

August 2025

# SPECIAL REPORT

McLaren Vale Hospital Members Report -  
Legal dispute and record of events  
Summary

Save McLaren Vale Hospital Incorporated



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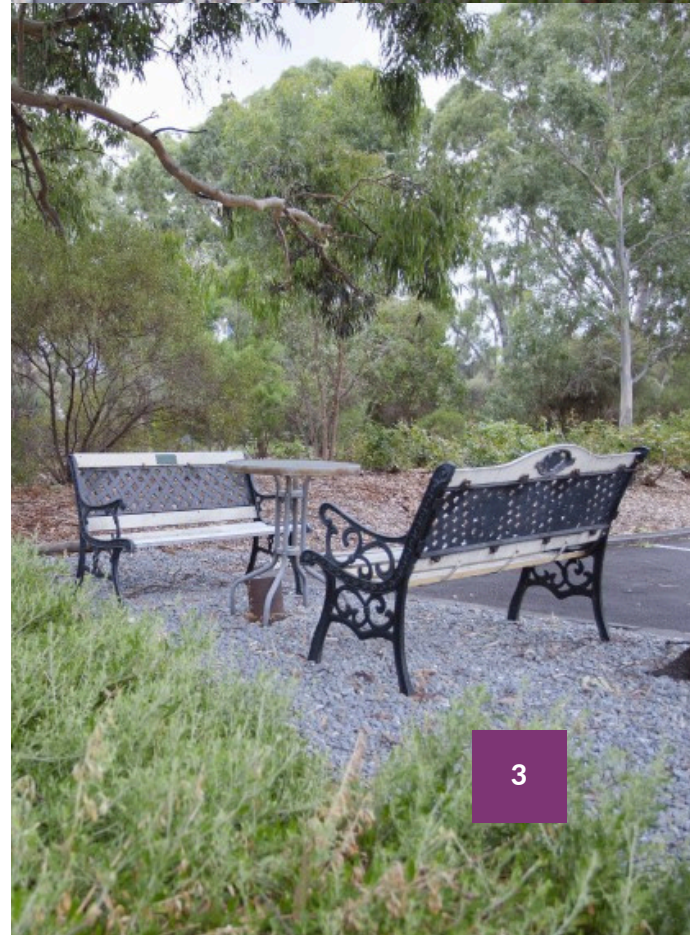
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# OUR OBJECTIVES

1. First and foremost, we want this land to remain in the hands of a charitable community association that anyone can join and participate in.
2. We want the site to continue to be used to deliver health services that benefit everyone in the community, not just a small group.
3. If it is at all possible, we want the site to remain a hospital so that residents in our area can recover or pass peacefully in our beautiful surroundings, close to family and friends.

This important information is taken from witness statements sworn under oath in the case of Henry Davis vs McLaren Vale & Districts War Memorial Hospital Incorporated. The case of the applicant called the boards actions against the members oppressive says that they withheld information and colluded to force an outcome which would deliver significant financial gain to specific parties to the detriment of the organisation they represented. The board includes the following persons: Chris Overland, Chris Bright, Gary Hennessy, Ginette Kremmidiotis, Phillipa Forrester.



# SUMMARY OF ISSUES

Why We Believe the Approach Taken by the Board Was Oppressive, Manipulative, Misleading, and Aided by Self-Interest:

1. The hospital was closed without consultation despite making a massive yearly profit and having a valid contract with SA Health.
2. Giving the site to Kalyra was presented as the ONLY option, and people who noted that there were clearly other options were aggressively defamed as property developers or as being manipulated by property developers.
3. Henry Davis was asked by community members to help defend the hospital and donated his time free of charge.

4. The first vote failed, and rather than engage in open consultation, the board immediately chose to act in concert with the Wellbeing Clinic, Kalyra, and Leon Bignell to act against the interests of the members and sign-up members who would vote to give away the assets. Dr Lauren Lawlor-Smith, engaged lawyers to threaten community members with litigation.
5. Our legal opinion is that Kalyra is not a valid beneficiary of the land, that the process to recruit new members was a deliberate attempt to suppress the views of existing members, and that members were not given accurate information about the status of the charity or the options available to it.



# WITNESS STATEMENT

Chris Overland - Chairman of the Hospital Board

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1.

Chris Overland said the hospital was unviable and that it wasn't making a profit in real terms. He said that the profit was inflated because of unearned income. He was then taken to the accounts of the Hospital that showed the hospital was actually making \$500k in profit and this unearned income did not form part of that figure. Chris Overland said the accountant had told him otherwise and he didn't realise the hospital was making such a large profit.

