifying and documenting changes to a resident's health status, care planning and liaising with residents/families and health care providers, have been considered in the context of hybrid roles.

In Q4, Whiddon Easton Park Campus reported via the Quarterly Financial report, total care minutes of 238.52 per resident per day (1.29 minutes of which was related to hybrid roles). If further information is required, please refer to the Department of Health website <https://www.health.gov.au/>

Whiddon Easton Park currently operate well over the future mandated care minutes of 205 minutes per resident per day at an average of 231.65 pbd care minutes with the proposed revised roster accommodating 210.74 pbd care minutes.

It is noted that Whiddon will consider and align contracted hours with the new optimal roster across the whole campus and is not site specific. We note the variance between contracted hours and available rostered hours is currently 43.5 hours.

#### Occupancy Rates

Easton Park occupancy rate ranges between 93-95%. Our care minutes are worked out based on occupied bed days meaning the occupancy rate has been considered.

### 4. Effect of proposed change on employees (How)

Whiddon recognises that several Care employees at Whiddon Easton Park will be affected by the proposed changes to rostered hours and ordinary hours of work. Subject to consultation and industrial processes, it is possible that employees may be affected by one or more of the following scenarios:

- Change to shift times and shift patterns to meet the needs of the proposed roster
- Change to location of shift i.e., location across the Easton Park Campus
- Increase to contracted hours to meet the needs of the proposed roster
- Reduction of contracted hours to meet the needs of the proposed roster
- Potential redeployment into another business area or to another Whiddon facility

- Potential redundancy of roles
- Financial impact to employee

## 5. Measures to mitigate effects on employees

Whiddon recognise that the announcement of this proposed change and during the consultation process some employees may be overwhelmed and as such we are committed to working with all employees of Whiddon Easton Park to mitigate the effects or impacts of this proposed change. The following measures have been identified to mitigate the effects and impacts on employees:

- Communication with all employees
  - Whiddon will seek to understand preferred communication channels per business unit and individually;
  - Throughout the process employees will be
    - regularly kept updated via email/ phone and meetings;
    - able to meet individually with management and/ or the people and culture representative;
    - encouraged to ask questions in person at meetings and/ or via email/ phone to the key contacts outlined below
- Recognition and adaptation of the current master roster to identify existing patterns of ordinary hours worked to attempt to keep uniformity where possible
- Preparedness of suitable redeployment opportunities to either other business areas of Whiddon Easton Park or other Whiddon facilities as needed
- Provide access to our Employee Assistance Program – see attached brochure
- Provide access to Interpreter Assistance Services as required.

## 6. Key Contacts

Your Key Contacts during the consultation process include:

<b>Cheryl Standing</b> DCS Easton Park - EPU <a href="mailto:C.Standing@whiddon.com.au">C.Standing@whiddon.com.au</a> Phone: (02) 9827 6749	<b>Manju Thomas</b> DCS Easton Park - SDM <a href="mailto:M.Thomas@whiddon.com.au">M.Thomas@whiddon.com.au</a> Phone: (02) 9827 6666	<b>Lynda Neil</b> DCS Easton Park – TH & AWC <a href="mailto:L.Neil@whiddon.com.au">L.Neil@whiddon.com.au</a> Phone: (02) 9827 6666
<b>Sally Renshaw</b> Regional GM – Greater Sydney & North West NSW <a href="mailto:S.Renshaw@whiddon.com.au">S.Renshaw@whiddon.com.au</a> Phone: 0436 659 935	<b>Jacinda Quinzi</b> Senior People and Culture Advisor <a href="mailto:J.Quinzi@whiddon.com.au">J.Quinzi@whiddon.com.au</a> Phone: 0437 651 704	

## 7. Consultation Process Obligations

Whiddon acknowledge that Whiddon Easton Park employees' terms and conditions of employment are governed by the Whiddon Group Agreement 2017 (Agreement). As per the Agreement, Whiddon must consult with employees where there is a change to rosters or hours of work, or a major change. Please refer to the EA with reference to Part 3A Managing Changes and Disputes and Clause 19. Employee Representation, Clause 18. Consultation about major changes and Clause 20. Consultation about changes of rosters and hours of work. The Agreement can be found on the Whiddon website at:

