Merger Evaluation Brief

1 Introduction

The Board of CaSPA Care is seeking the services of a qualified governance consultant to evaluate the outcomes of the merger between two aged care services - Claremont and South Port Aged Care (CaSPA Care) and Napier Street Aged Care Services (NSACS), both located in the City of Port Phillip.

2 Strategic Context

CaSPA Care manages two residential facilities, Emerald Hill in South Melbourne with 146 places and South Port in Albert Park with 30 places. NSACS is also located in South Melbourne and offers 59 places together with some community programs. Both organisations are not-for-profit and governed by volunteer boards.

Given their common purposes and similar roles in the local community, a merger offered both CaSPA and NSACS significant opportunity. While the expected benefits of the merger were never jointly documented, there were implied and jointly understood expectations including cost savings through economies of scale, greater sustainability in the face of increasing regulatory requirements and service improvements through operational, digital and cultural integration.

3 Evaluation Objectives

The purpose of the evaluation is four-fold:

1. To assess progress in cultural integration at Board level, at senior staff level and within the organisation generally
2. To assess any impact on clinical care
3. To assess the success of operational integration including digital integration
4. To assess changes in financial sustainability

Key evaluation questions include:

- Are corporate overheads reducing?
- Have procurement savings been realised?
- What was the cost of the merger? Are real savings likely?
- Have quality, safety and resident care indicator trends changed?
- Has there been any change in compliance with aged care quality standards?
- Has the transition to unified digital systems improved efficiency?
- Are staff effectively trained on the integrated platforms?
- Have resident or family satisfaction changed?
- Has staff satisfaction changed? Have staff opportunities increased?
- Has the Board established good governance processes?
- Have Board members developed constructive working relationships?

4 Scope of Work

The Consultant will design and execute an independent, resource-optimised evaluation of the post-merger integration. The evaluation must measure progress against four core pillars: financial sustainability, quality of resident care, operational integration and governance quality.

Required Tasks

- **Evaluation Framework**: Develop a data collection plan that leverages existing internal datasets to maximise the budget.
- **Baseline Data Setup**: Establish baseline performance metrics from both legacy organisations using data up to July 1, 2026.
- **Systems & Processes**: Assess the migration, staff uptake, and data integrity of consolidated care management, payroll, and financial software.
- **Financial Analysis**: Determine direct and indirect costs incurred in implementing the merger. Evaluate corporate overhead reductions, procurement savings, and other financial benefits of the merger
- **Quality of Care Assessment**: Analyse clinical indicator trends, compliance with quality standards and any impacts from the merger.
- **Integration Issues**: Provide the Board, where needed, with updates on integration friction points that may impact care quality or financial stability in the short-term.
- **Governance Standards Review**: Assess the changes in governance practices and the extent to which the Board has formed a cohesive oversight body
- **Stakeholder Sentiment**: Design and deploy automated digital surveys to gather feedback from Board members, staff, residents, and families.

5 Key Deliverables & Timeline

- **Deliverable 1: Inception Report** – Finalized methodology, metrics dashboard framework, and data-access plan. **Due: September 1, 2026.**
- **Deliverable 2: Interim Report** – A high-level briefing for the Board focused on financial tracking, initial systems and processes stability, Senior Leadership Team integration and any clinical safety risks. **Due: January 15, 2027.**
- **Deliverable 3: Final Evaluation Report & Board Presentation** – A comprehensive report outlining 12-month outcomes in accordance with the four evaluation objectives, together with strategic recommendations. **Due: July 15, 2027.**

6 Budget

While an indicative budget for the project of $20,000 +GST has been set, the Board will prioritise selecting the proposal that best delivers on the objectives.

7 Consultant Selection Criteria

Proposals will be evaluated based on the following criteria:

- **Sector Experience**: Demonstrated expertise in the aged care, healthcare, or community services sector, including a strong understanding of clinical governance
- **Merger & Integration Expertise**: Proven track record in evaluating organisational mergers, change management, or digital system consolidations.
- **Methodological Efficiency**: Ability to deliver a high-utility, rigorous evaluation within the strict $20,000 budget by utilising desktop research, automated surveying, and existing corporate data.
- **Communication & Reporting**: Evidence of ability to synthesise complex clinical, financial, and technical data into clear, actionable insights for the Board of Directors and diverse stakeholder groups.

8 How to Submit

Submissions: preferably no more than 5 pages, due by cob Friday 17th July 2026.

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