2.

Chris Overland told board members, SA Health, and the court that Dr Lovell was planning to retire in June 2023 and that no one else could admit patients in July. Dr Lovell's retirement apparently meant the hospital could no longer operate and would have to close.

3.

This was incorrect and strongly countered by Dr Lovell, who advised that he never told Chris Overland this and didn't intend on retiring. Chris Overland claimed that he had spoken to Dr Lovell in December last year. Dr Lovell claims this meeting did not happen and that he first heard the hospital was closing when the members did.

Chris Overland told the court that the Health Department had in the past been very helpful in filling key staff vacancies and supporting the hospital financially. There was no attempt to recruit a new doctor or even raise this as a potential issue with SA Health. It was untrue.

4.

SA Health had met requests from the board promptly in the past, including increasing payments, securing staff, and taking on more beds. SA Health had agreed to negotiate a longer-term operating agreement (three years) and extended the current agreement by five months. Presumably to give both sides time to complete the agreement. Despite the indication that a 3 year contract was on the table, when the 5 month contract was offered the board at the suggestion of Chris Overland, without any further consultation with the Department decided to close the hospital.

# WITNESS STATEMENT

Sara Blunt - CEO - Kaylra

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5.

Chris Overland and the board arbitrarily chose to close the hospital and wrote to SA Health, saying that the board had “unequivocally” determined to close the hospital. Chris said on the stand that he was surprised they didn’t beg him to keep it open.

6.

The board commissioned a report in 2019 on how to improve the hospital's operations. This report included recommendations about converting the site to a health hub. It was not discussed or presented to members as an option. The Board told members there was “no other viable option” despite him saying in court that a Health Hub was viable.

7.

Sara Blunt and Chris Overland met to discuss the transfer of the asset. Sara offered to acquire the site for fair value, lease the site, or take over operations. Chris decided to give the site away and wrote the outline terms he wanted and sent them to Sara for her to repeat back to him.

8.

Chris Bright (a fellow director) suggested to Chris Overland that the members should be told all options. Chris Overland expressly said that members should only be told the option the board wanted to pursue.

9.

Chris Overland, when asked if members should be consulted, specifically said: “The likelihood that they (the members) were going to come forth with a cunning plan to rescue the situation that we couldn’t think of was nil.”

10.

The board stated at the first vote that they intended to resign if their recommendation was not accepted. This was not recorded in the minutes, and during court proceedings, written notes from meetings did not reconcile with typed minutes, despite the fact that the meeting in March was recorded with a video camera.

# WITNESS STATEMENT

Dr Lauren Lawlor-Smith - GP - Wellbeing Clinic Owner

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11.

Once the first vote failed, the board, Dr Lawlor-Smith, and Leon Bignell met specifically to plan how they could defeat the members' vote and decided on a date for the second meeting they intentionally delayed the communication of the date for this meeting to ensure Lawlor-Smith had signed up enough members.

12.

Chris Overland failed to produce numerous documents and communication between himself and other stakeholders. This included withholding some correspondence from other board members.

13.

Kalyra's engaged public relations contractor recommended that they engage in consultation as requested by the members. This advice was rejected by Chris Overland.

14.

Dr Lauren Lawlor-Smith wrote to the board asking to collaborate on a plan to stack the membership. The request by 20 members to hold the vote again was signed by 16 new members, Lauren, and her staff. Existing members did not participate.

15.

Chris Overland wrote back and agreed with her plan. The specific objective was to defeat people who wanted to keep the hospital in community hands and have their proposal succeed.

16.

Dr Lawlor-Smith used her patient database and paid marketing, as well as requesting visiting patients to sign up so they would vote to give the hospital to Kalyra. She told community members her lease was at risk and the practice might have to close if it wasn't given to Kalyra but told her staff the exact opposite—that their lease was 100% safe.

# WITNESS STATEMENT

Dr Graham Lovell - GP - Wellbeing Clinic Owner

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17.

When questioned on the stand, Dr Lawlor-Smith said she lied to her staff and thought she could lose her lease. She chose not to get legal advice on her lease (which is registered) but did spend nearly \$4,000 to send aggressive legal claims to community members who had a different view from her.

18.

Members were also told that the Ambulance Lease and the OpShop would lose their leases. This comment was fabricated with no legal basis to back it up.

19.

Clinpath was originally a tenant of the hospital directly; their lease was transferred to Wellbeing for an undisclosed lease payment.

20.