<https://www.whiddon.com.au/wp-content/uploads/2017/09/The-Whiddon-Group-Agreement-2017-Clean-Proposal.pdf>

As part of the consultation process Whiddon acknowledge that employees may appoint a representative for the purpose of consultation and that in turn where a representative has been appointed the employee(s) is to advise Whiddon of the identity of the representative and Whiddon must then recognise the representative. Whiddon advises that prior to initial consultation meetings taking place with employees, Whiddon will notify the NSWNMA and the HSU accordingly.

## 8. Consultation Process

Whiddon acknowledge that this roster review has been communicated for some time and that this review has included both delay and pause since its initial roll out in July 2022. Whilst a consultation process took place previously, Whiddon have recognised that there is a need for the business to change their processes slightly, specifically we will be implementing an Expression of Interest (EOI) process so that we can try to achieve an agreed outcome and the implementation of the changes required for the business to remain financially viable.

The Expression of Interest process is to be used by Whiddon to achieve the outcome of the proposed roster including

- Change to shift times and shift patterns to meet the needs of the proposed roster
- Change to location of shift i.e. location across the Easton Park Campus
- Increase to contracted hours to meet the needs of the proposed roster
- Reduction of contracted hours to meet the needs of the proposed roster
- Potential redeployment into another business area or to another Whiddon facility
- Potential redundancy of roles

As such, the use of the Expression of Interest (EOI) process which is a lawful workforce reduction strategy will be implemented. The process will work in 3 stages, or a phased approach, for example: where there remains a lack of expression of interest in a reduction of contracted hours (stage 1) across the employee group to adequately bring closer the new roster and contracted hours, Whiddon will seek to enter stage 2 of the process. We outline the stages below:

	Action	Process
<b>Stage 1</b>	Voluntary reduction in hours or potential redeployment opportunities	<p>Whiddon asks employees to provide an EOI to voluntarily reduce their contracted hours or potential redeployment opportunities:</p> <ul style="list-style-type: none"> <li>• An employee is open to agreed reduction of hours for personal reasons which suit them.</li> <li>• Any employee is open to redeployment opportunities to other Whiddon services which suit them.</li> <li>• EOI are reviewed and individual employees are consulted with.</li> </ul> <p>This option is available to all employees and there is no obligation to elect or agree to one or both options.</p>
<b>Stage 2</b>	Voluntary redundancy	<p>In the event Option 1 does not result in a sufficient reduction in hours Whiddon would move to consider voluntary redundancies:</p> <ul style="list-style-type: none"> <li>• Whiddon would ask employees for EOI for voluntary redundancy.</li> <li>• If Whiddon receives too many EOI, then it will follow a lawful process to determine which EOI for voluntary redundancy will be accepted.</li> <li>• EOI are reviewed and individual employees are consulted with.</li> </ul>
<b>Stage 3</b>	Involuntary Redundancy	<p>In the event Option 2 does not result in a sufficient reduction in hours, Whiddon would move to consider involuntary redundancies:</p> <ul style="list-style-type: none"> <li>• Whiddon would utilise a matrix using lawful and objective criteria to identify roles / employees for redundancy.</li> </ul> <p>As part of this process, Whiddon would follow the process in accordance with The Whiddon Group Agreement 2017 and acceptable industrial practice.</p>

Consultation will continue to occur on either a one-on-one basis via meetings with your DCS or should your preference be to have a representative or support person present in any meetings pertaining to the roster review, you are welcome to bring a representative or person of your choosing along.

Whiddon remain committed to ensuring open and transparent communication with its employees through this change process and as such, we will have opportunity for our employees to meet and discuss the impact of the change, concerns and feedback in different types of communication settings including:

- Group based meetings as needed
- Individual based meetings
- Meetings with an individual and their representative or support person

In addition to the above process, Whiddon will also be consulting with employees in relation to the changes to rostered hours and ordinary hours of work, as set out above.

