

JANUARY 2022



IMPORTANT

NOTICE

.....PLEASE READ

WHAREKAKA IN CRITICAL CONDITION

Message from the Board:

As a direct result of the COVID situation, Wharekaka is facing serious challenges to its financial sustainability and the ability to staff appropriately.

We have always aimed to break even financially which we've been able to do because of the turnover of villas, the support of our Auxiliary, and the wider community's Oak Tree giving, bequests and other donations. The reality is that our income has never matched our expenditure, and we have been operating "hand-to-mouth" for many years.

COVID however, has changed the game. It has effectively doubled Wharekaka's annual income gap to \$400K/pa – an amount that is untenable.

We have recently lost three registered nurses who we're unable to replace due to the nationwide shortage of qualified nurses (again caused by COVID). Without these nurses, we do not meet the critical requirements for hospital care and must close that service.

Wharekaka is a prudently run business with no debt. The usual Government subsidies, plus income from some residents, is insufficient to cover operating costs without the (relatively higher) income generated by

hospital level care. Aged care residential services are uneconomic, particularly with only twenty beds and in a building that was fit for purpose in the 1970s, but is no longer – it has a leaking roof, aging heating etc.

We have been in extensive discussions with both the South Wairarapa District Council and the Wairarapa DHB to attempt to save our beloved facility. The DHB advises that the nursing shortage is only going to increase, exacerbated by the looming threat of Omicron.

We therefore have been left with no option but to reluctantly propose closure of Wharekaka hospital and rest home care, and we have given our residents and our staff notice of this proposal. If confirmed, the facility would close by 31 March 2022.

The villa properties remain in place, and we will continue to support our villa residents.

We are exploring ways to keep our Meals on Wheels service - albeit that is currently only sustainable when we can achieve economies of scale through the rest home. We currently supply around 700 meals/month to elderly and infirm residents in their own homes in Martinborough, Greytown and Featherston.

Wharekaka Elder Care Community

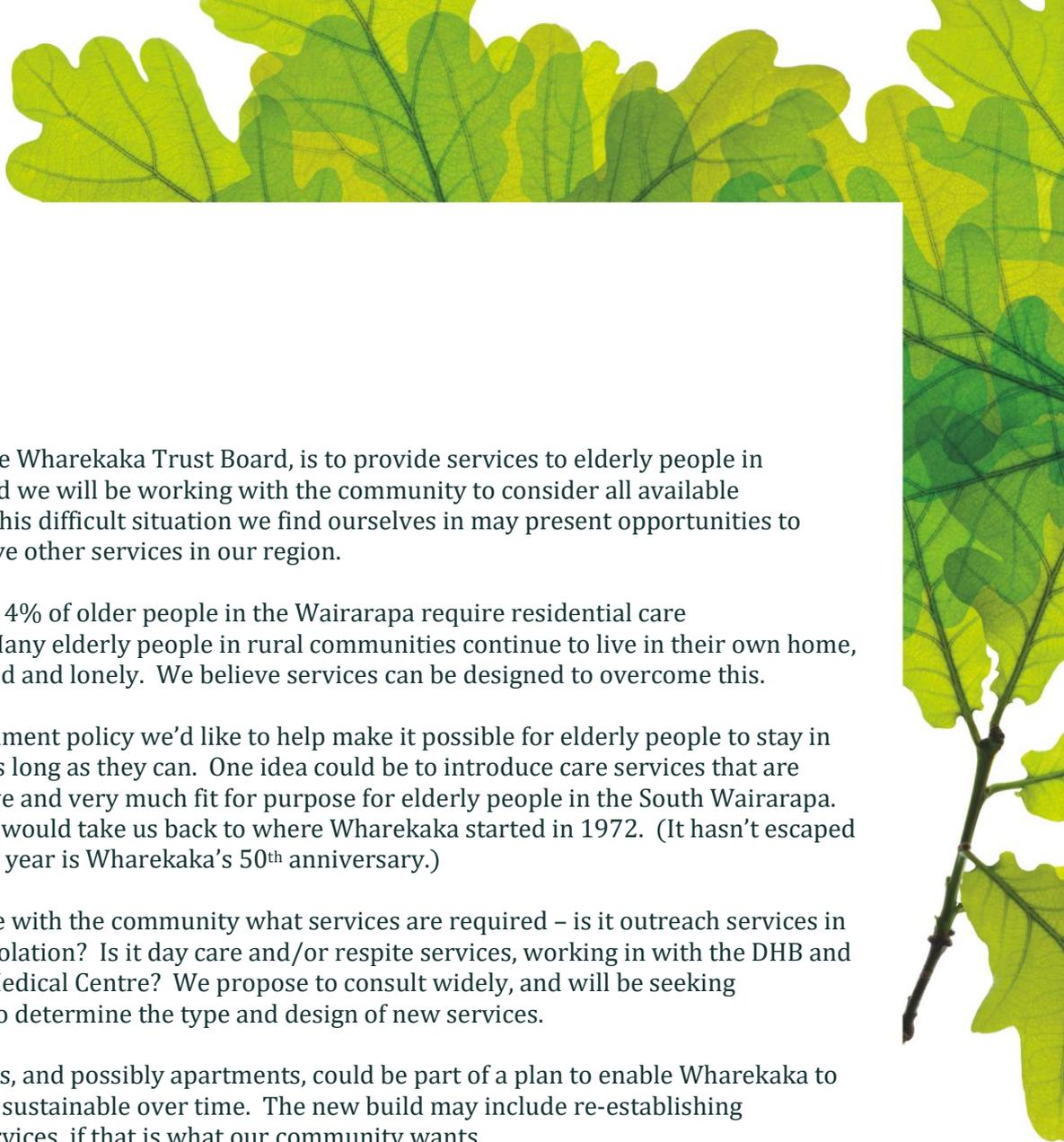
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The future

Our mandate, as the Wharekaka Trust Board, is to provide services to elderly people in Martinborough, and we will be working with the community to consider all available opportunities. So this difficult situation we find ourselves in may present opportunities to establish or improve other services in our region.

Currently just over 4% of older people in the Wairarapa require residential care accommodation. Many elderly people in rural communities continue to live in their own home, but a lot are isolated and lonely. We believe services can be designed to overcome this.

In line with Government policy we'd like to help make it possible for elderly people to stay in their own homes as long as they can. One idea could be to introduce care services that are different, innovative and very much fit for purpose for elderly people in the South Wairarapa. In some ways, that would take us back to where Wharekaka started in 1972. (It hasn't escaped our notice that this year is Wharekaka's 50th anniversary.)

We want to explore with the community what services are required – is it outreach services in homes to reduce isolation? Is it day care and/or respite services, working in with the DHB and Martinborough's Medical Centre? We propose to consult widely, and will be seeking community input to determine the type and design of new services.

Building more villas, and possibly apartments, could be part of a plan to enable Wharekaka to become financially sustainable over time. The new build may include re-establishing residential care services, if that is what our community wants.

The Trust Board want to ensure that Wharekaka is put on a sound financial foundation. This doesn't mean that the need for fundraising will go away, but there will be an end in sight.

Public consultation will take place and a working party set up to design the future of Wharekaka.

We are deeply saddened that we have to consider the closure of the hospital and residential services at this time, and we are working with our families to allay anxiety, find solutions and ensure minimum disruption.

We sincerely hope that the loyal support of the Auxiliary and the Oak Tree Community, Lions and Rotary, and that of the wider community, will continue whilst a plan for the future is put in place.