Dr Lawlor-Smith and Sara Blunt met and discussed a joint venture where Kalyra would demolish the hospital, build new aged care properties, and lease space to Wellbeing. Dr Lawlor-Smith emphatically denied that more aged care residents would be good for her business or that the discussion of a joint venture influenced her decision to ask members to join and force the transfer to Kalyra.

21.

Sara Blunt was asked to explain the conduct of their staff in joining members. She advised that they had discussed purchasing or leasing the site, but Chris Overland's preference was to give the site to Kalyra.

22.

Sara received correspondence from a community member saying that they were concerned that elderly residents may be exploited by asking them to spend money on a membership to benefit Kalyra. Sara replied to this email inviting further information but conducted no investigation.



# WITNESS STATEMENT

Michael Baragwanath - resident and member

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23.

Michael was notified of the closure of the hospital in March 2023. He had previously been asked by family members and clients of a business he owned to assist the hospital, had not done so and felt guilty that it was not closing and that he had done nothing. (Context: Michael is a resident of 15 years and has relevant experience in the establishment, operations and winding up of charities in health promotion, research, museums and public benevolent institution's)

24.

Michael wrote to the board offering to assist with any investigation of options for the site having recently completed a community consultation program for another group. He offered his time at no cost.

25.

Michael spoke to Chris Overland and was advised that the board was "over it" and the hospital was not viable. Michael advised that he believed there were other options that would allow the charity to continue.

26.

Michael wrote to the owner of Wakefield Hospital -Pelligra Group setting out potential terms that allowed the community to remain in control of the site and for services to be expanded. The purpose, Michael said, was to demonstrate the fact that there was more than one option for members, on the stand Michael said this option was sub-optimal, that it was better that members did not involve any third party at all if possible.

27.

Michael together with other members asked for help from Henry Davis and when costs arose from the boards unwillingness to engage with any form of dispute resolution or mediation process he paid all costs incurred.

28.

Michael was accused of attempting to secure control of the property for financial gain, under oath Michael answered that this was not true.

# DOCUMENT SUMMARY

1. The hospital was profitable, supported by SA Health, and did not have to close at all. Chris Overland, supported either through active engagement or neglect by fellow board members actively worked with Dr Laureen Lawlor-Smith to close the hospital and deceive the community into believing that gifting the site was the only possible solution to a problem that did not exist.

2. When residents asked lawyer Henry Davis for help, he did so at no cost. He identified legal compliance issues with the proposal, the notices to members, and the board before the second meeting and notified the board members. They ignored his offer for further advice; they ignored similar offers of support and advice from other residents and actively demonised them instead. Local residents both volunteered and paid for further legal advice so that these issues could be known and resolved.

3. Henry requested the board mediate with him on numerous occasions in writing and in court. All these requests were refused. Henry wrote to the lawyers of the Hospital and offered that if they could explain why Kalyra had “similar purposes” to the hospital he would withdraw the action... this request to discuss the matter was ignored.

4. Kalyra joined the case. Once the trial commenced, they removed themselves immediately. At no time did Chris and the board ever offer to meet with members who disagreed with them despite multiple offers of help and multiple requests to discuss the issues.

5. The improperly executed closure of the hospital has resulted in a \$1 million bill from SA Health and the redundancy cost of more than \$350,000 for staff. Medical equipment that could have been used by the hospital was sold below value during the court case. Failure to address member concerns and deciding to fight in court has wasted well over \$200,000 in legal fees. The community has been consistently lied to, and members' rights have been suppressed.

6. The hospital was making \$500,000 profit, but the board understood it was making a loss, which is why they said it was "unviable." These decisions have had a real and traumatic impact on the community and have resulted in a significant waste of money donated to the charity over many years.

7. After the conclusion of the court case the community still hopes the board will meet with concerned members and discuss a way forward. So many members cannot understand why the board completely refuses to meet with the community to discuss other options that an independent report and they themselves described as “viable” which would keep the assets in community hands.



# HOW YOU CAN HELP



Conduct of Dr Lauren Lawlor-Smith has been reported to Australian Health Practitioner Regulation Agency (AHPRA) who are currently investigating.

Kalyra has been reported to the Australian Charities and Not-for-profits Commission.

McLaren Vale & Districts War Memorial Hospital Incorporated has been reported to the Australian Charities and Not-for-profits Commission.

Individual board members involved will now be reported to their respective professional associations for breaches of directors duties if applicable, bringing an organization in to disrepute and failing to meet their obligations as responsible persons.

Join as a Hospital Member

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Report poor conduct to authorities

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Attend the October Annual Meeting

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Join us

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**TOGETHER WE CAN KEEP THE HOSPITAL IN COMMUNITY HANDS**