

**PROPOSED MERGER EXPLORATION- MERRI HEALTH AND BANYULE COMMUNITY HEALTH
FREQUENTLY ASKED QUESTIONS – Updated 19 August 2024**

Question	Response
Who are Banyule Community Health / Merri Health?	<p>Banyule Community Health was established in 1975 as West Heidelberg Community Health and Welfare Centre and merged with Diamond Valley Community Health Service in 1996. In recent years West Heidelberg Community Legal Service merged, and in 2020 Himilo Community Connect have become key programs of Banyule Community Health.</p> <p>Merri Health was established in 1975 as Brunswick Community Health Service and merged with Coburg Community Health in 1996. Over the years, other services joined Merri Health including Carer Links and Speech Inc. Since 2020 Merri Health has led the Carer Gateway consortium in Victoria.</p> <p>We are similar organisations, with great people, shared values, complementary services and a genuine commitment to our communities. A merger of equals, we think together we are a great match to improve services to our communities and grow into the future.</p>
What does a merger mean?	<p>Together, joining our collective skills and resources we will provide better service offerings for clients and our communities, be better prepared for our evolving care sector and increase opportunities for staff.</p>
What is the catalyst for the merger exploration? Why now?	<p>The Community Health Service environment continues to evolve and change. The Boards' and leaders of both organisations have recognised the success of a number of recent community health amalgamations, largely based on their increased footprint and therefore greater voice and strength.</p> <p>We want to bring this to our communities and recognise we need to push forward rather than wait for the world to catch up to us.</p> <p>Together we can be more capable and responsive to the current and future needs of our clients, staff, funders and most importantly our communities.</p>

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How might Banyule Community Health / Merri Health change with the potential merger?	<p>The Banyule Community Health and Merri Health service profile is very closely aligned, and this a key strength of this merger exploration. Our intention is to maintain and/or grow our current programs and services; and for staff to continue to work from their current locations and community to visit their usual site.</p> <p>It is the same services, delivered by the same people, with greater strength and capacity to grow into the future. Together, we will have a stronger voice for our communities. We are excited for greater opportunities for staff collaboration, better professional opportunities and diverse work experiences.</p> <p>Together with our staff, clients and community, we are committed to developing a new name and brand for a merged 'New Organisation' that represents our past and vision for the future.</p>
Where would services be delivered from in the future?	Banyule Community Health and Merri Health will continue to provide services from their current locations and are deeply committed to servicing communities locally.
Is this as a result of reduced funding streams or government policy?	No. Whilst the Community Health sector has faced a number of challenges, the potential merger would be next stage of both organisation's evolutions and will help to ensure that we remain strong and sustainable in the future.
Are we in financial trouble?	No. Both Banyule Community Health and Merri Health are in strong financial positions.
When are you merging?	Subject to a number of approval processes and appropriate consultation, a formal merger could come into effect in the current Financial Year.
Who will be CEO?	The CEO's of Banyule Community Health and Merri Health are committed to seeing the merger through and focussed on its success. They will continue to lead the process before, during and after the proposed transition. A Transition Committee will confirm a process for the appointment of the permanent CEO of the merged entity.

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Have other Community Health Services merged? Were they successful?	Yes. There are several examples of successful Community Health Services that have merged. This includes Sunbury Cobaw Community Health in 2021, DPV Health (from Dianella & Plenty Valley) in 2018 and Cohealth (from North Yarra, Doutta Galla & Western Region) in 2014.
Is this just a step towards privatisation?	No. The proposed new entity will remain a non-profit organisation closely aligned with our government partners and community.
With high inflation, cost of living pressures and pressures on state government funding, isn't this the worst time to do this? Can we defer this decision?	The current situation highlights the essential need for adaptable, flexible and resilient community organisations. Now is a critical period of challenge and change for the sector and highlights the importance of undertaking this merger process. The merger exploration journey we are on is common in our sector.
What will happen to Banyule Community Health / Merri Health programs that the other service doesn't have?	Our intention is to maintain and / or grow our current programs. We see this as an opportunity to grow service delivery in the future.
Why isn't another Community Health Service a part of this proposed merger?	<p>Banyule Community Health and Merri Health have a strong history of close alignment and partnership, and through this process aim to strengthen their capacity and capability to ensure improved service provision to our communities.</p> <p>Both organisations are continually exploring strategic and operational partnerships that transpire in positive outcomes, and as such welcome any exploration that would support and align with our key objectives and delivering on our vision for the future.</p>
What key merger activity and communication have taken place to date?	<p>All staff, applicable Unions, key stakeholders and clients were advised in October 2023 of the plans to explore a merger between the two organisations. Regular updates have been provided at each organisation since that date in a number of ways, to ensure all staff are kept up to date.</p> <p>Both organisations have continued to work closely, methodically moving through the requirements to fully explore the benefits of a combined organisation.</p>