9. Consultation and Communication timeline	
Following is the consultation and communication timeline for the proposed roster change and implementation	
<b>Week Commencing</b> <b>27/03/23</b> (1 week)	<ul style="list-style-type: none"> <li>▪ Notification Letter sent to NSWNMA and HSU advising of recommencement of roster review</li> <li>▪ Employees notified via SMS and emailed notification of recommencement of the workplace change and roster review</li> <li>▪ Employees sent Change Impact Statement and EAP document</li> <li>▪ Management/ P&amp;C representative available for consultation with employees as needed</li> <li>▪ Unions invited to meet with Whiddon management on the change and process</li> </ul>
<b>Week Commencing</b> <b>03/04/23 – 16/04/23</b> (2 weeks)	<ul style="list-style-type: none"> <li>▪ Expression of interest (Stage 1) launched, communicated to employees via letter, form and change impact statement</li> <li>▪ Group Consultation Meetings conducted in person as per schedule</li> <li>▪ Management review EOI received and individuals (plus any representatives) are consulted with to discuss their EOI</li> <li>▪ Management to review the proposed roster in line with feedback received</li> <li>▪ Employees notified of outcome of Stage 1 EOI via letter and direct communication</li> <li>▪ Employees advised of outcomes of Stage 1 and movement to Stage 2 (if applicable)</li> </ul>
<b>Period</b> <b>17/04/23 –30/04/23</b> (2 weeks)	<b>If applicable</b> <ul style="list-style-type: none"> <li>▪ Expression of interest (Stage 2) launched, communicated to employees</li> <li>▪ Management review EOI received and individuals (plus any representatives) are consulted with to discuss their EOI</li> <li>▪ Management to continue to review the proposed roster in line with feedback received</li> <li>▪ Individuals notified if EOI has been accepted/rejected</li> <li>▪ Relevant employee(s) who have made EOI, and that EOI has been accepted, provided with summary of the redundancy payment for consideration</li> <li>▪ Employees notified of outcome of Stage 2 EOI via letter and direct communication</li> <li>▪ Employees advised of outcomes of Stage 2 and movement to Stage 3 (if applicable)</li> </ul>
<b>Period</b> <b>01/05//23 –21/05/23</b> (3 weeks)	<b>If applicable</b> <ul style="list-style-type: none"> <li>▪ Stage 3 launched, communicated to employees via MEMO</li> <li>▪ Management to consult with individuals (plus representative) identified where redundancy is to potentially occur.</li> <li>▪ Management to continue to review the proposed roster in line with feedback received</li> <li>▪ Selected individuals provided with summary of the redundancy payment for consideration</li> <li>▪ Individuals notified of outcome of Stage 3 via letter and direct communication</li> <li>▪ Employees advised of outcome of Stage 3</li> </ul>
<b>Period</b> <b>01/05/23- 14/05/23</b> (2 weeks)	<ul style="list-style-type: none"> <li>▪ Employees issued with proposal letter outlining proposed roster pattern</li> <li>▪ Management to continue to consult with individuals, discuss and consider any personal impacts the proposed roster or changes to ordinary hours may have on the Employee.</li> <li>▪ Management to continue to review the proposed roster in line with feedback received</li> </ul>
<b>Week commencing</b> <b>15/05/2023</b> (1 week)	<ul style="list-style-type: none"> <li>▪ Management to finalise rosters in line with feedback received from employees</li> <li>▪ Management to present final rosters to business areas</li> </ul>
<b>Week commencing</b> <b>22/05/2023</b> (2 weeks)	<ul style="list-style-type: none"> <li>▪ Status change letters distributed to employees as required</li> <li>▪ New agreed rosters published in Humanforce and made available to all individuals.</li> </ul>
<b>Monday 05/06/2023</b>	<ul style="list-style-type: none"> <li>▪ New agreed rosters commence</li> </ul>

**NOTE:** The information contained in this Change Impact Statement is based on information available at the time of writing and may be subject to change.