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	<p>Due diligence has been completed and approved by both Boards, following a thorough review by independent auditors and lawyers. This confirmed the robust operations and compatibility of our two organisations. A new governance model that merges the two organisations and incorporates the strong values and operating principles of both organisations has been developed.</p> <p>This model will be detailed in the new organisation’s constitution, and once completed and if we proceed, members will be invited to a Special General Meeting to consider the new constitution. We anticipate this will take place later this year.</p> <p>Banyule Community Health and Merri Health Boards have sought legal and sector advice on the best way to achieve a ‘merger of equals’ and create a ‘new organisation’. The clear advice to achieve continuity of services to clients and communities, ongoing accreditation, staff certainty, and registration with key funding bodies is to ‘roll’ Banyule Community Health into the legal entity of Merri Community Health Services. This is a legal process that has the overwhelming support of both the Banyule Community Health Board and the Merri Health Board.</p> <p>This process is confirmed by a legal transfer deed that outlines the commitments, including the development of a new name and brand; and will establish a new Board with equal Directors from each organisation.</p>
<p>What change consultation will happen now?</p>	<p>We are now undertaking consultation with the general workforce in relation to the proposed merger, for more information about what this means, please refer to the change impact statement which can be found on the intranet and was sent to all staff via email on 20 August 2024.</p>
<p>How does the proposed merger impact staff daily activities?</p>	<p>The day-to-day duties or workload of our general workforce will not be impacted as part of the current stage; there are no proposed changes to role responsibilities outlined in position descriptions because of the proposed merger.</p>
<p>Why is this change/consultation happening now before members have voted on the merger?</p>	<p>If we proceed with the proposed merger after consultation, the next step will be for members of Banyule Community Health to vote on changes at a Special General Meeting. If the changes are</p>

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	<p>supported, this will enable the merger to occur and then allow for Banyule Community Health as a separate organisation to be wound up.</p> <p>Similarly, subject to consultation, Merri Health members must vote to make changes to its Constitution to allow the Banyule Community Health operations to be brought into Merri Health. The new merged organisation would have a new trading name and branding, which is still being developed – we refer to the merged entity as “New Organisation”.</p> <p>Each organisation has an obligation to consult with its workforce where a proposed change may have significant effect, as defined by the enterprise agreements. Both organisations need to consult prior to the Special General Meetings as these meetings may enact changes that impact the workforce.</p>
<p>What does this mean for clients? What do I tell them?</p>	<p>It is the same services, delivered by the same people. You’ll see the same people and so will they. Perhaps clients will benefit immediately from the range of services provided by Banyule Community Health or Merri Health.</p>
<p>I’ve heard that the branding process has started?</p>	<p>A new “name/brand” that represents our past and future vision will be developed; and our organisations have engaged ‘Studio Binocular’ to support this process. To ensure staff and community have ample opportunities to participate, and we can be more prepared for potential change, staff workshops have commenced. All staff have been invited to participate in these.</p> <p>Our clients, community and volunteers will be invited to participate and share their thoughts on a new name and brand after the Special General Meetings.</p>
<p>Are we merging because of the hospital funding issues in Victoria?</p>	<p>No, the Victorian State Government is currently conducting a review on Health Services (hospitals). Community Health Services are not in scope, however the State Government plans reflect the evolving needs in the health sector.</p>
<p>Some staff finished up recently. Is this because of the merger?</p>	<p>No, both Banyule Community Health and Merri Health have a wide range of funded services by governments and other bodies (over 100 different funding streams combined). From time to time</p>

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	there is change in funding conditions. The recent changes that have been made are reflective of these funding changes and staff have been informed of the change and supported.
What happens to the Executive at both services?	For now, the Executive of both Banyule Community Health and Merri Health is in place and focussed on business as usual and the proposed merger. If the change proceeds, a new CEO will be appointed, and process to identify an appropriate executive structure will be developed; and the appropriate consultation and change process will occur.
Will there be redundancies?	Our sector and environment are constantly experiencing change. The intention of the merger is to create more career opportunities for staff and seek growth opportunities. As part of the current change consultation process with our general workforce we are not proposing any employee will be retrenched. For further information please reference the Change Impact Statement (CIS). If there are changes to roles as part of integration, an appropriate change consultation process will occur.
What will happen next? Will things change immediately?	<p>We are currently undertaking a change consultation process with the general workforce. The steps we will take during consultation are outlined in the Change Impact Statement (CIS) which can be found on the Intranet and was emailed to all employees on 20 August 2024.</p> <p>If the proposed change progresses, the next step is the Special General Meeting at each respective organisation, where members will be provided the opportunity to vote on the changes. We anticipate this will be later this year.</p> <p>The merged organisation ('New Organisation'), including the new name and brand will 'Go Live' and be launched to our workforce and public some months later. We anticipate this may be March 2025.</p>
Why is Merri Health the 'Parent' Organisation?	Banyule Community Health and Merri Health Boards have sought legal and sector advice on the best way to achieve a 'merger of equals' and create a 'new organisation'. The clear advice to achieve continuity of services to clients and communities, ongoing accreditation, staff certainty, and registration with key funding bodies is to 'roll' Banyule Community Health into the legal entity of Merri Community Health Services. This is a legal process that has the overwhelming support of both the Banyule Community Health Board and the Merri Health Board.

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What does 'Go Live' mean?	The date that the new merged organisation ('New Organisation'), including the new name and brand is launched to the workforce and public. At this point in time all Banyule Community Health and Merri Health employees will be employed by the new organisation. We anticipate this may be March 2025.